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NEWS RELEASE

## Proposal received from Glencore

Zug, 7 September 2012

The Independent Directors of Xstrata plc have today written to Glencore International plc to request clarification of the outline proposal (the "Proposal") provided to the Xstrata Board immediately prior to the Xstrata Court Meeting and New Xstrata General Meeting today in Switzerland.

The Proposal lacks sufficient information on key elements. On receipt of a detailed proposal the Board will carefully consider its merits and in particular whether it would represent a takeover of Xstrata by Glencore.

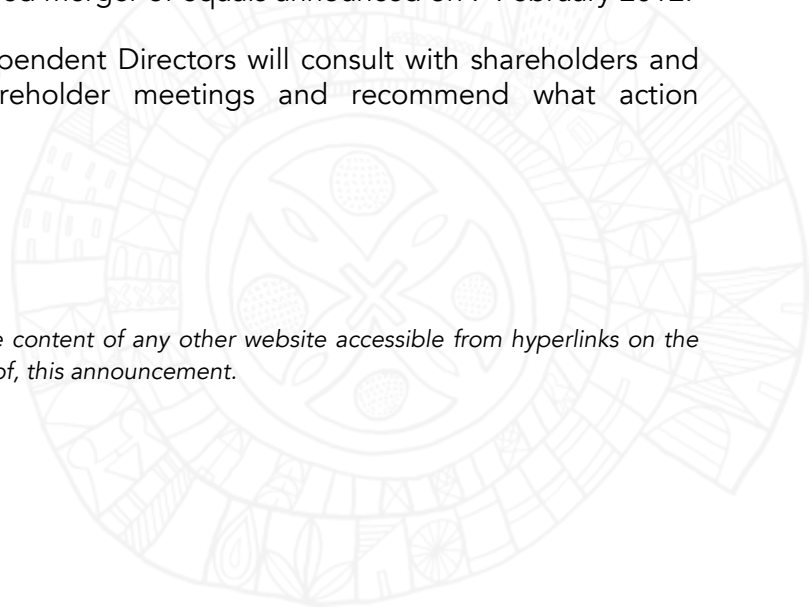
The Independent Directors note:

- The proposed exchange ratio of 3.05 represents a premium of 17.6% to the undisturbed Xstrata share price on 1 February 2012 and 22.2% to the closing price on 6 September, which is significantly lower than would be expected in a takeover
- The Proposal contains as a condition the ability for Glencore at their sole discretion to structure the transaction as a takeover offer in contrast to the current recommended scheme of arrangements where that discretion currently lies with Xstrata
- The intention to replace Mick Davis as CEO and to amend the management incentive arrangements represents significant risk around the retention of the Xstrata senior and operational management intended to be responsible for approximately 80% of the combined group's earnings and represents a fundamental change to the governance structure which underpinned the agreed merger of equals announced on 7 February 2012.

On receipt of a detailed proposal, the Independent Directors will consult with shareholders and consider whether to reconvene the shareholder meetings and recommend what action shareholders should take.

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Notes to editors

About Xstrata plc

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

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

Further information

Defined terms used in this announcement, unless defined herein, have the same meanings as in the supplementary scheme circular published on 8 August 2012 by Xstrata plc in connection with the recommended all-share merger of equals with Glencore International plc (the "Supplementary Scheme Circular").

This announcement is for information purposes only. It is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities.

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

Forward-looking statements

This announcement contains statements which are, or may be deemed to be, "forward-looking statements" which are prospective in nature. All statements other than statements of historical fact are forward-looking

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

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

Other than in accordance with its legal or regulatory obligations (including under the Listing Rules and the Disclosure and Transparency Rules of the FSA), Xstrata is under no obligation and Xstrata expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.