Expansions in South America:
Production, Projects and Sustainable Development

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Organic production growth: South American contribution

- Projects under construction will increase Xstrata Copper’s global copper production by more than 50% to 1.5 million tonnes in 2015
- South American operations will produce 83% of production by 2015

**Projects under construction**

- Canada: 6%
- North Queensland: 26%
- Argentina: 15%
- Peru**: 21%
- Chile*: 32%

**2010 Mined Copper Production**

- Canada: 6%
- North Queensland: 26%
- Argentina: 15%
- Peru**: 21%
- Chile*: 32%

**Projects under construction will increase Xstrata Copper’s global copper production by more than 50% to 1.5 million tonnes in 2015**

**2015+ Mined Copper Production**

- Canada: 3%
- North Queensland: 14%
- Argentina: 8%
- Chile*: 22%
- Peru**: 53%

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* Including Lomas Bayas and XCu’s share of Collahuasi
** Including Tintaya-Antapaccay, Las Bambas and XCu’s share of Antamina
† Only including approved projects
South America Operations Division

- Created in February 2011, along with Joint Ventures Division (Collahuasi, Antamina)
- Head Office in Lima, Peru
- Administration of managed operations in Peru, Chile and Argentina
  - Tintaya Antapaccay / Las Bambas (Peru)
  - Lomas Bayas (Chile)
  - Minera Alumbrera (Argentina)
  - Agua Rica Project
  - Corocchhuayco Project
  - Brownfield opportunities and Business Development
Xstrata-managed operations and projects:
Significant Mineral Resources – 38Mt Cu metal

Mineral Resources in copper metal

- Las Bambas
- El Pachon
- Agua Rica
- Antapaccay
- Tintaya Sulphide
- Corocohuayco
- Alumbra

- Measured
- Indicated
- Inferred
Clear project responsibilities and delivery

- EISA applications and approvals
  - Antapaccay and Las Bambas approvals secured in record time in Peru
  - Social Licence; key construction permits for Antapaccay; Las Bambas in progress
- Community Relations
  - Strong reputation; resettlement approved; social support for projects and operations
- Sustainable Development
  - Notable safety and environmental performance; achieving world class standards
- Government Interface
  - Fiscal stability agreements in place for Antamina, Antapaccay and Las Bambas
- Operational Readiness and ramp-up
  - Strong experience and human resources; good cultural interaction
  - Different technologies; sharing best practice experiences; training capabilities
Supply/Procurement Synergies

- Regional Alliances with Caterpillar, Komatsu & Bucyrus provide benefits related to scale, equipment standardisation, capex and operating cost reductions
- Regional copper scale provides important synergies relating to Grinding Media including demand consolidation, sharing of best practices across sites, and cost reductions
- Explosives & Blasting service synergies across region provide demand consolidation leading to one contract and 10% reduction in costs
- Benefits from consolidating demand and specifications for Chemicals & Reagents; Mill Liners and Steel components; and Lubes & Greases providing cost reductions of 5%
- Business Reporting Tool developed to analyse large volumes of cost and consumption data across divisions and a consumables internal cost index
Sustainable Development
Social Investment
Peru: Social Investment

Las Bambas
- Promotion of Trout Farming
- Training and Development Program
- Production Projects: Community dining rooms
- Crafts Development Project
- Road Infrastructure
- Communications improvement
- Educational projects
- Irrigation projects, pasture
- Improvement, basin protection, and cattle breeding systems
- Capacity building

Tintaya – Antapaccay
- Development of local suppliers
- Local Employment Programs
- Tintaya Foundation: To contribute to the Sustainable Development of Espinar Province, beyond the termination date of the Tintaya mine operations, through the execution of programs and projects.
  - Education
  - Infrastructure
  - Tourism promotion
  - Agricultural and livestock development
  - Health
Tintaya brownfield potential resources

* Based on Geophysics Anomalies & Cu and Au Outcrops
Las Bambas brownfield potential resources

- Current Las Bambas Mineral Resources: 1.55 Bt @ 0.61% Cu
Production growth profile

Production kt Cu

August 2009
Tintaya Resources:
117Mt @ 1.15% Cu

2010
3Q10 Antapaccay construction commences

2011
3Q11 Las Bambas construction commences

2012
4Q12 Antapaccay commissioning
Resource: 817Mt @ 0.52%
Annual average life of mine production: 140ktpa Cu over 22 years

2013
2013 Tintaya open pit closes

2014
2014 Las Bambas commissioning
Resource: 1.55Bt @ 0.61%
Annual average life of mine production: 315ktpa Cu over 18 years

2015

2016
2016 El Pachón Agua Rica Corocochuayco
Lomas III (2017)
Production profile managed operations (Excl Collahuasi and Antamina)

Organic growth: approved and under assessment

South American Operations Division

- Tintaya
- Antapaccay
- Las Bambas
- Corocohuayco
- Alumbrera
- Agua Rica
- Lomas Bayas
- Lomas III
- El Pachon
Questions?