

SUPPLEMENTARY SCHEME CIRCULAR DATED 8 AUGUST 2012

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II (SUPPLEMENTARY EXPLANATORY STATEMENT) OF THIS DOCUMENT, TOGETHER WITH THE REST OF THIS DOCUMENT, PART II (EXPLANATORY STATEMENT) OF THE SCHEME CIRCULAR AND THE REST OF THE SCHEME CIRCULAR, COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006.

This document should be read in conjunction with the accompanying New Xstrata General Meeting Form of Proxy, together with the Court Meeting Form of Proxy, and the information contained in the Scheme Circular. Copies of the Scheme Circular, the Glencore Prospectus, the First Supplementary Glencore Prospectus dated 12 July 2012 and the Second Supplementary Glencore Prospectus dated 7 August 2012 (in the case of the Glencore Prospectus, the First Supplementary Glencore Prospectus and the Second Supplementary Glencore Prospectus, each of which has been prepared in accordance with the Prospectus Rules made under section 73A of the Financial Services and Markets Act 2000 and for which Glencore, the Glencore Directors and the Proposed Glencore Directors are responsible) are available free of charge by calling the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

If you sell or have sold or otherwise transferred all of your Xstrata Shares, please send this document and the accompanying documents at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred only part of your holding of Xstrata Shares, you should retain the documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The distribution of this document in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

**Supplementary Circular relating to the
recommended all-share merger of equals of
Glencore International plc
and
Xstrata plc
to be effected by means of a Scheme of Arrangement under
Part 26 of the Companies Act 2006**

Your attention is drawn to the letter from the Chairman of Xstrata which is set out in Part I (*Letter from the Chairman of Xstrata*) of this document and which contains a recommendation from the Independent Non-Executive Xstrata Directors that you vote in favour of each of the Resolutions to be proposed at the Shareholder Meetings.

Notice of the Court Meeting (which was adjourned on 12 July 2012 to the date of the New Xstrata General Meeting) was set out in Part IX of the Scheme Circular and notice of the New Xstrata General Meeting is set out in Part VI (*Notice of New Xstrata General Meeting*) of this document. The Shareholder Meetings are to be held at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland on 7 September 2012. The adjourned Court Meeting will start at 11.00 a.m. Central European Summer Time and the New Xstrata General Meeting at 11.15 a.m. Central European Summer Time (or as soon thereafter as the Court Meeting has concluded or been further adjourned). You may also attend both the Court Meeting and the New Xstrata General Meeting at Holborn Bars, 138-142 Holborn, London EC1N 2NQ where satellite meetings linked by video conference to the Shareholder Meetings in Zug will be held at 10.00 a.m. and 10.15 a.m. London time, respectively (or, in the case of the New Xstrata General Meeting (and concurrent satellite meeting), as soon thereafter as the Court Meeting has concluded or been further adjourned).

The actions to be taken in respect of the Shareholder Meetings are set out on pages 3-6 of this document, and set out in detail on pages 3-5 of the Scheme Circular.

In order to comply with the requirements of the Panel and Rule 16.2 of the Code, the Amended Management Incentive Arrangements Resolution to be proposed at the New Xstrata General Meeting will be taken on a poll and only Independent Xstrata Shareholders are permitted to vote thereon. Any vote cast by an Xstrata Shareholder who is not an Independent Xstrata Shareholder, either in person or by proxy, will not be counted. If you are in any doubt as to whether or not you are permitted to vote on such resolution, please call the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

If you have any questions about this document, the Scheme Circular, the Court Meeting, the New Xstrata General Meeting or on the completion and return of the Forms of Proxy, please call the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin—Federal Financial Supervisory Authority) and authorised and subject to limited regulation by the FSA. Details about the extent of Deutsche Bank AG's authorisation and regulation by the FSA are available on request. Deutsche Bank AG, London Branch is acting as financial adviser and corporate broker to Xstrata and no one else in connection with the Merger and will not be responsible to anyone other than Xstrata for providing the protections afforded to clients of Deutsche Bank AG, London Branch, nor for providing advice in relation to the Merger or for any of the matters referred to in this document.

J.P. Morgan Limited, which conducts its UK investment banking business as J.P. Morgan Cazenove and is authorised and regulated in the United Kingdom by the FSA, is acting as financial adviser and corporate broker to Xstrata and for no one else in connection with the Merger and will not be responsible to anyone other than Xstrata for providing the protections afforded to its clients nor for providing advice in relation to the Merger or for any of the matters set out in this document.

Goldman Sachs International, which is authorised and regulated in the United Kingdom by the FSA, is acting as financial adviser to Xstrata and for no one else in connection with the Merger and will not be responsible to anyone other than Xstrata for providing the protections afforded to clients of Goldman Sachs International nor for providing advice in relation to the Merger, the content of this document or any matter referred to herein.

Nomura International plc, which conducts its UK investment banking business as Nomura and is authorised and regulated in the United Kingdom by the FSA, is acting as financial adviser to Xstrata and for no one else in connection with the matters set out in this document and will not be responsible to anyone other than Xstrata for providing the protections afforded to its clients nor for providing advice in relation to the matters set out in this document.

Barclays Bank PLC, acting through its investment bank ("Barclays"), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as financial adviser to Xstrata and no-one else in connection with the Merger and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Merger and will not be responsible to anyone other than Xstrata for providing the protections afforded to its clients, nor for providing advice in connection with the Merger or any other matter referred to herein.

AVAILABILITY OF HARD COPIES

If you have received this document in electronic form, you may request a hard copy of this document and/or any information incorporated by reference into this document by calling the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger. 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. Copies of this document and any document or information incorporated by reference into this document will not be provided unless such a request is made.

INFORMATION FOR UNITED STATES AND OTHER OVERSEAS SHAREHOLDERS

This document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer to subscribe for or buy, any securities by any person, or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction (a) in which such offer or invitation is not authorised, (b) in which the person making such offer or invitation is not qualified to do so, or (c) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation or would impose any unfulfilled registration, publication or approval requirements on Xstrata, Glencore or any of their respective, directors, officers, agents and advisers. No action has been taken nor will be taken in any jurisdiction by any such person that would permit a public offering of any securities in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this document other than in any jurisdiction where action for that purpose is required. Neither Xstrata, Glencore nor their respective directors, officers, agents or advisers accept any responsibility for any violation of any of these restrictions by any other person.

None of the securities referred to in this document have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States.

The Merger will involve an exchange of the securities of a UK company for the securities of a Jersey company and will be subject to Jersey and UK disclosure requirements, which are different from those of the United States. The financial information included in this document 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 US GAAP. US GAAP differs in certain significant respects from IFRS. None of the financial information in this document has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

The Merger will be effected 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 will be subject to disclosure and other procedural requirements applicable in the United Kingdom to schemes of arrangement, which differ from the disclosure requirements of the US proxy and tender offer rules under the US Exchange Act.

The New Glencore Shares have not been, and will not be, registered under the US Securities Act, or under the securities laws of any state, district or 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.

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 document is not a prospectus but a shareholder circular 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 document shall be sold, issued, subscribed for, purchased, exchanged or transferred in any jurisdiction in contravention of applicable law.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTE ON FORWARD-LOOKING STATEMENTS

This document 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 (a) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects, (b) business and management strategies and the expansion and growth of Glencore's or Xstrata's operations and potential synergies resulting from the Merger, and (c) 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 document 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), 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.

DISCLOSURE REQUIREMENTS OF THE CODE

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

This document will be available on the websites of Xstrata and Glencore at www.xstrata.com and www.glencore.com, respectively, by no later than 12 noon on 9 August 2012.

NO PROFIT FORECAST

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

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REVISED EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<u>Event</u>	<u>Expected time/date⁽¹⁾</u>
Latest time for receipt by Xstrata's Registrars of New Forms of Proxy for:	
Adjourned Court Meeting (BLUE form) ⁽²⁾	10.00 a.m. (11.00 a.m. Central European Summer Time) on 5 September 2012
New Xstrata General Meeting (PINK form) ⁽³⁾	10.15 a.m. (11.15 a.m. Central European Summer Time) on 5 September 2012
Scheme Voting Record Time (for the Court Meeting and the New Xstrata General Meeting) ⁽⁴⁾	6.00 p.m. (7.00 p.m. Central European Summer Time) on 5 September 2012
Adjourned Glencore General Meeting⁽⁵⁾	8.00 a.m. (9.00 a.m. Central European Summer Time) on 7 September 2012
Adjourned Court Meeting⁽⁶⁾⁽⁷⁾	10.00 a.m. (11.00 a.m. Central European Summer Time) on 7 September 2012
New Xstrata General Meeting⁽⁷⁾⁽⁸⁾⁽⁹⁾	10.15 a.m. (11.15 a.m. Central European Summer Time) on 7 September 2012

The following dates are provided by way of indicative guidance, are subject to change and will depend, amongst other things, on the date on which regulatory (and other) conditions to the Merger are satisfied or, if capable of waiver, waived and on the date on which the Court sanctions the Scheme and approves the Reduction of Capital. Xstrata will give adequate notice of all of these dates, when known, by issuing an announcement through an RIS. Further updates or changes to other times or dates indicated below shall, at Xstrata's discretion, be notified in the same manner (please also see note (10) below).

Scheme Court Hearing ⁽¹⁰⁾	A date expected to be in the fourth quarter of 2012 ("D")
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Xstrata Shares ⁽¹⁰⁾	D+1 2012
Reorganisation Record Time ⁽¹⁰⁾	6.00 p.m. on D+1 2012
Reduction Court Hearing ⁽¹⁰⁾	D+2 2012
Scheme Record Time ⁽¹⁰⁾	6.00 p.m. on D+2 2012
Effective Date ⁽¹⁰⁾	D+3 2012
New Glencore Shares listed, and crediting of New Glencore Shares in uncertificated form to CREST accounts (and cancellation of listings of Xstrata Shares) ⁽¹⁰⁾	8.00 a.m. on D+4 2012
Admission to trading and commencement of dealings in New Glencore Shares ⁽¹⁰⁾	by 8.00 a.m. D+4 2012
Despatch of share certificates in respect of New Glencore Shares ⁽¹⁰⁾	by no later than D+17 2012
Long Stop Date ⁽¹¹⁾	31 October 2012

Notes:

(1) All times shown in this document are references to London time unless otherwise stated. **The times and dates given are indicative only and are based on Xstrata's and Glencore's current expectations and may be subject to change (including as a result of changes to Court times or the regulatory approval timetable).** If any of the times and/or dates above change the revised times and/or dates will be notified to Xstrata Shareholders by announcement through an RIS.

- (2) BLUE Court Meeting Forms of Proxy not returned by this time may be handed to representatives of Xstrata's Registrars or the Chairman of the Court Meeting before the start of that meeting and will still be valid.
- (3) To be valid, PINK New Xstrata General Meeting Forms of Proxy for the New Xstrata General Meeting must be lodged by 10.15 a.m. (11.15 a.m. Central European Summer Time) on 5 September 2012.
- (4) If either the Court Meeting or the New Xstrata General Meeting is adjourned the voting record time for the adjourned meeting will be 6.00 p.m. on the date falling two business days before the adjourned meeting.
- (5) On 11 July 2012, the Glencore General Meeting was adjourned to a time, date and place to be fixed by the Glencore Directors and notified to members. In accordance with Glencore's articles of association, notice of the adjourned Glencore General Meeting will be given at least seven clear days in advance. Glencore expects to hold the adjourned Glencore General Meeting at 9.00 a.m. Central European Summer Time on 7 September 2012. The Glencore General Meeting is required to be held as the Merger constitutes a "Class 1" transaction for Glencore under the Listing Rules, requiring Glencore Shareholder approval.
- (6) Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular and the need, as a consequence of those proposed changes, to convene the New Xstrata General Meeting, Xstrata sought permission from the Court to adjourn the Court Meeting and on 4 July 2012 the Court granted permission to the chairman of the Court Meeting to do so. Accordingly, on 12 July 2012 the Court Meeting was adjourned to the date of the New Xstrata General Meeting, notice of which is included in Part VI (*Notice of New Xstrata General Meeting*) of this document.
- (7) The Court Meeting and the New Xstrata General Meeting will be held at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland and at Holborn Bars, 138-142 Holborn, London EC1N 2NQ where a satellite meeting linked by video conference to the Zug meetings will be held concurrently at 10.00 a.m London time in the case of the Court Meeting and at 10.15 a.m. in the case of the New Xstrata General Meeting.
- (8) Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular, it is necessary for Xstrata to convene a new extraordinary general meeting to consider, amongst other things, a resolution to approve the Amended Management Incentive Arrangements and to approve the establishment of the New Xstrata 2012 Plan. Accordingly, on 12 July 2012 the Xstrata General Meeting was adjourned *sine die*.
- (9) To commence at the time fixed or, if later, immediately following the conclusion or further adjournment of the adjourned Court Meeting.
- (10) These times and dates are indicative only and will depend, amongst other things, on the dates upon which (a) the conditions are satisfied or (if capable of waiver) waived, (b) the Court sanctions the Scheme and confirms the associated Reduction of Capital, and (c) a copy of the Reduction Court Order has 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 have been registered by the Registrar of Companies, following the prior delivery of the Scheme Court Order to the Registrar of Companies.
- (11) This date may be extended by agreement between Xstrata and Glencore, with the consent of the Panel and (if required) the approval of the Court.

ACTION TO BE TAKEN

Detailed instructions on the action to be taken by Xstrata Shareholders are set out below.

The Court Meeting and the Xstrata General Meeting originally convened for 12 July 2012 have been adjourned.

It is proposed that the adjourned Court Meeting and the New Xstrata General Meeting will take place on 7 September 2012.

Court Meeting

Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular and the need, as a consequence of those proposed changes, to convene the New Xstrata General Meeting, Xstrata sought permission from the Court to adjourn the Court Meeting and on 4 July 2012 the Court granted permission to the chairman of the Court Meeting to do so. Accordingly, on 12 July 2012 the Court Meeting was adjourned to the date of the New Xstrata General Meeting.

New Xstrata General Meeting

Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular, it is necessary for Xstrata to convene the New Xstrata General Meeting to consider, amongst other things, a resolution to approve the Amended Management Incentive Arrangements and to approve the establishment of the New Xstrata 2012 Plan. Accordingly, on 12 July 2012 the Xstrata General Meeting was adjourned *sine die*.

Voting at the adjourned Court Meeting and the New Xstrata General Meeting

The Scheme will require approval at the adjourned meeting of Scheme Voting Shareholders convened by order of the Court to be held at 11.00 a.m. Central European Summer Time on 7 September 2012 at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland with a concurrent satellite meeting linked by video conference to be held at Holborn Bars, 138-142 Holborn, London EC1N 2NQ at 10.00 a.m. London time. The approval required at this meeting is that those voting to approve the Scheme must:

- represent a majority in number of those Scheme Voting Shareholders present and voting, either in person or by proxy; and
- also represent 75 per cent. or more in value of all Scheme Voting Shares voted by those Scheme Voting Shareholders present and voting, either in person or by proxy.

The Scheme also requires the sanction of the Court which will follow a hearing at which all Xstrata Shareholders may be present and be heard in person or through representation to support or oppose the sanctioning of the Scheme.

Resolution 1 to be proposed at the New Xstrata General Meeting is a special resolution to approve various matters in connection with the implementation of the Scheme, including (amongst other matters) authorising the Xstrata Directors to take all actions required to carry the Scheme into full effect, a share capital reorganisation of Xstrata, the issue of New Xstrata Shares to Glencore and/or its nominees and amendments to the Xstrata Articles. Members of the Glencore Group who are Xstrata Shareholders are entitled to vote their shares in respect of this resolution. However, as no member of the Glencore Group is an Independent Xstrata Shareholder, no member of the Glencore Group is entitled to vote their shares in respect of resolution 2 to be proposed at the New Xstrata General Meeting, which is the Amended Management Incentive Arrangements Resolution. For the avoidance of doubt, as no member of the Glencore Group is a Scheme Voting Shareholder, no member of the Glencore Group is entitled to vote their shares on the resolution to approve the Scheme to be proposed at the Court Meeting.

The New Xstrata General Meeting is to be held at the same venue at which the Court Meeting is to be held, at 11.15 a.m. Central European Summer Time, with a concurrent satellite meeting linked by video conference to be held at Holborn Bars, 138-142 Holborn, London EC1N 2NQ at 10.15 a.m. London time on 7 September 2012 (or as soon thereafter as the Court Meeting has concluded or been further adjourned). Notice of the Court Meeting (which was adjourned on 12 July 2012 to the date of the New

Xstrata General Meeting) was set out in Part IX of the Scheme Circular and notice of the New Xstrata General Meeting is set out in Part VI (*Notice of New Xstrata General Meeting*) of this document.

The passing of the resolution to approve the Scheme at the Court Meeting is subject to and inter-conditional with the passing of the Amended Management Incentive Arrangements Resolution. Accordingly, the Merger will not be implemented if the Amended Management Incentive Arrangements Resolution is not passed.

If the Scheme is implemented it will be binding on all holders of Scheme Shares, including any holders of Scheme Voting Shares who did not vote to approve the Scheme.

If you have already submitted a Court Meeting Form of Proxy for the Court Meeting and do not wish to change your voting instruction, you need take no further action in relation to the Court Meeting as your Court Meeting Form of Proxy will continue to be valid in respect of the adjourned Court Meeting.

If you are yet to submit the blue Court Meeting Form of Proxy in relation to the Court Meeting sent to you with the Scheme Circular, it is very important that you complete and return the Court Meeting Form of Proxy to ensure the outcome of the Court Meeting reflects the wishes of the Scheme Shareholders.

If you have submitted a Court Meeting Form of Proxy for the Court Meeting and now wish to change your voting instruction, please call the shareholder helpline to obtain a new Court Meeting Form of Proxy between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

Please check you have received the following with this document:

- a PINK New Xstrata General Meeting Form of Proxy for use in respect of the New Xstrata General Meeting on 7 September 2012; and
- a reply-paid envelope for use in the United Kingdom for the return of the PINK New Xstrata General Meeting Form of Proxy for use in respect of the New Xstrata General Meeting. If you have not yet returned your Court Meeting Form of Proxy, this may also be returned in this reply-paid envelope.

Should either of these documents be missing please contact the shareholder helpline on the number set out below.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of the Scheme Voting Shareholders. Whether or not you plan to attend the Shareholder Meetings in person, you are strongly encouraged to sign and return your Forms of Proxy (in the case of the Court Meeting Form of Proxy for the adjourned Court Meeting, to the extent that you have yet to submit the Court Meeting Form of Proxy or would like to change your voting instruction as described above), or to appoint a proxy electronically, as referred to below, as soon as possible and, in any event, so as to be received by Xstrata's Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom, by the following times and dates:

- BLUE Court Meeting Form of Proxy for the Court Meeting by 10.00 a.m. (11.00 a.m Central European Summer Time) on 5 September 2012; and
- PINK New Xstrata General Meeting Forms of Proxy for the New Xstrata General Meeting by 10.15 a.m (11.15 a.m. Central European Summer Time) on 5 September 2012,

or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a working day) prior to the time and date set for the adjourned meeting. This will enable your votes to be counted at the Shareholder Meetings in the event of your absence.

Alternatively, BLUE Court Meeting Forms of Proxy for the Court Meeting (but NOT PINK New Xstrata General Meeting Forms of Proxy for the New Xstrata General Meeting) may be handed to representatives of Computershare Investor Services PLC or the Chairman of the Court Meeting before the start of the Court Meeting.

The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the Court Meeting, the New Xstrata General Meeting or any adjournment thereof, if you so wish and are so entitled.

In order to comply with the requirements of the Panel and Rule 16.2 of the Code, the Amended Management Incentive Arrangements Resolution to be proposed at the New Xstrata General Meeting will be taken on a poll and only Independent Xstrata Shareholders are permitted to vote thereon. Any vote cast by an Xstrata Shareholder who is not an Independent Xstrata Shareholder, either in person or by proxy, shall not be counted. If you are in any doubt as to whether or not you are permitted to vote on such resolution, please call the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

Certificated Xstrata Shareholders—multiple proxy voting instructions

Eligible Xstrata Shareholders who hold Xstrata Shares in certificated form are entitled to appoint a proxy, to exercise all or any of their rights to attend and to speak and vote on their behalf at the Shareholder Meetings, in respect of some or all of their Xstrata Shares and may appoint more than one proxy. A space has been included on the Forms of Proxy to allow certificated Xstrata Shareholders to specify the number of Xstrata Shares in respect of which any such proxy is appointed.

If you have already submitted a Court Meeting Form of Proxy for the Court Meeting and do not wish to change your voting instruction, you need take no further action in relation to the Court Meeting as your Court Meeting Form of Proxy will continue to be valid in respect of the adjourned Court Meeting.

If you have submitted a Court Meeting Form of Proxy for the Court Meeting and now wish to change your voting instruction, please call the shareholder helpline to obtain a new Court Meeting Form of Proxy between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

If you wish to appoint more than one proxy in respect of your shareholding, you should photocopy the Form of Proxy or call the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

Electronic appointment of proxies

Xstrata Shareholders holding Xstrata Shares in certificated form

Xstrata Shareholders entitled to attend and vote at the Shareholder Meetings may appoint a proxy electronically by logging on to the website of Computershare Investor Services PLC at www.eproxyappointment.com and entering the voting ID, task ID and shareholder reference number shown on their Forms of Proxy. Full details of the procedure to be followed to appoint a proxy electronically are given on the website. Further information is also included in the instructions included on the Forms of Proxy.

The appointment of a proxy or proxies electronically or through CREST shall not preclude an eligible Xstrata Shareholder from attending and voting in person at either Shareholder Meeting or any adjournment thereof.

If you have previously voted using the above procedures and wish to change your instruction, you may do so by re-logging onto the website and following the procedures described above.

Xstrata Shareholders holding Xstrata Shares in uncertificated form

Xstrata Shareholders who hold Xstrata Shares in uncertificated form (that is, in CREST) and who wish to appoint a proxy or proxies for the Shareholder Meetings or any adjournment(s) by using the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC (ID 3RA50) by no later than 48 hours (excluding any part of a day that is not a working day) prior to the Court Meeting or New Xstrata General Meeting, as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Computershare Investor Services PLC is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Xstrata may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

If you have previously voted and wish to change your instruction, you may do so by submitting a revised CREST Proxy Instruction through CREST, following the procedures described above.

Xstrata Share Schemes

Participants in the Existing Xstrata Share Schemes should refer to paragraph 10 of Part II of the Scheme Circular for information relating to the effect of the Merger on their rights under such share schemes.

Assistance

If you have any questions about this document, the Scheme Circular, the Court Meeting, the adjourned Xstrata General Meeting, the New Xstrata General Meeting or on the completion and return of the Forms of Proxy, please call the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

PART I
LETTER FROM THE CHAIRMAN OF XSTRATA



Registered office:
Xstrata plc
1st Floor, Almack House
26-28 King Street
London SW1Y 6QW

Registered in England and Wales
with number 04345939

8 August 2012

To all Xstrata Shareholders and, for information only, participants in the Xstrata Share Schemes

Dear Xstrata Shareholder,

Recommended All-Share Merger of Equals of Glencore and Xstrata

1. INTRODUCTION

On 7 February 2012, the Independent Xstrata Directors and the Glencore Directors announced the terms of a recommended all-share merger of equals of Glencore and Xstrata. The Merger will create a new integrated major natural resources group, with increased scale, earnings from a diverse portfolio of natural resources operations, logistics and marketing activities and an improved platform for further growth and value creation.

The Independent Non-Executive Xstrata Directors believe that the Merger with Glencore is in the interests of all Xstrata Shareholders. The Merger comprises three inseparable and interdependent elements—the Merger ratio, the governance and management structure and the Management Incentive Arrangements. The Independent Non-Executive Xstrata Directors strongly believe that retaining Xstrata's proven management team is essential for the success of the Merger; Xstrata's Management will be responsible for over 80 per cent. of the Combined Group's earnings*, 150 mining and metallurgical assets and 20 major growth projects. We would not have recommended the Merger on its current terms without arrangements to secure Xstrata's management team in the critical initial years of the Combined Group's life and, consequently, the passing of the resolutions to approve the Merger and the Management Incentive Arrangements are inter-conditional.

On 31 May 2012, a Scheme Circular setting out, amongst other things, the full terms and conditions of the Scheme, the Management Incentive Arrangements and an Explanatory Statement, together with the action to be taken by Xstrata Shareholders, was sent to Xstrata Shareholders. The Scheme Circular also contained notices convening the Court Meeting and Xstrata General Meeting, both of which were scheduled to be held on 12 July 2012.

Following publication of the Scheme Circular, the Independent Xstrata Directors engaged extensively with non-Glencore Group Xstrata Shareholders. Our consultation with major shareholders highlighted that our owners understood our views about the importance of retaining key Xstrata managers in the Combined Group. Nevertheless, a number of shareholders raised concerns about the proposed structure of the retention arrangements.

* Based on the 2011 financial results of Xstrata and Glencore.

The original retention awards offered the most secure means of retaining key managers in a highly competitive global mining labour market. Additionally, over 80 per cent. of total available remuneration at the executive level is already subject to performance conditions.

However, Xstrata's Management and the Independent Non-Executive Xstrata Directors have been sensitive to both the perspective and concerns of our shareholders in the current environment and have carefully considered the feedback received from shareholders. Following consultation between Xstrata's Management, the Independent Non-Executive Xstrata Directors, shareholders and advisers, amendments to the structure of the retention award element of the Management Incentive Arrangements in place for 73 key Xstrata managers have been proposed by the Independent Non-Executive Xstrata Directors and agreed with Glencore.

On 27 June 2012 Xstrata announced the agreed key amendments to the terms of the retention award element of the Management Incentive Arrangements as set out in the Scheme Circular and on 11 July 2012 Xstrata announced the detailed terms of these amendments (the "Amended Management Incentive Arrangements").

Under the terms of the original Management Incentive Arrangements, retention awards were to be paid entirely in cash (other than in the case of Mr. Davis for whom awards were to be paid as to two-thirds in cash and one third in shares) and were not subject to any performance conditions. Under the terms of the Amended Management Incentive Arrangements, retention awards for all recipients will be paid entirely in or in respect to shares in the Combined Entity, further aligning the interests of Xstrata's Management and the Xstrata Senior Employees with the interests of shareholders and linking the retention award for all recipients to the performance of the Combined Entity's shares. In addition, 100 per cent. of the retention awards for the Xstrata Executive Directors and the other members of Xstrata's Management will be subject to performance conditions based on realising additional Savings in the two years following the Effective Date.

The previously announced EBITDA synergy estimate at a run-rate of at least US\$500 million per annum in the first full year of the Combined Group following the Effective Date includes approximately US\$50 million of cost synergies. Vesting of retention awards for Xstrata's Management will now only occur if additional Savings are achieved over and above the US\$50 million Savings already identified in the synergy estimate. No additional Savings have already been identified. Full vesting of the retention award will only occur if a minimum of an additional US\$300 million of incremental Savings are achieved over the two years post completion*. These Merger-related Savings will be realised from initiatives including reorganising the Combined Group's assets, the reduction of any duplicated costs not already identified in the synergy estimate, financial synergies and other savings. The additional Savings will create further value for shareholders from the Merger on an ongoing basis. A committee comprising all of the independent non-executive directors of the Combined Entity will oversee a process to verify the achievement of additional Savings and will appoint an international accounting firm, which is independent of the Combined Group, to provide an independent assessment of performance against the Savings target.

The achievement of US\$300 million of incremental Savings over the two years following the Effective Date to enable Xstrata's Management's retention awards to vest in full represents a stretching performance measure which, if achieved, will, in the first full year of their delivery, exceed the cost of the retention awards, deliver ongoing value to shareholders beyond that and improve the ongoing cost competitiveness of the Combined Group. The Independent Non-Executive Xstrata Directors believe that this cost competitiveness and sustained value creation should be reflected in the Combined Entity's market value.

The number of shares to be awarded under the Amended Management Incentive Arrangements will be determined by reference to the average of the closing prices of Xstrata Shares over the seven dealing days immediately before the Shareholder Meetings, subject to a minimum value of 705 pence per Xstrata Share. The maximum potential cost to Xstrata remains as originally contemplated under the terms of the Management Incentive Arrangements, details of which are set out on pages 30-34 of the Scheme Circular. If the relevant performance conditions described above are met and any retention awards vest, since relevant retention awards will be paid in shares rather than in cash, the value of

* None of the above cost savings targets are intended as a profit forecast or profit estimate and no statement in relation to them should be interpreted to mean that earnings per share for Scheme Shareholders will necessarily be greater than those for the year ended 31 December 2011.

relevant vested retention awards will be dependent upon the market value of Glencore Shares at the time of vesting of those awards.

Further details of the terms of the retention award element of the Amended Management Incentive Arrangements are set out in paragraph 2 of Part II (*Supplementary Explanatory Statement*) of this document. The other elements of the Management Incentive Arrangements, being payments in respect of contractual provisions and under the Glencore Performance Share Plan, will remain as described in the Scheme Circular. For ease of reference, these elements are summarised in paragraph 2 of Part II (*Supplementary Explanatory Statement*) to this document on pages 17 and 18. With the exception of the Amended Management Incentive Arrangements, the terms of the Merger remain otherwise unchanged.

The Amended Management Incentive Arrangements Resolution to be proposed at the New Xstrata General Meeting will be taken on a poll and only Independent Xstrata Shareholders are permitted to vote thereon. Any vote cast by an Xstrata Shareholder who is not an Independent Xstrata Shareholder, either in person or by proxy, shall not be counted. The Scheme is conditional upon, amongst other things, the passing of the Amended Management Incentive Arrangements Resolution. Accordingly, the Merger will not become effective if the Amended Management Incentive Arrangements Resolution is not passed. To be passed, the Amended Management Incentive Arrangements Resolution will require a simple majority of all Xstrata Shares voted by those Independent Xstrata Shareholders present and voting, either in person or by proxy, to be voted in favour of the Amended Management Incentive Arrangements Resolution. No member of the Glencore Group (nor any person acting in concert with Glencore), nor any of the Xstrata Executive Directors, nor any other members of Xstrata's Management, nor any of the Senior Xstrata Employees are Independent Xstrata Shareholders and, pursuant to the requirements of Rule 16.2 of the Code are not, therefore, entitled to vote on the Amended Management Incentive Arrangements Resolution. **Each of the Xstrata Financial Advisers has reviewed the terms of the Amended Management Incentive Arrangements and each of them considers them to be fair and reasonable so far as the Independent Xstrata Shareholders are concerned. In providing its advice, each of the Xstrata Financial Advisers has taken into account the commercial assessments of the Independent Non-Executive Xstrata Directors.**

2. COURT MEETING AND NEW XSTRATA GENERAL MEETING

Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular and the need, as a consequence of those proposed changes, to convene the New Xstrata General Meeting, Xstrata sought permission from the Court to adjourn the Court Meeting and on 4 July 2012 the Court granted permission to the chairman of the Court Meeting to do so. Accordingly, on 12 July 2012 the Court Meeting was adjourned to the date of the New Xstrata General Meeting, notice of which is set out in Part VI (*Notice of New Xstrata General Meeting*) of this document.

Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular, it is necessary for Xstrata to convene the New Xstrata General Meeting to consider, amongst other things, a resolution to approve the Amended Management Incentive Arrangements and to approve the establishment of the New Xstrata 2012 Plan. Accordingly, on 12 July 2012 the Xstrata General Meeting was adjourned *sine die*.

Notice of the Court Meeting (which was adjourned on 12 July 2012 to the date of the New Xstrata General Meeting) was set out in Part IX of the Scheme Circular and notice of the New Xstrata General Meeting is set out in Part VI (*Notice of New Xstrata General Meeting*) of this document.

All Scheme Voting Shareholders (in respect of the Court Meeting) and all Xstrata Shareholders (in respect of the New Xstrata General Meeting, other than in relation to the Amended Management Incentive Arrangements Resolution on which only Independent Xstrata Shareholders may vote) whose names appear on the register of members of Xstrata at the Scheme Record Voting Time, or, if either Shareholder Meeting is adjourned, on the register of members at 6.00 p.m. on the date two business days before the date set for the adjourned Shareholder Meetings, shall be entitled to attend and vote at the relevant meeting in respect of the number of Xstrata Shares registered in their name at the relevant time.

The Court Meeting and New Xstrata General Meeting will be held at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland with concurrent satellite meetings being held at Holborn Bars, 138-142 Holborn, London EC1N 2NQ linked by video conference to the Shareholder Meetings in Zug.

The Court Meeting

The resolution to be proposed at the Court Meeting is subject to the passing of the resolutions to be proposed at the New Xstrata General Meeting, as described below.

The Court Meeting is being held at the direction of the Court to seek the approval of Scheme Voting Shareholders for the Scheme. At the Court Meeting, voting will be by way of poll and each Scheme Voting Shareholder present, either in person or by proxy, will be entitled to one vote for each Scheme Voting Share held. In order for the resolution to be passed, it must be approved by a majority in number of those Scheme Voting Shareholders present and voting, either in person or by proxy, representing 75 per cent. or more in value of all Scheme Voting Shares voted by Scheme Voting Shareholders. As no member of the Glencore Group is a Scheme Voting Shareholder no member of the Glencore Group is entitled to vote at the adjourned Court Meeting.

The passing of the resolution to approve the Scheme at the Court Meeting is conditional upon the passing of the New Xstrata General Meeting Resolutions to be proposed at the New Xstrata General Meeting. It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Voting Shareholder opinion. Please refer to pages 3-5 (Action to be Taken) of the Scheme Circular and pages 3-6 of this document for details of the steps that you will need (and are encouraged) to take in connection with this document and the Merger.

The New Xstrata General Meeting

The New Xstrata General Meeting, which has been convened for 10.15 a.m. (11.15 a.m. Central European Summer Time) on 7 September 2012, or as soon thereafter as the Court Meeting has concluded or been further adjourned, is to consider and, if thought fit:

- (a) pass a resolution (which requires votes in favour representing at least 75 per cent. of the votes cast) to approve:
 - (i) the authorisation of the Xstrata Directors to take all such action as they may consider necessary or appropriate for carrying the Scheme into full effect;
 - (ii) the reclassification of the Excluded Shares and Scheme Shares into A Shares and B Shares respectively;
 - (iii) the cancellation of the B Shares in accordance with the Scheme, representing a reduction of Xstrata's share capital equal to the aggregate nominal value of such shares;
 - (iv) the giving of authority to the directors of Xstrata pursuant to section 551 of the Companies Act to allot securities in Xstrata;
 - (v) the subsequent issue of New Xstrata Shares to Glencore and/or its nominee(s) in accordance with the Scheme; and
 - (vi) certain amendments to the Xstrata Articles (as described in paragraph 12 of Part II of the Scheme Circular); and
- (b) pass a resolution (which requires votes in favour of Independent Xstrata Shareholders representing more than 50 per cent. of the votes cast) to approve:
 - (i) the Amended Management Incentive Arrangements; and
 - (ii) the establishment of the New Xstrata 2012 Plan.

The passing of each of the New Xstrata General Meeting Resolutions is conditional upon the passing of the other New Xstrata General Meeting Resolution. The passing of the Amended Management Incentive Arrangements Resolution is also conditional on the passing of the resolution to approve the Scheme at the Court Meeting and *vice versa*.

3. CURRENT TRADING AND PROSPECTS

Xstrata Current Trading and Prospects

On 7 August 2012 Xstrata published its half-year results (for the 6 months ended 30 June 2012). These results, which were announced through a Regulatory Information Service include a current trading and

prospects statement and are incorporated into this document by reference pursuant to Rule 24.15 of the Code. The results are available at www.xstrata.com.

Glencore Current Trading and Prospects

On 9 May 2012 Glencore released its interim management statement for the first quarter of 2012. Since this date, concerns in respect of Eurozone sovereign debt have intensified and global economic growth expectations have also decreased. Both factors have led to a deterioration in overall financial market sentiment with a consequential reduction in commodity prices. The S&P GSCI Industrial Metals Index fell 17 per cent. from 470 to 390 based on average commodity prices in the first half of 2011 compared with the same period in 2012 tempering the performance of Glencore's industrial assets. Glencore's marketing operations meanwhile continue to perform well with physical demand remaining generally healthy. In addition, Glencore continues to be encouraged by its progress in developing the growth projects within its industrial asset base. Glencore's growth is brownfield with attendant short lead times and low levels of capital intensity.

Despite the continued global economic uncertainty and the resultant negative sentiment, it remains Glencore's view that commodity inventories are generally low, both on exchanges and within supply chains. Glencore continues to see strong underlying long-term fundamentals for the major commodities that would be produced and marketed by the Combined Group.

Glencore expects to announce its half-year results (for the 6 months ended 30 June 2012) on 21 August 2012. These results will be available from that date on www.glencore.com.

4. UPDATE ON REGULATORY APPROVALS

Merger control approvals have now been obtained from the majority of relevant antitrust and regulatory authorities. With the merger review process still ongoing in the European Union, China and South Africa, Glencore and Xstrata continue to expect to receive all relevant merger control approvals to enable completion of the Merger in the fourth quarter of 2012.

Detailed discussions with the European Commission, the Chinese Ministry of Commerce and the South African Competition Commission are at an advanced stage, and Glencore expects to file formal notification (which will commence the so-called "phase one" review) of the Merger with the European Commission during August 2012. As explained in the Scheme Circular, and as provided for in the Conditions, should the European Commission grant clearance (either unconditionally or subject to remedies that are reasonably satisfactory to Glencore), the Merger will be able to proceed to closing, provided all other regulatory and non-regulatory Conditions have been satisfied or, if capable of waiver, waived. Should the European Commission open an in-depth ("phase two") review, the Merger proposal will lapse (a) automatically under Rule 12.1 of the Code if the review is initiated prior to the Court Meeting and the New Xstrata General Meeting, and (b) if the review is initiated after the Court Meeting and the New Xstrata General Meeting and Glencore invokes the EU merger control Condition to the Merger.

5. SHAREHOLDER STATEMENTS

As noted below, the Independent Non-Executive Xstrata Directors continue to believe that the terms of the Merger remain fair and reasonable so far as Xstrata Shareholders are concerned. The Independent Non-Executive Xstrata Directors have noted the statements made by Qatar Holding LLC ("QH") on 26 June 2012 and Knight Vinke Asset Management LLC ("KVAM") on 3 July 2012, in relation to the terms of the Merger. Although QH has not said that it will vote against the Scheme, Xstrata Shareholders should be aware that, as at the last practicable date prior to the posting of this document, QH and KVAM hold, in aggregate, approximately 11.2 per cent. of Xstrata's issued ordinary share capital.

6. ACTION TO BE TAKEN

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of the Scheme Voting Shareholders. Whether or not you plan to attend the Shareholder Meetings in person, you are strongly encouraged to sign and return your Forms of Proxy (in the case of the BLUE Court Meeting Form of Proxy, if you have not already done so or, if you have, but you want to change your voting instruction), or to appoint a proxy electronically. In addition, you are strongly encouraged to sign and return your PINK

New Xstrata General Meeting Form of Proxy in respect of the New Xstrata General Meeting, or to appoint a proxy electronically.

In order to comply with the requirements of the Panel and Rule 16.2 of the Code, the Amended Management Incentive Arrangements Resolution to be proposed at the New Xstrata General Meeting will be taken on a poll and only Independent Xstrata Shareholders are permitted to vote thereon. Any vote cast by an Xstrata Shareholder who is not an Independent Xstrata Shareholder, either in person or by proxy, shall not be counted. If you are in any doubt as to whether or not you are permitted to vote on such resolution, please call the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

Further details of the Court Meeting and the New Xstrata General Meeting are set out in paragraph 2 of this Part I.

Your attention is drawn to pages 3–6 of this document (*Actions to be Taken*) which explains in detail the action you should take in relation to the Merger and the Scheme.

7. RECOMMENDATION

The Independent Non-Executive Xstrata Directors, being all of the Independent Xstrata Directors other than the Xstrata Executive Directors (who are participating in the Amended Management Incentive Arrangements), who have been so advised by each of the Xstrata Financial Advisers, consider the terms of the Merger, including the terms of the Amended Management Incentive Arrangements, to be fair and reasonable. Accordingly, the Independent Non-Executive Xstrata Directors unanimously recommend eligible Xstrata Shareholders to vote in favour of the Scheme at the Court Meeting and each of the resolutions to be proposed at the New Xstrata General Meeting as the Independent Non-Executive Xstrata Directors who hold or are beneficially entitled to Xstrata Shares have irrevocably undertaken to do in respect of their own Xstrata Shares, or Xstrata Shares to which they are beneficially entitled (representing as at the last practicable date prior to the posting of this document, in aggregate, approximately 0.0032 per cent. of the issued ordinary share capital of Xstrata). In providing its advice, each of the Xstrata Financial Advisers has taken into account the commercial assessments of the Independent Xstrata Directors.

The Xstrata Executive Directors have each irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and resolution 1 to be proposed at the New Xstrata General Meeting in respect of their own Xstrata Shares or Xstrata Shares to which they are beneficially entitled (representing as at the last practicable date prior to the posting of this document, in aggregate approximately 0.1140 per cent. of the issued ordinary share capital of Xstrata).

On account of the participation of the Xstrata Executive Directors in the Amended Management Incentive Arrangements and the fact that the passing of the Amended Management Incentive Arrangements Resolution is a non-waivable condition to the implementation of the Scheme, as contemplated by Note 4 on Rule 25.2 of the Code only the Independent Non-Executive Xstrata Directors are recommending that eligible Xstrata Shareholders vote in favour of the Scheme at the Court Meeting. In addition, as employees of the offeror, the Glencore Nominee Directors have been deemed to have a conflict of interest in relation to the Scheme and are therefore not giving any recommendation either in favour or against the resolutions required to implement the Scheme.

Yours faithfully



Sir John Bond
Non-Executive Chairman
Xstrata plc

PART II

SUPPLEMENTARY EXPLANATORY STATEMENT

(in compliance with section 897 of the Companies Act 2006)



J.P.Morgan CAZENOVE



NOMURA

8 August 2012

To all Xstrata Shareholders and, for information only, participants in the Xstrata Share Schemes

Dear Xstrata Shareholder,

Recommended All-Share Merger of Equals of Glencore and Xstrata

1. INTRODUCTION

On 7 February 2012, the Independent Xstrata Directors and the Glencore Directors announced the terms of a recommended all-share merger of equals of Glencore and Xstrata. The Merger will create a new integrated major natural resources group, with increased scale, earnings from a diverse portfolio of natural resources operations, logistics and marketing activities and an improved platform for further growth and value creation.

The Merger comprises three inseparable and interdependent elements—the Merger ratio, the governance and management structure and the Management Incentive Arrangements. The Independent Non-Executive Xstrata Directors strongly believe that retaining Xstrata's proven management team is essential for the success of the Merger; Xstrata's Management will be responsible for over 80 per cent. of the Combined Group's earnings*, 150 mining and metallurgical assets and 20 major growth projects.

On 31 May 2012, a Scheme Circular setting out, amongst other things, the full terms and conditions of the Scheme, the Management Incentive Arrangements and an Explanatory Statement, together with the action to be taken by Xstrata Shareholders, was sent to Xstrata Shareholders. The Scheme Circular also contained notices convening the Court Meeting and Xstrata General Meeting, both of which were scheduled to be held on 12 July 2012.

Following publication of the Scheme Circular, the Independent Xstrata Directors engaged extensively with non-Glencore Group Xstrata Shareholders.

Following consultation between Xstrata's Management, the Independent Non-Executive Xstrata Directors, shareholders and advisers, amendments to the structure of the retention award element of the Management Incentive Arrangements in place for 73 key Xstrata managers have been proposed by the Independent Non-Executive Xstrata Directors and agreed with Glencore.

On 27 June 2012 Xstrata announced the agreed key amendments to the terms of the retention award element of the Management Incentive Arrangements as set out in the Scheme Circular and on 11 July 2012 Xstrata announced the detailed terms of these amendments (the "Amended Management Incentive Arrangements").

The Amended Management Incentive Arrangements comprise the following changes to the original Management Incentive Arrangements:

- Retention awards for all recipients will be paid entirely in or in respect to shares in the Combined Entity, further aligning the interests of Xstrata's Management and the Xstrata Senior Employees with the interests of shareholders and linking the retention of all recipients to the performance of the Combined Entity's shares. Under the original Management Incentive Arrangements, relevant awards were to be paid entirely in cash (other than in the case of Mr. Davis for whom awards were to be paid as to two-thirds cash and one third in shares).
- 100 per cent. of the retention awards for the Xstrata Executive Directors and the other members of Xstrata's Management will be subject to performance conditions based on realising additional

* Based on the 2011 financial results of Xstrata and Glencore.

Savings in the two years following the Effective Date. Originally, relevant awards were not subject to the satisfaction of additional performance conditions.

The other elements of the Management Incentive Arrangements, being payments in respect of contractual provisions and under the Glencore Performance Shares Plan, will remain as described in the Scheme Circular.

The previously announced EBITDA synergy estimate at an annual run-rate of at least US\$500 million per annum in the first full year of the Combined Group following the Effective Date includes approximately US\$50 million of cost synergies. Vesting of retention awards for Xstrata's Management will now only occur if additional Savings are achieved over and above the US\$50 million cost savings already identified in the synergy estimate. No additional Savings have already been identified. Full vesting of the retention award will only occur if a minimum of an additional US\$300 million of incremental Savings are achieved over the two years post completion*. Savings will be realised from initiatives including reorganising the Combined Group's assets, the reduction of any duplicated costs not already identified in the synergy estimate, financial synergies and other savings. Additional Savings will create further value for shareholders from the Merger on an ongoing basis. A committee comprising all of the independent non-executive directors of the Combined Entity will oversee a process to verify the achievement of these additional Savings and will appoint an international accounting firm, which is independent of the Combined Group, to provide an independent assessment of performance against the Savings target.

The achievement of US\$300 million of incremental Savings over the two years following the Effective Date to enable Xstrata's Management retention awards to vest in full represents a stretching performance measure which, if achieved, will, in the first full year of their delivery, exceed the cost of the retention awards, deliver ongoing value to shareholders beyond that and improve the ongoing cost competitiveness of the Combined Group. The Independent Non-Executive Xstrata Directors believe that this cost competitiveness and sustained value creation should be reflected in the Combined Entity's market value.

The number of shares to be awarded under the Amended Management Incentive Arrangements will be determined by reference to the average of the closing prices of Xstrata Shares over the seven dealing days immediately before the Shareholder Meetings subject to a minimum value of 705 pence per Xstrata Share. The maximum potential cost to Xstrata remains as originally contemplated under the terms of the Management Incentive Arrangements, details of which are set out on pages 30-34 of the Scheme Circular. If the relevant performance conditions described above are met and any retention awards vest, since relevant retention awards will be paid in shares rather than in cash, the value of relevant vested retention awards will be dependent upon the market value of Glencore Shares at the time of vesting of those awards.

Further details on the terms of the retention award element of the Amended Management Incentive Arrangements are described in paragraph 2 of this Part II below. With the exception of the Amended Management Incentive Arrangements, the terms of the Merger remain otherwise unchanged.

2. AMENDED MANAGEMENT INCENTIVE ARRANGEMENTS

The Management Incentive Arrangements originally agreed with Glencore and described in the Scheme Circular included retention awards for each member of Xstrata's Management and each of the Xstrata Senior Employees. These were agreed with the aim of ensuring that key Xstrata personnel transition into the Combined Group and are motivated to remain in position and contribute to the execution of the Combined Group's business strategy. Details of the retention award element of the Management Incentive Arrangements are set out on pages 31 to 32 of the Scheme Circular and the amounts payable to each of the Xstrata Executive Directors and the aggregate amounts payable to Xstrata's Management and Xstrata's Senior Employees under the retention awards are set out on page 33 of the Scheme Circular.

The elements of the Management Incentive Arrangements other than the retention award element, being payments in respect of contractual provisions and under the Glencore Performance Share Plan, will remain as described in the Scheme Circular. For ease of reference, these elements are

* None of the above cost savings targets are intended as a profit forecast or profit estimate and no statement in relation to them should be interpreted to mean that earnings per share for Scheme Shareholders will necessarily be greater than those for the year ended 31 December 2011.

summarised below. With the exception of the Amended Management Incentive Arrangements, the terms of the Merger remain otherwise unchanged.

The Amended Management Incentive Arrangements Resolution to be proposed at the New Xstrata General Meeting will be taken on a poll and only Independent Xstrata Shareholders are permitted to vote thereon. Any vote cast by an Xstrata Shareholder who is not an Independent Xstrata Shareholder, either in person or by proxy, shall not be counted. The Scheme is conditional upon, amongst other things, the passing of the Amended Management Incentive Arrangements Resolution. Accordingly, the Merger will not become effective if the Amended Management Incentive Arrangements Resolution is not passed. To be passed, the Amended Management Incentive Arrangements Resolution will require a simple majority of all Xstrata Shares voted by those Independent Xstrata Shareholders present and voting, either in person or by proxy, to be voted in favour of the Amended Management Incentive Arrangements Resolution. No member of the Glencore Group (nor any person acting in concert with Glencore), nor any of the Xstrata Executive Directors, nor any other members of Xstrata's Management, nor any of the Senior Xstrata Employees are Independent Xstrata Shareholders and, pursuant to the requirements of Rule 16.2 of the Code are not, therefore, entitled to vote on the Amended Management Incentive Arrangements Resolution. **Each of the Xstrata Financial Advisers has reviewed the terms of the Amended Management Incentive Arrangements and each of them considers them to be fair and reasonable so far as the Independent Xstrata Shareholders are concerned. In providing its advice, each of the Xstrata Financial Advisers has taken into account the commercial assessments of the Independent Non-Executive Xstrata Directors.**

Proposed retention award element of Amended Management Incentive Arrangements

The retention awards payable to the Xstrata Executive Directors, Xstrata's Management and the Xstrata Senior Employees will not be paid in cash (or in the case of Mr Davis, partly in cash and partly in the form of options) as originally agreed, but will be paid entirely in the form of an award over or in respect to Xstrata Shares which will convert into Glencore Shares at the Effective Date on the same basis as under the terms of the Merger. The Xstrata Shares in respect of which the awards will be granted will have, on the grant of the awards, a market value equal to the value of the retention award under the previously agreed arrangements.

Vesting of the retention awards for each of the Xstrata Executive Directors and other members of Xstrata's Management (but not for the Xstrata Senior Employees) will be subject to performance conditions based on realising additional Savings over the two years following the Effective Date. Full vesting will be achieved if Savings of at least US\$300 million over and above the US\$50 million cost savings identified in the EBITDA synergies estimate for the first full year of the Combined Group following the Effective Date are realised over the two years following the Effective Date*.

In the case of Xstrata's Management (other than Mr Davis) up to a maximum of fifty per cent. of the total share award will be available to vest at the first anniversary of the Effective Date. Vesting will be on a straight line basis for Savings over and above the threshold savings target of US\$50 million, with full vesting at the first anniversary of the Effective Date if a total of US\$150 million of Savings are realised in the first year. The percentage of the total award remaining unvested after the first anniversary of the Effective Date will be available to vest at the second anniversary of the Effective Date subject to the level of Savings realised over the two year period, with full vesting only occurring if at least US\$300 million of Savings are achieved in aggregate over and above the threshold savings target of US\$50 million included in the previously announced EBITDA synergy estimate at a run-rate of at least US\$500 million per annum in the first full year of the Combined Group following the Effective Date.

In the case of Mr Davis, his award will be subject to the same Savings performance conditions as described above. Up to a maximum of one third of his total share award will be available to vest on the first anniversary of the Effective Date (rather than fifty per cent as for other members of Xstrata's Management). The balance of the total award remaining unvested after the first anniversary of the Effective Date will be available to vest on the second and third anniversaries of the Effective Date in equal proportions, subject to the total Savings achieved over the period up to the second anniversary of the Effective Date, as described above.

* None of the above cost savings targets are intended as a profit forecast or profit estimate and no statement in relation to them should be interpreted to mean that earnings per share for Scheme Shareholders will necessarily be greater than those for the year ended 31 December 2011.

In the case of the Xstrata Senior Employees, the retention share awards will vest in equal tranches on the first and second anniversaries of the Effective Date and will not be subject to any performance conditions.

The retention share awards will be granted at the conclusion of the New Xstrata General Meeting, assuming the Amended Management Incentive Arrangements Resolution is passed and will be conditional upon the Merger becoming effective.

The retention share awards will be granted to each relevant individual over a fixed number of Xstrata Shares which will have a market value, on the grant of the awards, equal to the value of the retention award under the previously agreed arrangements. The value of the Xstrata Shares will be determined by reference to the average of the middle market closing price of an Xstrata Share over the seven dealing days immediately before the New Xstrata General Meeting, subject to a minimum value of 705 pence per Xstrata Share.

As from the Effective Date the retention share awards will, under the terms of the New Xstrata 2012 Plan, automatically become awards over Glencore Shares. The number of Glencore Shares will be determined by reference to the number of New Glencore Shares to which a Scheme Shareholder will be entitled for each Scheme Share held at the Scheme Record Time under the terms of the Merger. Glencore has agreed to the rules of the New Xstrata 2012 Plan and has acknowledged that awards granted under it will confer rights in relation to Glencore Shares at the relevant time.

It is proposed that the maximum number of Xstrata Shares needed to satisfy the retention share awards (not exceeding 24,490,347 Xstrata Shares) will be issued to an employee benefit trust and will be subject to the terms of the Scheme*. The resulting Glencore Shares that will then be held in the trust will be transferred to individuals immediately after their retention share awards have vested. On vesting of a retention share award, individuals will be entitled to receive dividend equivalent payments in respect of the Glencore Shares that vest.

Original unamended elements of Management Incentive Arrangements

Set out below is a summary of the proposed payments to be made to members of Xstrata's Management and the Xstrata Senior Employees in respect of contractual provisions, as well under the Glencore Performance Share Plan. The following summary has been extracted without material adjustment from the summary included in respect of these matters on pages 32 and 33 of the Scheme Circular.

Payments in respect of contractual provisions

The existing employment contracts of Xstrata's Management provide for a contractual severance payment to be made if employment is terminated in certain circumstances, including if the individual terminates his employment for a "valid reason" (as defined in the contract). This includes circumstances where an employee cannot in good faith be expected to continue in employment, for example if there is a diminution in his role or duties. To secure their transition into the Combined Group, Xstrata has agreed to compensate each member of Xstrata's Management, with the exception of Mr Davis, by paying an amount equal to the amount to which he would have been entitled on termination of his employment for a "valid reason" under his contractual provision. Payment is conditional upon completion of the Merger and on the individual being in employment with the Combined Group on the Effective Date.

Mr Reid and Mr Zaldumbide will not be appointed to the board of the Combined Group. Accordingly, Xstrata has agreed to make a payment to "buy out" Mr Reid's and Mr Zaldumbide's contractual right to receive a severance payment which may have been triggered in the circumstances of the Merger, in an amount of £5,451,848 in the case of Mr Reid and £3,942,785 in the case of Mr Zaldumbide.

In addition, arrangements structured in a similar way to those proposed for Xstrata's Management have been put in place for 27 Xstrata Senior Employees, each of whom is considered to be key to the execution of the Combined Group's business strategy. These arrangements seek to ensure that none of this group of senior employees terminates his/her contract of employment with the Xstrata Group prior to the completion of the Merger. Payment to each eligible Xstrata Senior Employee is conditional upon completion of the Merger and on the individual being in employment with the Combined Group on the

* As described in footnote (6) to the table on page 18 below Xstrata announced via an RIS on 20 July 2012 that Peet Nienaber will retire from the Xstrata Group on 30 September 2012. Consequently, he will not be entitled to receive any element of the Amended Management Incentive Arrangements. Therefore the maximum number of Xstrata Shares needed to satisfy the retention share awards will be reduced accordingly.

Effective Date. The maximum aggregate amount payable to members of Xstrata’s Management (other than Messrs Davis, Reid and Zaldumbide, as to which see above) under this arrangement is £16,088,493 (assuming that they are still in employment with the Combined Group on the Effective Date), and the maximum aggregate amount payable to the 27 aforementioned Xstrata Senior Employees under their arrangements is £19,006,927 (assuming that they are still in employment with the Combined Group on the Effective Date). Details of the amounts payable to the Xstrata Executive Directors, other members of Xstrata’s Management and the Xstrata Senior Employees in relation to these payments and arrangements are set out under the sub-paragraph entitled “Summary of originally proposed Management Incentive Arrangements and Amended Management Incentive Arrangements” in this Part II of this document.

Xstrata Long Term Incentive Plan and Glencore Performance Share Plan

On completion of the Merger, the Xstrata LTIP will terminate—for further detail on the terms of the Xstrata LTIP and the impact of the Merger upon awards under this plan, please refer to paragraph 10 of Part II (*Explanatory Statement*) on pages 34 to 36 and to paragraph 9 of Part VI (*Additional Information*) on pages 90 and 91 of the Scheme Circular.

Participants in the Xstrata LTIP will be eligible for awards under the Glencore Performance Share Plan, on and subject to the terms of that plan from 2013. Awards will be granted in the normal grant period following the announcement of Glencore’s results for the financial year ending 31 December 2012.

Glencore has agreed to grant share awards under the Glencore Performance Share Plan to Xstrata Executive Directors and other members of Xstrata’s Management for the financial year ending 31 December 2012, the value of which, expressed as a multiple of each individual’s salary, will be at least equal to the multiple of salary represented by the share award granted to the individual under the Xstrata LTIP in February 2012. These awards will be subject to objective performance conditions over a period of at least 3 years. These individuals will also be eligible to participate in the Glencore Performance Share Plan in future years, albeit without a guaranteed base level of award.

The salary multiples for the awards granted to each of the Xstrata Executive Directors under the Xstrata LTIP in February 2012 are as follows:

Mr Davis	400%
Mr Reid	400%
Mr Zaldumbide	300%

For further detail on the remuneration of the Xstrata Executive Directors see paragraph 8.1 of Part VI (*Additional Information*) on pages 87 to 89 of the Scheme Circular.

Summary of originally proposed Management Incentive Arrangements and Amended Management Incentive Arrangements

Set out below is a summary of the payments to be made to (a) each of the Xstrata Executive Directors, (b) Xstrata’s Management, and (c) the Xstrata Senior Employees in connection with the Amended Management Incentive Arrangements. The notes to the table below explain the differences between the retention award element under these amended arrangements and under the originally proposed Management Incentive Arrangements. As stated above, the payments in respect of contractual provisions and under the Glencore Performance Share Plan remain as originally proposed under the Amended Management Incentive Arrangements. Footnote 1 below explains the key changes to the retention award element under the Amended Management Incentive Arrangements.

	Value of retention awards to be paid entirely in or in respect to shares ⁽¹⁾			Payments in respect of contractual provisions ⁽²⁾ 2012	Indicative value of award at grant under 2013 Glencore Performance Share Plan ⁽³⁾
	2013	2014	2015		
Mr Davis ⁽⁴⁾	£9,598,475	£9,598,475	£9,598,475	N/A	£6,000,000
Mr Reid	£5,451,848	£5,451,848	N/A	£5,451,848	£3,260,000
Mr Zaldumbide	£3,942,785	£3,942,785	N/A	£3,942,785	£2,600,000
Xstrata's Management ⁽⁵⁾⁽⁶⁾ .	£16,088,493	£16,088,493	N/A	£16,088,493	£13,750,000
Xstrata Senior Employees ⁽⁷⁾ .	£46,447,660	£46,447,660	N/A	£19,006,927	N/A

Notes:

- (1) As explained above, under the terms of the originally proposed Management Incentive Arrangements, the retention award amounts set out in the table above would be paid entirely in cash (other than in the case of Mr. Davis for whom awards were to be paid as to two-thirds in cash and one third in shares), and would not be subject to any performance conditions. As described in paragraphs 1 and 2 of this Part II, under the terms of the Amended Management Incentive Arrangements, 100 per cent. of the retention awards for the Xstrata Executive Directors and the other members of Xstrata's Management will be subject to performance conditions based on realising additional Savings in the two years following the Effective Date. The number of shares to be awarded under the Amended Management Incentive Arrangements will be determined by reference to the average of the closing prices of Xstrata Shares over the seven dealing days immediately before the Shareholder Meetings, subject to a minimum value of 705 pence per Xstrata Share. If the relevant performance conditions described above are met and any retention awards vest, since relevant retention awards will be paid in shares rather than in cash, the value of relevant vested retention awards will be dependent upon the market value of Glencore Shares at the time of vesting of those awards.
- (2) Maximum aggregate amount payable.
- (3) The amounts stated are indicative only. No value is realised on completion of the Merger and relevant awards may never vest. Vesting of awards will be subject to performance conditions in line with the Combined Group's strategy. These awards will be subject to objective performance conditions over a period of at least 3 years. On completion of the Merger, the Xstrata LTIP will terminate — for further detail on the Xstrata LTIP, please refer to paragraph 10 of Part II (*Explanatory Statement*) on pages 34 to 36 and to paragraph 9 of Part VI (*Additional Information*) on pages 90 and 91 of the Scheme Circular. Participants in the Xstrata LTIP will be eligible for awards under the Glencore Performance Share Plan, on and subject to the terms of that plan from 2013. Amounts stated are the product of respective current annual salary converted into Sterling at prevailing foreign exchange rates and the multiple of salary awarded to the respective individuals under the Xstrata LTIP in February 2012. The value of awards granted under the Glencore Performance Share Plan in 2013 will be at least the product of respective 2013 annual salary converted into Sterling and the multiple of salary awarded to the respective individuals under the Xstrata LTIP in February 2012. In the case of Mr Davis, the relevant multiple is 400 per cent., in the case of Mr Reid, 400 per cent., in the case of Mr Zaldumbide, 300 per cent., and, in the case of the other members of Xstrata's Management, the multiple is between 285 and 400 per cent. (and, on average, 351 per cent.).
- (4) Mr Davis' retention award is, subject to the satisfaction of relevant performance conditions, capable of vesting in three equal tranches on the first, second and third anniversaries, respectively, of the Effective Date.
- (5) Excluding the Xstrata Executive Directors.
- (6) As announced by Xstrata via an RIS on 20 July 2012, Peet Nienaber (Chief Executive, Xstrata Alloys and a member of Xstrata's Management) will retire from the Xstrata Group on 30 September 2012. Consequently, he will not be entitled to receive any element of the Amended Management Incentive Arrangements. Therefore the aggregate amounts potentially payable to Xstrata's Management shown in the above table will be reduced accordingly.
- (7) 64 employees in total are eligible to receive retention awards. Of those 64 employees, 27 are eligible to receive payments in respect of contractual provisions.

3. NEW XSTRATA 2012 PLAN

As described in paragraph 1 of Part I (*Letter from the Chairman of Xstrata*) and paragraph 1 of this Part II of this document, in order to implement the Amended Management Incentive Arrangements, it is proposed that the New Xstrata 2012 Plan is established. The retention share awards will be granted under the terms of the New Xstrata 2012 Plan. The Amended Management Incentive Arrangements Resolution, to approve the Amended Management Incentive Arrangements (including the retention award element described above) and the establishment of the New Xstrata 2012 Plan, will be proposed at the New Xstrata General Meeting, which will be taken on a poll and in respect of which only Independent Xstrata Shareholders are permitted to vote.

The passing of each of the New Xstrata General Meeting Resolutions, including the Amended Management Incentive Arrangements Resolution, is conditional upon the passing of the other New Xstrata General Meeting Resolution. The passing of the Amended Management Incentive Arrangements Resolution is also conditional on the passing of the resolution to approve the Scheme at the Court Meeting and *vice versa*.

Paragraph 7 of Part IV (*Additional Information*) of this document contains a detailed summary of the terms of the New Xstrata 2012 Plan.

Participants in the New Xstrata 2012 Plan will be sent a separate letter explaining the effect the Scheme will have on awards granted under that plan.

4. COURT MEETING AND NEW XSTRATA GENERAL MEETING

Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular and the need, as a consequence of those proposed changes, to convene a new Xstrata extraordinary general meeting, Xstrata sought permission from the Court to adjourn the Court Meeting and on 4 July 2012 the Court granted permission to the chairman of the Court Meeting to do so. Accordingly, on 12 July 2012 the Court Meeting was adjourned to the date of the New Xstrata General Meeting, notice of which is set out in Part VI (*Notice of the New Xstrata General Meeting*) of this document.

Due to the proposed changes to the retention award element of the Management Incentive Arrangements described in the Scheme Circular, it is necessary for Xstrata to convene a new extraordinary general meeting to consider, amongst other things, a resolution to approve the Amended Management Incentive Arrangements and to approve the establishment of the New Xstrata 2012 Plan. Accordingly, on 12 July 2012 the Xstrata General Meeting was adjourned *sine die*.

Notice of the Court Meeting (which was adjourned on 12 July 2012 to the date of the New Xstrata General Meeting) was set out in Part IX of the Scheme Circular and notice of the New Xstrata General Meeting is set out in Part VI (*Notice of New Xstrata General Meeting*) of this document.

All Scheme Voting Shareholders (in respect of the Court Meeting) and all Xstrata Shareholders (in respect of the New Xstrata General Meeting, other than in relation to the Amended Management Incentive Arrangements Resolution on which only Independent Xstrata Shareholders may vote) whose names appear on the register of members of Xstrata at the Scheme Record Voting Time, or, if either Shareholder Meeting is adjourned, on the register of members at 6.00 p.m. on the date two business days before the date set for the adjourned Shareholder Meetings, shall be entitled to attend and vote at the relevant meeting in respect of the number of Xstrata Shares registered in their name at the relevant time.

The Court Meeting and New Xstrata General Meeting will be held at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland with concurrent satellite meetings being held at Holborn Bars, 138-142 Holborn, London EC1N 2NQ linked by video conference to the Shareholder Meetings in Zug.

For further details concerning the resolutions to be proposed at the Court Meeting and at the New Xstrata General Meeting please refer to paragraph 2 of Part I (*Letter from the Chairman of Xstrata*) of this document.

5. FURTHER INFORMATION

Your attention is drawn to Part II (*Explanatory Statement*) of the Scheme Circular, the Letter from the Chairman of Xstrata in Part I of this document, and to the following other sections of this document, which, together with the rest of this document, Part II (*Explanatory Statement*) of the Scheme Circular and the rest of the Scheme Circular form part of this Supplementary Explanatory Statement.

Part III	Amendments to Conditions and Certain Further Terms and Conditions of the Scheme and the Merger
Part IV	Additional Information
Part V	Definitions
Part VI	Notice of New Xstrata General Meeting

6. ACTION TO BE TAKEN

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of shareholder opinion. Please refer to pages 3-5 (Action to be Taken) of the Scheme Circular and pages 3-6 of this document for details of the steps that you will need (and are encouraged) to take in connection with this document and the Merger.

Yours faithfully,

Nigel Robinson
Managing Director
For and on behalf of
Deutsche Bank AG,
London Branch

Barry Weir
Managing Director
For and on behalf of
J.P. Morgan Limited

Brett Olsher
Managing Director
For and on behalf of
Goldman Sachs
International

William Vereker
Managing Director
For and on behalf of
Nomura International
plc

PART III

AMENDMENTS TO CONDITIONS AND CERTAIN FURTHER TERMS OF THE SCHEME AND THE MERGER

As a consequence of the Amended Management Incentive Arrangements and the need to convene the New Xstrata General Meeting, Xstrata and Glencore have agreed (and the Panel has given its consent) to the following amendments to the Conditions and Certain Further Terms of the Scheme and the Merger, as set out in Part IV (*Conditions and Certain Further Terms of the Scheme and the Merger*) of the Scheme Circular:

Condition 2.2 shall be amended to read as follows:

2.2 the resolution required to approve and implement the Scheme and Reduction of Capital being duly passed by Xstrata Shareholders representing 75 per cent. or more of the votes cast at the New Xstrata General Meeting; and

Condition 2.3 shall be amended to read as follows:

2.3 a resolution to approve the Amended Management Incentive Arrangements (which will be taken on a poll) being duly passed by the Independent Xstrata Shareholders representing more than 50 per cent. of the votes cast on the resolution.

Save as otherwise expressly stated above, the Conditions and Certain Further Terms of the Scheme and the Merger, as set out in Part IV (*Conditions and Certain Further Terms of the Scheme and the Merger*) of the Scheme Circular, remain in full force and effect and are otherwise unaltered as a consequence of the Amended Management Incentive Arrangements.

PART IV
ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENTS

1.1 The Independent Xstrata Directors, whose names are set out in paragraph 2.1 of Part VI of the Scheme Circular, each accept responsibility for the information contained in this document other than (a) in respect of the Xstrata Executive Directors only, the information for which responsibility is taken by the Independent Non-Executive Xstrata Directors pursuant to paragraph 1.2 of this Part IV, and (b) information for which responsibility is taken by the Glencore Directors pursuant to paragraph 1.3 of this Part IV. 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 document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 The Independent Non-Executive Xstrata Directors, whose names are asterisked in paragraph 2.1 of Part VI of the Scheme Circular, each accept responsibility for the recommendation that eligible Xstrata Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions at the New Xstrata General Meeting as set out in this document. To the best of the knowledge and belief of the Independent Non-Executive Xstrata Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible pursuant to the terms of this paragraph 1.2 is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.3 The Glencore Directors, whose names are set out in paragraph 2.3 of Part VI of the Scheme Circular, each accept responsibility for the information contained in this document relating to (a) the Glencore Group and the Glencore Directors and their immediate families, related trusts and companies and those other persons presumed to be acting in concert with Glencore, and (b) the future plans for the Combined Group, its management and employees. To the best of the knowledge and belief of the Glencore Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. MARKET QUOTATIONS

The following table shows the closing-middle market prices, as derived from the Daily Official List, for Xstrata Shares and Glencore Shares on the first business day in each of the six months prior to the date of this document, on 1 February 2011 (being the last business day prior to the commencement of the Offer Period) and on 6 August 2012 (being the last practicable date prior to the posting of this document):

<u>Date</u>	<u>Xstrata Shares</u>	<u>Glencore Shares</u>
1 February 2012	1,119.50	431.75
1 March 2012	1,212.00	427.15
2 April 2012	1,097.00	399.15
1 May 2012	1,205.00	434.60
1 June 2012	894.10	334.35
2 July 2012	802.90	299.00
1 August 2012	861.00	322.50
6 August 2012	883.00	328.85

3. DISCLOSURE OF INTERESTS AND DEALINGS IN SHARES

3.1 Except as otherwise defined in paragraph 3.2 of this Part IV below, the definitions set out in paragraph 5.1 of Part VI of the Scheme Circular shall also apply to this paragraph 3 of this Part IV.

3.2 Save as disclosed in this paragraph 3, as at the close of business on 3 August 2012 (for the purposes of this paragraph 3 of this Part IV (other than paragraph 3.7, in which case as at close of business on 6 August 2012) being the last practicable date prior to posting of this document), and assuming for the purposes of disclosures made in paragraph 5 of Part VI of the Scheme Circular that the "disclosure period" means the period which began on 2 February 2011 (being the date 12 months prior to the Offer Period) and ended on 3 August 2012, there has been no change in the information on interests, dealings or arrangements set out in paragraph 5 of Part VI of the Scheme Circular.

3.3 Interests in Xstrata relevant securities

As at the close of business on 3 August 2012 (for the purposes of this paragraph 3.3 of this Part IV being the last practicable date prior to the posting of this document):

- (a) persons acting, or presumed to be acting, in concert with Glencore had no further interest in or right to subscribe for Xstrata relevant securities. Please note that BNP Paribas Suisse SA, BGL BNPP (Luxembourg) and Bank Insinger de Beaufort NV (Netherlands) (each of which were included in paragraph 5.2(c) of Part VI of the Scheme Circular as persons acting, or presumed to be acting, in concert with Glencore) each now have Exempt Fund Manager status. In addition, the interest that was disclosed for Citibank NA in the Scheme Circular should not have been disclosed under the Code rules;
- (b) the interests of the Xstrata Directors in awards and options over Xstrata Shares under the Xstrata Share Scheme(s) were as follows:

Share Awards to be granted should the Amended Management Incentive Arrangements Resolution be passed

Name	Scheme	Potential maximum number of Xstrata Shares ⁽¹⁾	Normal vesting date ⁽²⁾	Exercise price
Mick Davis	New Xstrata 2012 Plan	1,361,485	1 st anniversary of Effective Date	Nil
Trevor Reid	New Xstrata 2012 Plan	773,311	1 st anniversary of Effective Date	Nil
Santiago Zaldumbide	New Xstrata 2012 Plan	559,260	1 st anniversary of Effective Date	Nil
Mick Davis	New Xstrata 2012 Plan	1,361,485	2 nd anniversary of Effective Date	Nil
Trevor Reid	New Xstrata 2012 Plan	773,311	2 nd anniversary of Effective Date	Nil
Santiago Zaldumbide	New Xstrata 2012 Plan	559,260	2 nd anniversary of Effective Date	Nil
Mick Davis	New Xstrata 2012 Plan	1,361,485	3 rd anniversary of Effective Date	Nil

(1) Calculated by reference to the minimum value per Xstrata Share of 705 pence in accordance with the terms of the New Xstrata 2012 Plan.

(2) Subject to (a) the Merger becoming effective, and (b) the satisfaction of relevant performance conditions as described in paragraph 2 of Part II (*Supplementary Explanatory Statement*) of this document. Any awards which vest will ultimately be satisfied by the transfer to the relevant beneficiary of such number of Glencore Shares as is calculated by multiplying the number of Xstrata Shares under the award by the number of Glencore Shares that a Scheme Shareholder will receive for each Scheme Share under the terms of the Merger.

- (c) the following persons acting, or presumed to be acting, in concert with Xstrata had interests in, or rights to subscribe for, Xstrata relevant securities:

Name	Number of Xstrata relevant securities
JPMorgan Funds Management, Inc.	77,819 ⁽¹⁾
Goldman, Sachs & Co.	142,000 Call Options
Goldman, Sachs & Co.	(142,000) Call Options
Barclays Bank PLC	401,956

(1) The adjustment in interest since 28 May 2012 is the result of a transfer-in.

3.4 Dealings in Xstrata relevant securities

During the disclosure period, there have not been any further dealings in Xstrata relevant securities by persons acting, or presumed to be acting, in concert with Glencore. Please note that the Scheme Circular

stated that, on 2 February 2012, Citigroup purchased 579.8 Xstrata ADRs at a price of US\$3.83. This disclosure was incorrect and should have read that on 2 February 2012 Citigroup sold 2,899 Xstrata ADRs (representing 579.8 Xstrata Shares) at a price of US\$3.83 per ADR.

3.5 Interests in Glencore relevant securities

As at the close of business on 3 August 2012 (for the purposes of this paragraph 3.5 of this Part IV being the last practicable date prior to the posting of this document) the only changes to the information set out in paragraph 5.5 of Part VI of the Scheme Circular are as follows:

- (a) the following Glencore Directors (including members of their related families, close relatives and related trusts) had interests in or rights to subscribe for Glencore relevant securities:

<u>Name</u>	<u>Number of Glencore relevant securities</u>
Ivan Glasenberg	1,101,848,752
William Macaulay ⁽¹⁾	121,996,976

(1) Of these shares 112,497,165 are held by FR Galaxy Holdings S.a.r.l. ("FR") and 9,499,811 by ECP Galaxy Holdings S.a.r.l. ("ECP"). Glencore has been notified that (a) FR is a connected person of William Macaulay and (b) ECP is an affiliate of FR. For the avoidance of doubt, FR and ECP are not concert parties of Glencore. In addition, FR has an economic interest under swap arrangements in 36,662,834 shares and ECP in 2,250,000 shares (being an aggregate 38,912,834 shares in Glencore).

- (b) the following persons acting, or presumed to be acting, in concert with Glencore had interests in or rights to subscribe for Glencore relevant securities:

<u>Name</u>	<u>Number of Glencore relevant securities</u>
Citigroup Global Markets Financial Products LLC	225,258 (Glencore Shares)

- (c) the following persons acting, or presumed to be acting, in concert with Xstrata had interests in or rights to subscribe for Glencore relevant securities:

<u>Name</u>	<u>Number of Glencore relevant securities</u>
Goldman Sachs Asia Finance, Ltd.	1,635,953 (Glencore Shares)
Goldman Sachs Asia Finance, Ltd.	(4,152,300) (BBM Barrier Options)
Goldman Sachs Asia Finance, Ltd.	(1,019,038) Put Options
Goldman Sachs Asia Finance, Ltd.	2,827,000 Equity Swap
Goldman Sachs Asia Finance, Ltd.	(2,300,000) Equity Swap
Goldman, Sachs & Co.	2,660,000 Call Options
Goldman, Sachs & Co.	(2,660,000) Call Options

3.6 Dealings in Glencore relevant securities

During the disclosure period:

- (a) the Glencore Directors and their immediate families, close relatives and related trusts dealt in Glencore relevant securities as follows (in addition to the dealings set out in paragraph 5.6(a) of Part VI of the Scheme Circular):

<u>Name</u>	<u>Date of transaction</u>	<u>Nature of transaction</u>	<u>Number of Glencore relevant securities</u>	<u>High price per security</u>	<u>Low price per security</u>
Ivan Glasenberg	6 June 2012	Purchase	2,900,000	£3.4430	£3.4430
Ivan Glasenberg	8 June 2012	Purchase	2,830,000	£3.5995	£3.5095
Ivan Glasenberg	11 June 2012	Purchase	2,700,000	£3.6960	£3.6080
William Macaulay ⁽¹⁾ . .	25 June 2012	Purchase	2,912,834	£3.0864	£3.0864

(1) Disclosure for William Macaulay is a transaction by FR Galaxy Holdings S.a.r.l. ("FR"), which is a connected person of Mr Macaulay. For the avoidance of doubt FR is not a concert party of Glencore. The transaction is a total return swap, giving FR the economic exposure of the Glencore relevant securities plus dividends. FR has no access to voting rights under the swaps.

- (b) the following persons acting, or presumed to be acting, in concert with Glencore dealt in Glencore relevant securities (in addition to the dealings set out in paragraph 5.6(b) of Part VI of the Scheme Circular):

<u>Name</u>	<u>Date of transaction</u>	<u>Nature of transaction</u>	<u>Number of Glencore relevant securities (Glencore Shares)</u>	<u>High price per security</u>	<u>Low price per security</u>
Citigroup	29 May 2012– 3 August 2012	Sale	316,872	HK\$ 59.82	HK\$ 44.48
Citigroup	29 May 2012– 3 August 2012	Purchase	68,600	HK\$ 42.87	HK\$ 36.35

Between the commencement of the Offer Period and 3 August 2012 (for the purposes of paragraph 3.6 of this Part IV being the last practicable date prior to the posting of this document):

- (c) the following persons acting, or presumed to be acting, in concert with Xstrata dealt in Glencore relevant securities (when aggregated with the dealings set out in paragraph 5.7 of Part VI of the Scheme Circular):

<u>Name</u>	<u>Date of transaction</u>	<u>Nature of transaction</u>	<u>Number of relevant securities</u>	<u>High price per security</u>	<u>Low price per security</u>
Goldman Sachs Asia Finance, Ltd.	2 February 2012– 3 August 2012	Purchase	3,776,700 Glencore Shares	HK\$ 57.09	HK\$ 37.25
Goldman Sachs Asia Finance, Ltd.	2 February 2012– 3 August 2012	Sale	3,592,330 Glencore Shares	HK\$ 60.20	HK\$ 34.20
Goldman Sachs Asia Finance, Ltd.	2 February 2012– 3 August 2012	Exercise	3,094,498 Put Options	N/A	N/A
Goldman Sachs Asia Finance, Ltd.	2 February 2012– 3 August 2012	Exercise	227,550 Call Options	N/A	N/A
Goldman Sachs Asia Finance, Ltd.	2 February 2012– 3 August 2012	Sale	3,260 BBM Barrier Options	HK\$ 34.23	HK\$ 34.16
Goldman Sachs Asia Finance, Ltd.	2 February 2012– 3 August 2012	Long	1,500,000	£3.08	£0.00 ⁽¹⁾
Goldman Sachs Asia Finance, Ltd.	2 February 2012– 3 August 2012	Short	973,000	£3.13	£3.08
Goldman, Sachs & Co.	2 February 2012– 3 August 2012	Buy	600	HK\$ 53.40	HK\$ 53.40
Goldman, Sachs & Co.	2 February 2012– 3 August 2012	Sell	600	HK\$ 53.40	HK\$ 53.40

(1) Zero price represents a conversion between the Hong Kong and London listings.

3.7 Interests of significant shareholders in Glencore

Other than the interests of Glencore Directors disclosed above, so far as Glencore is aware the following persons hold directly or indirectly 5 per cent. or more of Glencore's voting rights as at 6 August 2012

(being the last practicable date prior to the posting of this document) or will do so immediately following the Merger becoming effective:

Shareholder	As at 6 August 2012 (the last practicable date prior to posting of this document)		Interests immediately following the Effective Date ⁽¹⁾	
	Number of Glencore Shares	Percentage of issued share	Number of Glencore	Percentage of Combined Group
Daniel Francisco Maté Badenes	417,468,330	6.03	417,468,330	3.30
Aristotelis Mistakidis	414,730,597	5.99	414,730,597	3.28
Tor Peterson	366,074,885	5.29	366,074,885	2.89
Qatar Holdings LLC ⁽²⁾	N/A	N/A	948,567,267	7.50

(1) Figures are calculated assuming (i) that the interests of the significant shareholders as at close of business on 6 August 2012 do not change, (ii) that the maximum number of the New Glencore Shares are issued in connection with the Merger (assuming (a) that the Xstrata employee benefit trust will be issued with new Xstrata Shares such that it holds sufficient Xstrata Shares at the Scheme Record Time to satisfy all share options under the Xstrata Share Schemes and the maximum retention share awards that could be granted under the New Xstrata 2012 Plan, (b) vesting of all share awards held under the Xstrata Share Schemes and such Xstrata Shares being acquired by Glencore and (c) none of the outstanding Glencore Convertible Bonds are converted) and (iii) the exclusion of any other issues of Glencore Shares (including under Glencore Share Plans) between the posting of this document and the Effective Date.

(2) As at 6 August 2012 (being the last practicable date prior to the posting of this document), Qatar Holding LLC had an interest 320,209,781 Xstrata Shares, and had written put options over a further 18,564,243 Xstrata Shares. For the purposes of calculating Qatar Holding LLC's interest in Glencore immediately following the Effective Date, these options have been taken into account.

3.8 There is no agreement, arrangement or understanding whereby the beneficial ownership of any Xstrata Shares to be acquired by the Glencore Group pursuant to the Scheme will be transferred to any other person.

4. IRREVOCABLE UNDERTAKINGS

Irrevocable undertakings in respect of Xstrata Shares

4.1 There has been no change from the details set out in paragraphs 6.1, 6.2 and 6.3 of Part VI of the Scheme Circular.

Irrevocable undertakings in respect of Glencore Shares

4.2 There have been the following changes to the information set out in paragraph 6.4 of Part VI of the Scheme Circular:

Name	Number of Glencore Shares	Percentage of issued ordinary share capital of Glencore (per cent.)
Ivan Glasenberg	1,101,848,752	15.916429
Tor Peterson ⁽¹⁾	366,074,885	5.288026

(1) As at 29 May 2012, Tor Peterson held 109,178,079 Glencore Shares pursuant to a fiduciary arrangement. Tor Peterson's interest in this fiduciary arrangement fully vested in June 2012 and as such he now controls the voting rights of these 109,178,079 Glencore Shares, which are included in the above table.

4.3 There have been no changes from the details set out in paragraph 6.5 of Part VI of the Scheme Circular.

5. GLENCORE DIRECTORS' EMOLUMENTS

There have been no changes or modifications to the emoluments of the Glencore Directors described in paragraph 7 of Part VI of the Scheme Circular.

6. SERVICE CONTRACTS AND LETTERS OF APPOINTMENT OF THE XSTRATA DIRECTORS

There have been no changes or modifications to the service contracts and letters of appointment of the Xstrata Directors as described in paragraph 8 of Part VI of the Scheme Circular. The amendments to the retention award element of the Management Incentive Arrangements are described in paragraph 1 of Part I (*Letter from the Chairman of Xstrata*) and in paragraph 2 of Part II (*Supplementary Explanatory Statement*) of this document.

7. NEW XSTRATA 2012 PLAN

General

7.1 The New Xstrata 2012 Plan is intended to provide share-based performance-related incentives to selected executives of the Xstrata Group in contemplation of the proposed merger of Xstrata and Glencore. The purpose of the incentives is to encourage those executives to remain employed in the Combined Group and to deliver Savings. The New Xstrata 2012 Plan will initially be administered by the remuneration committee of the Xstrata Directors and, after the Effective Date, by a committee comprising all of the independent non-executive directors of Glencore (the relevant committee from time to time being "the Committee" for the purposes of this paragraph 7 of Part IV of this document).

7.2 The adoption of the New Xstrata 2012 Plan is subject to the passing of the Amended Management Incentive Arrangements Resolution at the New Xstrata General Meeting which will be taken on a poll and on which only Independent Xstrata Shareholders are permitted to vote.

Grant of Awards

7.3 The New Xstrata 2012 Plan provides for three types of share award to be granted: a "Schedule A Award" to be granted to Mr Davis, "Schedule B Awards" to be granted to the other members of Xstrata's Management and "Schedule C Awards", to be granted to the Xstrata Senior Employees (together referred to as the "New Share Awards").

7.4 The New Share Awards will be granted at the conclusion of the New Xstrata General Meeting (or if relevant, immediately after any applicable share dealing restrictions cease to apply) to the relevant individuals, provided they are in employment with a member of the Xstrata Group and have not given or been given notice terminating their employment.

7.5 Xstrata will grant a New Share Award to the relevant individual over such number of Xstrata Shares as has an aggregate average market value at the date of the New Xstrata General Meeting as is equal to the amount of the retention award originally agreed to be paid to the employee as part of the Management Incentive Arrangements described in the Scheme Circular. The average market value will be calculated by reference to the average of the middle market closing prices of a Xstrata Share over the seven dealing days immediately before the New Xstrata General Meeting, subject to a minimum value of 705 pence.

7.6 If the Scheme does not become effective by the Long Stop Date all New Share Awards will lapse on the Long Stop Date.

7.7 A New Share Award may take the form of a nil cost share option, a conditional share award or a phantom award. An option and a conditional share award confers a right on the participant to acquire or receive the underlying shares subject to the vesting conditions described below. A phantom award confers a right on the participant to receive a cash sum determined by reference to the market value of a notional share at a future vesting date subject to the vesting conditions described below. It is intended that phantom awards will be granted only if the grant of a share option or conditional share award would result in an immediate tax charge on the participant.

7.8 No amount is payable for the grant of a New Share Award. New Share Awards will not be pensionable.

Automatic conversion of New Share Awards on the Scheme becoming effective

7.9 As from the Effective Date, a New Share Award will be treated as subsisting over such whole number of Glencore Shares (or notional Glencore Shares in the case of a phantom award) as is calculated by multiplying the number of Xstrata Shares under the New Share Award by the number of Glencore Shares that a Scheme Shareholder will receive for each Scheme Share under the terms of the Merger, rounding down to the nearest whole number of Glencore Shares.

Vesting of New Share Awards

7.10 Vesting of the Schedule A Award and Schedule B Awards will be subject to performance conditions based on realising enhancements to the earnings of the Combined Group which are of a non-revenue nature and result from the Merger ("Savings") over the two years following the Effective Date. Full vesting of the Schedule A Award and Schedule B Awards will be achieved if Savings of at least

US\$300 million over and above a threshold target of US\$50 million Savings are realised over the two years following the Effective Date.

7.11 In the case of Schedule B Awards up to a maximum of fifty per cent. of the total Schedule B Award will be available to vest at the first anniversary of the Effective Date. Vesting will be on a straight line basis for incremental Savings over and above the threshold Savings target of US\$50 million, with full vesting of the fifty per cent. tranche at the first anniversary if a total of US\$150 million of incremental Savings are realised in the first year. The percentage of the total Schedule B Award remaining unvested after the first anniversary of the Effective Date will be available to vest at the second anniversary of the Effective Date subject to the level of Savings realised over the two year period, with full vesting only occurring if at least US\$300 million of incremental Savings are achieved in aggregate over and above the threshold Savings target of US\$50 million.

7.12 The Schedule A Award will be subject to the same Savings performance conditions as described above. Up to a maximum of one third of the total Schedule A Award will be available to vest on the first anniversary of the Effective Date. The balance of the total Schedule A Award remaining unvested after the first anniversary of the Effective Date will be available to vest on the second and third anniversaries of the Effective Date in equal proportions, subject to the level of Savings realised over the period up to the second anniversary of the Effective Date as described above.

7.13 The Schedule A Award and Schedule B Awards will lapse if the threshold target of US\$50 million Savings are not realised over the two years following the Effective Date.

7.14 Schedule C Awards will not be subject to performance conditions. Fifty per cent. of a Schedule C Award will vest on the first anniversary of the Effective Date and half on the second anniversary of the Effective Date.

7.15 On vesting of a New Share Award, participants will be entitled to receive dividend equivalent payments relating to dividends paid in respect of the Glencore Shares between the Effective Date and the vesting date.

7.16 Awards which take the form of a nil cost option will be treated as automatically exercised on a vesting date to the extent of the vested Glencore Shares. Vested Glencore Shares under an option or conditional share award will be transferred to a participant within five business days of a vesting date. A cash payment due in respect of vested notional Glencore shares under a phantom award will be paid within 3 business days of a vesting date.

Cessation of employment

7.17 A New Share Award will vest in full to the extent that it has not already vested on a participant ceasing to be in employment in circumstances where the participant's employer terminates his or her employment other than for cause, in accordance with his or her employment contract, or the participant gives notice to terminate his or her employment in circumstances where he or she cannot in good faith be expected to continue in employment (a "valid reason" as that term is defined in a participant's employment contract). In such circumstances, the participant has in effect been denied the opportunity of remaining in position and of satisfying any performance conditions attached to the relevant award. Consequently, the vesting of any such award will not be subject to any performance conditions.

7.18 A New Share Award will lapse to the extent it has not already vested if a participant ceases to be employed in the Combined Group for any other reason.

Change of control and other transactions

7.19 If there is a change of control or a scheme of arrangement of Glencore after the Effective Date, any New Share Awards will automatically be rolled over into equivalent unvested awards over the acquiring company's shares and the Committee may make such changes to the vesting conditions as they consider appropriate in the circumstances.

7.20 In the event of any demerger, dividend in specie, super-dividend or other transaction which affects the value of the New Share Awards, or if notice is given of a resolution for a voluntary winding-up of Glencore, the Committee may allow the New Share Awards to vest to such extent as it considers appropriate.

Plan Limits on Shares

7.21 It is proposed that sufficient Xstrata Shares to satisfy the New Share Awards will be issued by Xstrata to the trustee of an employee benefit trust and these shares will be subject to the terms of the Scheme. The resulting Glencore Shares that will then be held in the trust will be transferred to individuals immediately after their New Share Awards have vested. The maximum number of Xstrata Shares over which New Share Awards may be granted is 24,490,347*.

Adjustment to New Share Awards on a variation of share capital

7.22 In the event of a capitalisation issue, rights issue, subdivision, reduction or consolidation or other variation of the share capital of Glencore, the number of Glencore Shares under the New Share Awards may be adjusted by the Committee as it considers appropriate.

Rights attaching to New Share Awards and Shares

7.23 New Share Awards are not transferable. Xstrata will apply to the UK Listing Authority and the London Stock Exchange for admission to listing and trading of the Xstrata Shares issued to the employee benefit trust. Glencore Shares transferred on vesting of New Share Awards will rank equally with all other Glencore Shares of the same class then in issue.

Amendments

7.24 The Committee may amend the New Xstrata 2012 Plan at any time, but no amendment may be made which would have a material adverse effect on a participant without his or her prior written consent.

7.25 Any amendments to the provisions governing eligibility, individual participation limits, plan limits, the basis for determining a participant's entitlement to shares, the terms of the shares and the consequences of any capitalisation issue, rights issue or open offer, sub-division or consolidation of shares or reduction of capital or any other variation of capital that are to the advantage of participants or eligible employees, will require the prior approval of shareholders in general meeting. The approval of shareholders will not be required for any minor amendment that is to benefit the administration of the New Xstrata 2012 Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or any member of the Xstrata Group or Combined Group.

7.26 The rules of the New Xstrata 2012 Plan can be inspected at the London offices of Xstrata's solicitors, Freshfields Bruckhaus Deringer LLP at 65 Fleet, Street, London EC4Y 1HS and at the registered office of Xstrata at 4th Floor Panton House, 25/27 Haymarket, London SW1Y 4EN during normal business hours on any day (Saturdays, Sundays and public holidays excepted) until close of business on the date of the New Xstrata General Meeting and will also be available for inspection for 15 minutes before and during the New Xstrata General Meeting.

8. MATERIAL CONTRACTS

There have been no changes or additions to the contracts described in paragraph 10 of Part VI of the Scheme Circular (not being contracts entered into in the ordinary course of business).

9. SIGNIFICANT CHANGE

9.1 Save as disclosed in this document or the Scheme Circular, the Independent Xstrata Directors are not aware of any significant change in the financial or trading position of Xstrata which has occurred since 30 June 2012, being the date to which the last published interim financial information of Xstrata was prepared.

9.2 Save as disclosed in this document or the Scheme Circular, the Glencore Directors are not aware of any significant change in the financial or trading position of Glencore since 31 December 2011, being the date to which the last published audited financial information of Glencore was prepared.

* As described in footnote (6) to the table on page 18 above, Xstrata announced via an RIS on 20 July 2012 that Peet Nienaber will retire from the Xstrata Group on 30 September 2012. Consequently, he will not be entitled to receive any element of the Amended Management Incentive Arrangements. Therefore the maximum number of Xstrata Shares needed to satisfy the retention share awards will be reduced accordingly.

9.3 Save as disclosed in this document, there has been no material change to the information set out in the Scheme Circular.

10. SOURCES AND BASES OF SELECTED FINANCIAL INFORMATION

10.1 Unless otherwise stated, all prices quoted for Xstrata Shares and Glencore Shares are closing mid-market prices and are derived from the Daily Official List.

10.2 As at the close of business on 6 August 2012 there were 6,922,713,511 Glencore Shares in issue.

10.3 As at the close of business on 6 August 2012 the number of Xstrata Shares in issue was 3,002,692,076. (Of this number, 1,010,403,999 Xstrata Shares were owned by the Glencore Group and 50,093,201 Xstrata Shares were owned by certain entities connected with Xstrata that hold Xstrata Shares for the purpose of satisfying Xstrata Shares to be issued pursuant to the Xstrata Share Schemes).

10.4 As at the close of business on 6 August 2012 the fully diluted number of Xstrata Shares is 3,031,539,427. This comprises:

- (a) the number of Xstrata Shares in issue set out in paragraph 10.3 above; plus
- (b) 78,940,552 Xstrata Shares to be issued pursuant to the Xstrata Share Schemes; less
- (c) 50,093,201 Xstrata Shares held by certain entities connected to Xstrata referred to in paragraph 10.3 above which are intended to be used to satisfy awards pursuant to the Xstrata Share Schemes.

10.5 The number of New Glencore Shares to be issued in connection with the merger is 5,727,752,170. This comprises:

- (a) the number of fully diluted Xstrata Shares of 3,031,539,427 referred to in paragraph 10.4 above; less
- (b) the number of Xstrata Shares owned by the Glencore Group of 1,010,403,999, referred to in paragraph 10.3 above; plus
- (c) the maximum number of Xstrata Shares needed to satisfy the retention share awards of 24,490,347 Xstrata Shares*.

10.6 Unless otherwise stated, the financial information concerning Xstrata has been extracted from the audited annual report and accounts for Xstrata for the relevant period.

10.7 Unless otherwise stated, the financial information concerning Glencore has been extracted from the audited annual report and accounts for Glencore for the relevant period.

11. OTHER INFORMATION

11.1 Deutsche Bank AG, London Branch has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.

11.2 J.P. Morgan Limited has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.

11.3 Goldman Sachs International has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.

11.4 Nomura International plc has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.

11.5 Barclays has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.

11.6 No agreement, arrangement or understanding (including any compensation arrangement) exists (save as otherwise disclosed in this document or the Scheme Circular) between Glencore or any person acting in concert with Glencore for the purposes of the Merger and any of the directors, shareholders or

* As described in footnote (6) to the table on page 18 above, Xstrata announced via an RIS on 20 July 2012 that Peet Nienaber will retire from the Xstrata Group on 30 September 2012. Consequently, he will not be entitled to receive any element of the Amended Management Incentive Arrangements. Therefore the maximum number of Xstrata Shares needed to satisfy the retention share awards will be reduced accordingly.

recent shareholders of Xstrata, or any person interested or recently interested in Xstrata Shares, having any connection with or dependence upon, or which is conditional on the outcome of the Merger.

11.7 There are no arrangements of the kind referred to in Note 11 of the definition of acting in concert in the Code which exists between Glencore, or any person acting in concert with Glencore, and any other person or between Xstrata, or any person acting in concert with Xstrata, and any other person.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available on Glencore's website at www.glencore.com and on Xstrata's website at www.xstrata.com during the course of the Merger:

12.1 the Xstrata Articles;

12.2 the Xstrata Articles as proposed to be amended by the resolutions set out in the notice of New Xstrata General Meeting set out at Part VI of this document;

12.3 the memorandum and articles of association of Glencore;

12.4 the material contracts referred to in paragraphs 10.1(l) and 10.2(a) of Part VI of the Scheme Circular;

12.5 the irrevocable undertakings referred to in paragraph 6 of Part VI of the Scheme Circular;

12.6 the written consents referred to in paragraph 11 of this Part IV and paragraph 14 of Part VI of the Scheme Circular;

12.7 a full list of the dealings aggregated in paragraph 3 of this Part IV and in paragraph 5 of Part VI of the Scheme Circular;

12.8 the letters to be sent to participants in Xstrata Share Schemes and the New Xstrata 2012 Plan in accordance with Rule 15 of the Code, as referred to in paragraph 10 of Part II of the Scheme Circular and paragraph 1 of Part I and paragraph 2 of Part II of this document, respectively;

12.9 the rules of the New Xstrata 2012 Plan;

12.10 Xstrata's half-year results announcement for the 6 months ended 30 June 2012; and

12.11 this document (including any documents incorporated herein by reference) and the Scheme Circular and the New Forms of Proxy.

PART V
DEFINITIONS

Except for the following definitions (which apply throughout this document), definitions used in the Scheme Circular also apply in this document unless, in each case, the context requires otherwise:

“Amended Management Incentive Arrangements”	the terms of the Management Incentive Arrangements, as amended on the basis described in this document and, in particular, in paragraph 1 of Part I (<i>Letter from the Chairman of Xstrata</i>) and paragraph 2 of Part II (<i>Supplementary Explanatory Statement</i>), and including, in particular, the New Xstrata 2012 Plan
“Amended Management Incentive Arrangements Resolution”	resolution number 2 set out in the notice of the New Xstrata General Meeting in Part VI (<i>Notice of New Xstrata General Meeting</i>) of this document to be voted on by the Independent Xstrata Shareholders
“Court Meeting Form of Proxy”	the form of proxy in connection with the Court Meeting, which accompanied the Scheme Circular
“Existing Xstrata Share Schemes”	the Xstrata plc 2002 Long Term Incentive Plan, the Xstrata plc 2002 Executive Committee Annual Bonus Plan and the Xstrata plc 2005 Added Value Incentive Plan, each as amended from time to time
“First Supplementary Glencore Prospectus”	the document published by Glencore on 12 July 2012 in connection with the Glencore Prospectus and the issue of New Glencore Shares
“Forms of Proxy”	the Court Meeting Form of Proxy and the New Xstrata General Meeting Form of Proxy
“Glencore Prospectus”	the document published by Glencore on 31 May 2012 in conjunction with the issue of the New Glencore Shares as supplemented by the Supplementary Glencore Prospectus and any other supplement to the Glencore Prospectus that may be published by Glencore
“New Xstrata 2012 Plan”	the new Xstrata share plan, as described in paragraph 1 of Part I (<i>Letter from the Chairman of Xstrata</i>), paragraph 2 of Part II (<i>Supplementary Explanatory Statement</i>) and paragraph 7 of Part IV (<i>Additional Information</i>) of this document
“New Xstrata General Meeting”	the extraordinary general meeting of Xstrata to be convened in connection with the Scheme, the Reduction of Capital and the Amended Management Incentive Arrangements, notice of which is set out in Part VI (<i>Notice of New Xstrata General Meeting</i>) of this document, including any adjournment thereof
“New Xstrata General Meeting Form of Proxy”	the PINK form of proxy in relation to the New Xstrata General Meeting, which accompanies this document
“New Xstrata General Meeting Resolutions”	the resolutions set out in the notice of the New Xstrata General Meeting in Part VI (<i>Notice of New Xstrata General Meeting</i>) of this document
“Resolutions”	the resolutions set out in the notice of the Court Meeting in Part IX of the Scheme Circular and the notice of the New Xstrata General Meeting in Part VI (<i>Notice of New Xstrata General Meeting</i>) of this document, respectively
“Savings”	sustainable enhancements to the earnings of the Combined Group which are of a non-revenue nature and which result from the Merger

“Scheme Circular”	the document containing the Scheme as sent to Xstrata Shareholders on 31 May 2012
“Second Supplementary Glencore Prospectus”	the document published by Glencore on 7 August 2012 in connection with the Glencore Prospectus and the issue of New Glencore Shares
“Shareholder Meetings”	the Court Meeting and the New Xstrata General Meeting, and “Shareholder Meeting” means either one of them
“Xstrata’s Management”	the members of senior management of the Xstrata Group, being the Xstrata Executive Directors and Peter Freyberg, Benny Levene, Thomas Moraitis, Peet Nienaber, Ian Pearce and Charlie Sartain. As announced by Xstrata via an RIS on 20 July 2012, Peet Nienaber (Chief Executive, Xstrata Alloys and a member of Xstrata’s Management) will retire from the Xstrata Group on 30 September 2012. Consequently, he will not be entitled to receive any element of the Amended Management Incentive Arrangements. Therefore the aggregate amounts potentially payable to Xstrata’s Management in respect of the Amended Management Incentive Arrangements will be reduced accordingly
“Xstrata Share Schemes”	the Existing Xstrata Share Schemes and the New Xstrata 2012 Plan, as amended from time to time

For the purposes of this document, “subsidiary”, “subsidiary undertaking”, “undertaking”, “associated undertaking” have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this document. All references to time in this document are to London time unless otherwise stated.

PART VI
NOTICE OF NEW XSTRATA GENERAL MEETING

XSTRATA PLC
(Registered in England and Wales No. 04345939)

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING ("New Xstrata General Meeting") of Xstrata plc (the "Company") shall be held at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland on 7 September 2012 at 11.15 a.m. Central European Summer Time ("Central European Summer Time") with a concurrent satellite meeting linked by video conference to the New Xstrata General Meeting in Zug being held at Holborn Bars, 138-142 Holborn, London EC1N 2NQ at 10.15 a.m. London time (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part, being the "Supplementary Scheme Circular") convened for 11.00 a.m. Central European Summer Time (10.00 a.m. London time) on the same day and at the same places has concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolutions, of which resolution 1 will be proposed as a special resolution and resolution 2 will be proposed as an ordinary resolution and each will be taken on a poll. Defined terms in this notice, unless otherwise defined, shall have the meaning given to them in the Supplementary Scheme Circular.

SPECIAL RESOLUTION

1. **THAT** subject to and conditional upon the passing of resolution 2 set out in this notice of New Xstrata General Meeting, for the purpose of giving effect to the scheme of arrangement dated 31 May 2012 between the Company and Scheme Shareholders (as defined in the said scheme of arrangement), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman thereof, in its original form or subject to any modification, addition or condition agreed by the Company and Glencore International plc ("Glencore") and approved or imposed by the Court (the "Scheme"):
 - 1.1 the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into full effect;
 - 1.2 at the Reorganisation Record Time (as defined in the Scheme) the Excluded Shares (as defined in the Scheme) shall be reclassified into A ordinary shares of US\$0.50 each (the "A Shares");
 - 1.3 at the Reorganisation Record Time all Xstrata Shares other than the Excluded Shares (as defined in the Scheme) shall be reclassified into B ordinary shares of US\$0.50 each (the "B Shares"); and
 - 1.4 with effect from the Reorganisation Record Time the Articles of Association of the Company (the "Articles") shall be amended by the insertion into the Articles of a new Article 7A:

"The A ordinary Shares of US\$0.50 each and the B ordinary Shares of US\$0.50 each shall rank equally as if they were the same class of shares in all respects and the rights attaching to such shares shall be identical, save that upon implementation of the Scheme, each B Share shall confer upon the holder thereof the right to receive 2.8 ordinary shares of US\$0.01 in the capital of Glencore International plc ("New Glencore Shares"), in accordance with and subject to the terms of the Scheme."

PROVIDED THAT if the reduction of share capital referred to in paragraph 1.5 below does not become effective by 6.00 p.m. (London time) on the tenth business day following the Reorganisation Record Time, or such earlier or later time and date as the Company and Glencore may agree and the Company may announce through a Regulatory Information Service, the reclassification referred to in paragraphs 1.2 and 1.3 above shall be reversed and the A Shares and the B Shares shall revert to and be classified as ordinary shares of US\$0.50 each in the capital of the Company, and the new Article 7A adopted and included pursuant to paragraph 1.4 shall be deleted from the Articles;

- 1.5 contingent upon the reclassifications of the Excluded Shares and all Xstrata Shares other than the Excluded Shares (as defined in the Scheme) referred to in paragraphs 1.2 and 1.3 pursuant to the Scheme taking effect and the requisite entries having been made in the register of members of the Company, the share capital of the Company be reduced by cancelling and extinguishing all of the B Shares;

- 1.6 subject to and forthwith upon the reduction of capital referred to in paragraph 1.5 above taking effect and notwithstanding anything to the contrary in the Articles:
- (a) the reserve arising in the books of account of the Company as a result of the said reduction of capital be capitalised and applied in paying up in full at par such number of new ordinary shares of US\$0.50 each in the capital of the Company (the "New Xstrata Shares") each as shall be equal to the number of B Shares cancelled pursuant to paragraph 1.5 above, such New Xstrata Shares to be allotted and issued credited as fully paid to Glencore and/or its nominee(s) in accordance with the Scheme; and
 - (b) the directors of the Company be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to allot the New Xstrata Shares referred to in paragraph (a) above, provided that (1) the maximum aggregate nominal amount of the shares which may be allotted under this authority shall be the aggregate nominal amount of the said New Xstrata Shares created pursuant to paragraph (a) above, (2) this authority shall expire on the fifth anniversary of the date of this resolution, and (3) this authority shall be in addition and without prejudice to any other authority under the said section 551 previously granted and in force on the date on which this resolution is passed;
- 1.7 one business day following the reduction of capital referred to in paragraph 1.5 above taking effect and notwithstanding anything to the contrary in the Articles:
- (a) the A Shares shall revert to and be reclassified as ordinary shares of US\$0.50 each in the capital of the Company; and
 - (b) the Articles shall be amended by the deletion of new Article 7A;
- 1.8 with effect from the passing of this resolution, the Articles be altered as follows by the adoption and inclusion of the following definitions in Article 2:
- immediately before the definition of "seal": "Scheme" means the scheme of arrangement dated 31 May 2012 between the Company and the Scheme Shareholders (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or subject to any modification, addition or condition agreed by the Company and Glencore International plc ("Glencore") and approved or imposed by the Court;
- immediately before the definition of "Act": "A Shares" means A ordinary shares of US\$0.50 each and
- immediately before the definition of "the board": "B Shares" means B ordinary shares of US\$0.50 each; and
- 1.9 with effect from, and conditional upon, the amendment of the Articles to remove all of the Entrenched Rights (as defined in Article 2 of the Articles), the following new Article 238 shall be adopted and included in these Articles:
- "SCHEME OF ARRANGEMENT**
- 238.1 Expressions defined in the Scheme shall have the same meanings in this Article 238 (save as expressly defined in these Articles).
- 238.2 Subject to the implementation of the Scheme, if any shares in the Company are issued to any person or his nominee (each a "New Member") after the time at which the adoption and inclusion of this Article 238 becomes effective (the "Post Scheme Shares") (subject to paragraph (a) below), they shall be immediately transferred to Glencore (or as it may direct) in consideration of the Relevant Consideration (as defined below), provided that:
- (a) any New Member may, prior to the issue of any Post-Scheme Shares to him or her pursuant to the exercise of an option or satisfaction of an award under any of the Xstrata Share Schemes, give not less than five business days' written notice to the Company in such manner as the directors of the Company shall prescribe of his or her intention to transfer some or all of such Post-Scheme Shares to his or her spouse or civil partner. Where a transfer of Post-Scheme Shares to a New Member's spouse or civil partner takes place in accordance with this paragraph (a) of this Article 238.2, references to "New Member" in the preceding paragraphs of this Article shall be taken as referring to the spouse or civil partner of the New Member. Any such

New Member may, if such notice has been validly given, on such Post-Scheme Shares being issued to him or her, immediately transfer to his or her spouse or civil partner any such Post-Scheme Shares, provided that such Post-Scheme Shares shall then be transferred from that spouse or civil partner to Glencore (or as it may direct) pursuant to this Article as if the spouse or civil partner were a New Member. If notice has been validly given pursuant to this Article but the New Member does not immediately transfer to his or her spouse or civil partner the Post-Scheme Shares in respect of which notice was given, such shares shall be transferred to Glencore (or as it may direct) pursuant to this Article;

- (b) the Relevant Consideration per share to be allotted or transferred (as the case may be) to a New Member pursuant to this Article 238.2 may be adjusted by the directors of the Company, in such manner as the auditors of the Company may determine, on any reorganisation of or material alteration to the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the close of business on the date on which the adoption and inclusion of this Articles 238 becomes effective. References in this Article to ordinary shares shall, following such adjustment, be construed accordingly; and
- (c) to give effect to any transfer of Post-Scheme Shares, the Company may appoint any person as attorney for the New Member to transfer the Post-Scheme Shares to Glencore and/or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Post-Scheme Shares in Glencore or its nominee(s) and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as Glencore may direct. If an attorney is so appointed, the New Member shall not thereafter (except to the extent that the attorney failed to act in accordance with the directions of Glencore) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by Glencore. The attorney shall be empowered to execute and deliver as transferor a form of transfer or other such instrument or instruction of transfer on behalf of the New Member (or any subsequent holder) in favour of Glencore and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register Glencore as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member in respect of any Post-Scheme Shares.

238.3 Glencore shall settle or procure the settlement of the consideration due under Article 238.2 by such date as Glencore shall agree with the Company and in any event within ten business days of the issue of the Post-Scheme Shares to the New Member.

238.4 In this Article 238, "Relevant Consideration" means such number of New Glencore Shares for each Post-Scheme Share as the relevant New Member would have been entitled to (ignoring, for the purpose of calculating the Relevant Consideration, any fraction of a New Glencore Share to which the relevant New Member would otherwise have been entitled, which will not be allotted or issued pursuant to this Article 238 and will be disregarded) under the Scheme for the relevant Post-Scheme Shares had they been Scheme Shares (as defined in the Scheme)."

ORDINARY RESOLUTION

- 2. **THAT**, subject to and conditional upon (a) the passing of resolution 1 set out in this notice of New Xstrata General Meeting, and (b) the passing of the resolution set out in the notice of the Court Meeting:
 - 2.1 the Amended Management Incentive Arrangements (as defined in the Supplementary Scheme Circular and which are summarised in paragraph 1 of Part I (*Letter from the Chairman of Xstrata*) and paragraph 2 of Part II (*Supplementary Explanatory Statement*) of the Supplementary Scheme Circular) be and are hereby approved and the directors of the Company be and are hereby authorised to do or procure to be done all such acts and things on behalf of the Company as they consider necessary or expedient for the purpose of giving effect to such arrangements; and
 - 2.2 the New Xstrata 2012 Plan, as defined in the Supplementary Scheme Circular and the main features of which are summarised in paragraph 1 of Part I (*Letter from the Chairman of Xstrata*),

paragraph 2 of Part II (*Supplementary Explanatory Statement*) and paragraph 7 of Part IV (*Additional Information*) of the Supplementary Scheme Circular, and the rules of which will be produced to the New Xstrata General Meeting and initialled by the Chairman for the purpose of identification, be and is hereby adopted and that the directors of the Company be and are hereby authorised to do or procure to be done all such acts and things on behalf of the Company as they consider necessary or expedient for the purpose of giving effect to the New Xstrata 2012 Plan.

By order of the Board

8 August 2012

Richard Elliston
Company Secretary
Xstrata plc

Registered office:
Xstrata plc
1st Floor, Almack House
26-28 King Street
London
SW1Y 6QW

NOTES TO THE NOTICE OF NEW XSTRATA GENERAL MEETING

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at 6.00 p.m. on 5 September 2012 or if this meeting is adjourned, at 6.00 p.m. two business days before the date of the adjourned meeting, shall be entitled to attend and, subject to paragraph 2, vote at the meeting. Changes to the register of members after the aforementioned deadline shall be disregarded in determining the rights of any person to vote at the meeting.
2. In order to comply with the requirements of the Panel and Rule 16.2 of the Takeover Code, the Amended Management Incentive Arrangements Resolution (as defined in the Scheme Circular and proposed as resolution 2 in this notice) will be taken on a poll and only Independent Xstrata Shareholders are permitted to vote thereon. Any vote cast by an Xstrata Shareholder who is not an Independent Xstrata Shareholder, either in person or by proxy, shall not be counted. If you are in any doubt as to whether or not you are permitted to vote on such resolution, please call the shareholder helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except UK public holidays) on 0800 279 4113 (free from landlines in the UK), 0800 002 427 (free from landlines in Switzerland), or +44 800 279 4113 (from outside the UK and Switzerland, international rates apply). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.

Website giving information regarding the meeting

3. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.xstrata.com.

Attending in person

4. Shareholders who wish to attend the meeting in person should note that the New Xstrata General Meeting will be held at 11.15 a.m. Central European Summer Time on 7 September 2012 (or as soon thereafter as the Court Meeting (as defined in the document of which this Notice forms part) has concluded or been adjourned) at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland with a concurrent satellite meeting linked by video conference to the New Xstrata General Meeting in Zug held at Holborn Bars, 138-142 Holborn, London EC1N 2NQ at 10.15 a.m. London time (or as soon thereafter as the Court Meeting has concluded or been adjourned). Shareholders who wish to attend in person are asked to please detach and bring with them the attendance card attached to the PINK New Xstrata General Meeting Form of Proxy to assist in admission to the meeting.

Appointment of proxies

5. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend and to speak and vote on your behalf at the meeting and you should have received a PINK proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the PINK proxy form.
6. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights, "Nominated persons".
 - You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights ("Relevant Member") to be appointed or to have someone else appointed as a proxy for the meeting;
 - If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights; and
 - Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, where applicable, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

7. A proxy need not be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the PINK proxy form are set out in the notes to the PINK proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
8. You may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to a different share or shares held by you. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, each different proxy appointment form must be received by the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 48 hours (excluding any part of a day that is not a working day) prior to the time appointed for the meeting.
9. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If either you select the 'Discretionary' option or no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using hard copy proxy form

10. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to the Company's Registrar; and
- received by the Company's Registrar no later than 48 hours (excluding any part of a day that is not a working day) prior to the time appointed for the meeting.

In the case of a member which is a Company, the PINK proxy form must be executed under its common seal or signed on its behalf by an officer of that Company or an attorney for that Company.

Any power of attorney or any other authority under which the PINK proxy form is signed (or a duly certified copy of such power or authority) must be included with the PINK proxy form.

Electronic appointment of proxies

11. As an alternative to completing the hard copy PINK proxy form, you can appoint a proxy electronically by using the share portal service at www.eproxyappointment.com. For an electronic proxy to be valid, your appointment must be received by Computershare Investor Services PLC no later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for holding the New Xstrata General Meeting.

Appointment of proxies through CREST

12. Xstrata Shareholders who hold Xstrata Shares in uncertificated form (that is, in CREST) and who wish to appoint a proxy or proxies for the New Xstrata General Meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC (ID 3RA50) by no later than 48 hours (excluding any part of a day that is not a working day) prior to the New Xstrata General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which

Computershare Investor Services PLC is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Xstrata may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

Appointment of proxy by joint members

13. In the case of joint holders, the signature of any one holder is sufficient to appoint a proxy. If more than one holder lodges a New Xstrata General Meeting Form of Proxy only that of the holder first named on the Company's Register of Members will be regarded as valid.

Changing proxy instructions

14. Where you have appointed a proxy using the hard PINK proxy form and would like to change the instructions using another hard copy PINK proxy form, please contact the Company's Registrar.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

15. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrar. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Computershare Investor Services PLC by no later than three hours before the time appointed for holding the meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

16. As at 6 August 2012, the Company's issued share capital comprised £50,000 plus US\$1,501,346,038.50 divided into 50,000 deferred shares of £1 each, 3,002,692,076 ordinary shares of US\$0.50 each and 1 Special Voting Share of US\$0.50 each, all of which were credited as fully paid. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6 August 2012 is 3,002,692,076.

Questions at the meeting

17. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at the meeting unless:
- answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

