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NEWS RELEASE

Glencore International plc

Merger Update – MOFCOM Approval and Management Update

MOFCOM Approval

Glencore notes today's announcement by the Ministry of Commerce of the People's Republic of China ("**MOFCOM**") confirming that it has cleared the Merger with Xstrata under the Chinese Anti-Monopoly Law subject to the following commitments.

Divestment of a Copper Concentrate Asset

Glencore shall sell all of its post-Merger ownership interest in Las Bambas, a copper project currently being developed by Xstrata in Peru to a purchaser approved by MOFCOM before 30 September 2014 for not less than the pre-determined price (unless otherwise agreed by Glencore) with completion to occur by 30 June 2015.

The pre-determined price shall be the higher of (i) the fair market price of Glencore's ownership interest in Las Bambas as evaluated according to industry practice by two independent investment banks chosen by Glencore and confirmed by the monitoring trustee and (ii) the total of all of the costs actually incurred by both Glencore and Xstrata in Las Bambas, as audited and confirmed by the monitoring trustee.

Glencore will start the sale process and make a public announcement of its offer to sell its ownership interest in Las Bambas within three months of MOFCOM's announcement today and will thereafter keep MOFCOM regularly updated regarding its search for potential purchasers for its ownership interest in Las Bambas. Glencore has agreed to use its reasonable best efforts to provide MOFCOM with details of potential purchaser(s) for Las Bambas by 31 August 2014.

If Glencore fails to enter into a binding sale and purchase agreement by 30 September 2014 or fails to complete the transfer of its ownership interest in Las Bambas by 30 June 2015 then, unless otherwise agreed by MOFCOM, Glencore must appoint a divestiture trustee to sell by way of auction its ownership interest in one of Tampakan, Frieda River, El Pachón or Alumbraera, as designated by MOFCOM, at no minimum price within three months from 1 October 2014 or 1 July 2015, as the case may be.

Copper Concentrate Supply Commitments

For a period of eight years from 1 January 2013, Glencore will continue to offer to supply Chinese customers with a minimum volume of copper concentrate annually under long-term contracts, with such minimum volume being equal to the average volume of copper concentrate supplied to Chinese customers under long-term contracts by both Glencore and Xstrata in 2011 and 2012 namely 900,000 dry metric tonnes. The price for a minimum of 200,000 dry metric tonnes of copper concentrate will be offered in accordance with the applicable annual benchmark price agreed between major miners and major smelters during annual supply

negotiations and the price for the remaining 700,000 dry metric tonnes of copper concentrate will be offered with reference to the applicable annual benchmark price.

During the eight year period mentioned above and beginning from 1 January 2014, if there is an increase or reduction in Glencore's forecast copper concentrate production, the minimum volume of copper concentrate to be offered for supply to Chinese customers will be adjusted *pro rata*.

Zinc Concentrate and Lead Concentrate Supply Commitments

For a period of eight years from 1 January 2013, Glencore will continue to offer to supply Chinese customers with zinc concentrate and lead concentrate through long-term contracts and spot contracts, the offered terms of which, including those in relation to price, will be fair and reasonable and in accordance with prevailing international market terms after taking into account product quality, volume, delivery period, payment terms, buyer creditworthiness and any other relevant circumstances.

Glencore will appoint an independent monitoring trustee(s) to supervise Glencore's performance of the above obligations and commitments. Within 15 days after the end of each quarter following MOFCOM's announcement, Glencore will provide reports to MOFCOM and the monitoring trustee demonstrating that it is complying with the divestment commitment regarding Las Bambas. Within 45 days after the end of each calendar year following MOFCOM's announcement, Glencore will provide reports to MOFCOM and the monitoring trustee demonstrating it is complying with the long-term supply commitments.

In response to a request from Glencore showing good cause, MOFCOM may, where appropriate, grant a variation or release to Glencore from its obligations under the remedy commitments.

Management Update

Xstrata plc Chief Executive Officer Mick Davis has agreed not to take up the six month role of Chief Executive Officer and Executive Director of Glencore Xstrata plc (the "**Combined Group**") following completion of the Merger.

Consequently Mr Davis will step down from Xstrata plc upon completion of the Merger, allowing Glencore CEO Ivan Glasenberg to assume the role of Chief Executive Officer of the Combined Group from the Effective Date.

The agreement entered into between Mick Davis and the Combined Group on 1 October 2012 for a term of six months from the Effective Date has been terminated. Conditional on the Merger becoming Effective, Mick Davis will receive a sum equal to the pay, bonus, benefits and pension allowance he would have been entitled to receive for the six month period (being £4,625,774) as a result of such termination.

Mick Davis has agreed to act as a consultant to the Combined Group until 30 June 2013 to assist with an orderly handover. For the duration of the consultancy arrangement Mick Davis will not be entitled to a monthly consultancy payment, however, he will be entitled to up to 30 hours of private use of an Xstrata aircraft which has been previously approved by the remuneration committee of Xstrata and provided to him in connection with his current role as chief executive officer of Xstrata.

Subject to landlord's consent, Mick Davis will take a sublease of the Almack House premises for a period up to 15 March 2017 at the same rent as Xstrata is currently paying with a rent free period up to 31 March 2014. In addition, subject to the sublease being granted, he will pay the Combined

Group the book value of the furniture and IT equipment at the end of the sublease for his use of it during the term and its transfer to him.

As disclosed in the Glencore/Xstrata public documents, Mick Davis's existing employment with the Xstrata Group will terminate on the Effective Date of the Merger following which Mr Davis will additionally receive a sum equal to 100% of his annual salary, 2011 bonus and other benefits and pension allowance in accordance with the terms of his existing contract with the Xstrata Group.

Glencore will provide an updated management structure for the Combined Group on closing of the Merger.

Glencore also notes that it has today given effect to the commitments required by the European Commission.

Given the MOFCOM clearance and Glencore having now given effect to the commitments required by the European Commission, completion of the Merger is now only conditional upon the completion of the Xstrata court process as further set out in the New Scheme Document published by Xstrata on 25 October 2012.

The expected timetable in connection with the Merger is now as follows (London times):

Scheme Court Hearing to sanction the Scheme	29 April 2013
Reduction Court Hearing to confirm the Reduction of Capital	1 May 2013
Scheme Record Time	6.00 p.m. on 1 May 2013
Effective Date ⁽¹⁾⁽²⁾	2 May 2013
Delisting of Xstrata Shares ⁽¹⁾⁽³⁾	2 May 2013
Issue and listing of the New Glencore Shares (and crediting of the New Glencore Shares in uncertificated form to CREST accounts) ⁽¹⁾	8.00 a.m. on 3 May 2013
Admission and commencement of dealings on the London Stock Exchange of the New Glencore Shares ⁽¹⁾⁽⁴⁾	by 8.00 a.m. on 3 May 2013
Posting of share certificates for the New Glencore Shares (where applicable) ⁽¹⁾	by no later than 16 May 2013

Notes:

- (1) These times and dates are indicative only and will depend, amongst other things, on (a) the Court sanctioning the Scheme and confirming the associated Reduction of Capital, and (b) a copy of the Reduction Court Order having been delivered to the Registrar of Companies and, if the Court so orders for the Reduction of Capital to take effect, the Reduction Court Order and the Statement of Capital having been registered by the Registrar of Companies, following the prior delivery of the Scheme Court Order to the Registrar of Companies.
- (2) The Long Stop Date for the Merger becoming Effective is 2 May 2013. However, this date may be extended by agreement between Glencore and Xstrata and with the consent of the Panel, and (if required) with the approval of the Court.
- (3) Delisting of Xstrata Shares from the Swiss Stock Exchange is expected to occur on 3 May 2013.
- (4) Hong Kong Admission is expected to occur on 6 May 2013.

Capitalised terms used in this announcement, unless defined herein, have the same meanings as set out in the Original Prospectus dated 31 May 2012, as supplemented by the Supplementary Prospectuses.

For enquiries about Glencore, please contact:

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Publication on Website

A copy of this announcement will be available on Glencore's website (www.glencore.com) by no later than 12 noon (London time) on the business day following the date of this announcement.

You may request a hard copy of this announcement, free of charge, by contacting the Company Secretary of Glencore, John Burton, at john.burton@glencore.com. You may also request that all future documents, announcements and information to be sent to you in relation to the Merger should be in hard copy form.