



NEWS RELEASE

Shareholders approve all-share merger with Glencore International plc

Zug, 20 November 2012

At shareholder meetings held today in Zug, Switzerland, Xstrata's shareholders other than the Glencore Group approved the proposed all-share merger of Xstrata plc and Glencore International plc, subject to the resolution to approve the Revised Management Incentive Arrangements to be put to the Further Xstrata General Meeting not being passed. This resolution was subsequently not passed. Consequently, the merger will proceed, subject to outstanding regulatory approvals and UK Court approval, but the Revised Management Incentive Arrangements will not be put in place to retain key Xstrata operational and functional management.

Sir John Bond, Xstrata plc Chairman, commented:

"We welcome shareholders' support for the merger with Glencore today, which underlines the sound strategic rationale for a combination of the two companies. It is our judgement that retention arrangements served the interests of shareholders by mitigating the risk of losing the management team that built Xstrata and who would be fundamental to the group's future success. Xstrata's board put in place a scheme of arrangement and voting structure that empowered non-Glencore shareholders to determine how and whether the merger would proceed and today, our shareholders have voted to approve the Merger without supporting the retention arrangements.

"The immediate focus of Xstrata's board and management team is on the successful completion of the Merger and we remain committed to delivering the outcome that shareholders have approved today. I have said consistently that I would do what is in the best interests of the company. In the light of shareholders' decision not to support the board's recommendation, I have informed the Xstrata plc board and Glencore's current chairman that, once the Merger has completed, I intend to instruct the board to commence an orderly process to appoint a new independent Chairman of Glencore Xstrata plc. Upon the satisfactory conclusion of the search process, overseen by the Glencore Xstrata plc board nominations committee, I will step down."

Mick Davis, Xstrata plc Chief Executive Officer, said:

"I have been privileged to lead a team of exceptionally talented and capable managers over the past ten years. Together we have created one of the world's leading mining groups from inauspicious beginnings and delivered enormous value to all of our shareholders, including Glencore. The corporate culture, values and world-class portfolio of assets and growth projects we have developed over that time are a source of pride and will make a significant contribution to the combined company.

"Glencore Xstrata has the potential to become a very significant company in the resources world and Xstrata's people will be a critical element of this success. I regret the decision of shareholders not to approve these retention arrangements for the members of my senior and operational management deemed crucial to the success of the combined group as, in my view, this introduces unnecessary risks to the merged company's future value proposition.

"Shareholders, however, have spoken clearly and we respect their views. I would like to thank my senior team for the professionalism they have shown over the past ten years in running our operations and delivering our major growth projects as efficiently and safely as possible."

Merger control approvals have been obtained from the majority of relevant antitrust and regulatory authorities. Only three approvals remain outstanding – those of the EU, China and South Africa. The European Commission Phase I review process will terminate on 22 November 2012. As previously indicated, at the end of the Phase I period, the European Commission may (a) approve the Merger unconditionally, (b) approve the Merger subject to commitments in relation to the Combined Group offered

by Glencore and accepted by the European Commission, or (c) conclude that it has serious doubts as to the Merger's compatibility with the common market and therefore refer the case to an in-depth Phase II review. The Merger will lapse if Glencore invokes the relevant condition as a result of either the merger or any matter arising from it being referred by the European Commission to a Phase II investigation, or as a result of the Merger being approved by the European Commission on terms (including as to remedies) which are not reasonably satisfactory to Glencore.

End

Unless the context otherwise requires, terms defined in Xstrata's circular to shareholders relating to the New Scheme and dated 25 October 2012 shall have the same meanings in this announcement.

Neither the content of the company's website nor the content of any other website accessible from hyperlinks on the company's website is incorporated into, or forms part of, this announcement

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Notes to editors

About Xstrata plc

We are a major producer of a range of vital commodities used in everything from constructing buildings and delivering electricity, to developing jet engines and mobile phones. We are one of the top five global producers of copper, thermal and metallurgical coal, ferrochrome, zinc and nickel and we also produce silver, lead, platinum, gold, cobalt and vanadium.

Founded in 2002 and headquartered in Switzerland, we operate in over 20 countries and employ over 70,000 people at more than 100 operations and projects around the world. We work in a responsible and sustainable way, with an entrepreneurial spirit and dynamic approach. For more information, visit www.xstrata.com.

Further information

Defined terms used in this announcement, unless defined herein, have the same meanings as in the new scheme circular published by Xstrata plc on 25 October 2012.

This announcement is for information purposes only. It is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Merger or otherwise nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. The Merger is being made solely by means of the Scheme Circular, the Supplementary Scheme Circular and the New Scheme Circular, which, together with the Further Forms of Proxy (and any further

supplementary Scheme Circular and any additional form or proxy), contains the full terms and conditions of the Merger including details of how to vote in respect of the Merger. Xstrata urges Xstrata Shareholders to read the Scheme Circular, the Supplementary Scheme Circular, the New Scheme Circular and any further supplementary Scheme Circular in full because they contain/will contain important information in relation to the Merger. Any vote in respect of the Scheme or other response in relation to the Merger should be made only on the basis of the information contained in the Scheme Circular, the Supplementary Scheme Circular, the New Scheme Circular and any further supplementary Scheme Circular.

This announcement does not constitute a prospectus or prospectus equivalent document.

Notice to US holders of Xstrata Shares

The Merger involves an exchange of the securities of a UK company for the securities of a Jersey company and is subject to Jersey and UK disclosure requirements, which are different from those of the United States. The financial information included in this announcement has been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The Merger is proposed to be made by means of a scheme of arrangement under the Companies Act and otherwise in accordance with the requirements of the Code. The scheme of arrangement will relate to the shares of a UK company that is a 'foreign private issuer' as defined under Rule 3b-4 under the US Exchange Act.

Accordingly, the proposed combination is subject to disclosure and other procedural requirements applicable in the UK to schemes of arrangement, which differ from the disclosure requirements of the US proxy and tender offer rules under the US Exchange Act.

Any securities to be issued under the Merger have not been and will not be registered under the US Securities Act, or under the securities laws of any state, district or of any other jurisdiction of the United States, or of any jurisdiction other than the United Kingdom. Accordingly, the New Glencore Shares may not be offered, sold, reoffered, resold, pledged, delivered or otherwise transferred, in or into any jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. It is expected that the New Glencore Shares will be issued in reliance upon the exemption from such registration provided by Section 3(a)(10) of the US Securities Act. Under applicable US securities laws, persons (whether or not US persons) who are or will be "affiliates" (within the meaning of the US Securities Act) of Xstrata or Glencore prior to, or of Glencore after, the Effective Date will be subject to certain transfer restrictions relating to the Glencore Shares received in connection with the Scheme. It may be difficult for US holders of Xstrata Shares to enforce their rights and any claim arising out of the US federal securities laws, since each of Glencore and Xstrata are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Xstrata Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

If Glencore exercises its right, subject to the consent of the Panel (where necessary) and with Xstrata's prior written consent, to implement the Merger by way of a Merger Offer, the Merger will be made in compliance with applicable US laws and regulations, including applicable provisions of the tender offer rules under the US Exchange Act, to the extent applicable.

Overseas jurisdictions

The ability of Xstrata Shareholders who are not resident in the United Kingdom to participate in the Scheme may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions.

New Glencore Shares have neither been marketed to, nor are available for purchase or exchange, in whole or in part, by, the public in the United Kingdom or elsewhere in connection with the Merger. This announcement is not a prospectus and does not constitute an invitation or offer to sell or the solicitation of an invitation or offer to buy any security. None of the securities referred to in this announcement shall be sold, issued, subscribed for, purchased, exchanged or transferred in any jurisdiction in contravention of applicable law.

The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the

violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law, the Listing Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside of England.

Forward-looking statements

This announcement contains statements which are, or may be deemed to be, "forward-looking statements" which are prospective in nature. All statements other than statements of historical fact are forward-looking statements. They are based on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "targets", "aims", "projects" or words or terms of similar substance or the negative thereof, are forward-looking statements, as well as variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Glencore's or Xstrata's operations and potential synergies resulting from the Merger; and (iii) the effects of global economic conditions on Glencore's or Xstrata's business.

Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors may cause the actual results, performance or achievements of Glencore or Xstrata to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important factors that could cause actual results, performance or achievements of Glencore or Xstrata to differ materially from the expectations of Glencore or Xstrata, as applicable, include, among other things, general business and economic conditions globally, commodity price volatility, industry trends, competition, changes in government and other regulation, including in relation to the environment, health and safety and taxation, labour relations and work stoppages, changes in political and economic stability, disruptions in business operations due to reorganisation activities (whether or not Glencore combines with Xstrata), interest rate and currency fluctuations, the failure to satisfy any conditions for the Merger on a timely basis or at all, the failure to satisfy the conditions of the Merger when implemented (including approvals or clearances from regulatory and other agencies and bodies) on a timely basis or at all, the failure of Glencore to combine with Xstrata on a timely basis or at all, the inability of the Combined Group to realise successfully any anticipated synergy benefits when the Merger is implemented, the inability of the Combined Group to integrate successfully Glencore's and Xstrata's operations and programmes when the Merger is implemented, the Combined Group incurring and/or experiencing unanticipated costs and/or delays or difficulties relating to the Merger when the Merger is implemented. Such forward-looking statements should therefore be construed in light of such factors.

Neither Xstrata nor Glencore, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

Other than in accordance with its legal or regulatory obligations (including under the Listing Rules and the Disclosure and Transparency Rules of the FSA), neither Xstrata nor Glencore is under any obligation and Xstrata and Glencore each expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No profit forecasts

No statement in this announcement is intended as a profit forecast and no statement in this announcement should be interpreted to mean that earnings per Glencore or Xstrata ordinary share for the current or future financial years would necessarily match or exceed the historical published earnings per Glencore or Xstrata ordinary share.

Responsibility statement

The Independent Xstrata Directors each accept responsibility for the information contained in this announcement. To the best of the knowledge and belief of the Independent Xstrata Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.