



NEWS RELEASE

FIRST ISAMILLS™ FOR SOUTH AMERICA – ANTAPACCAY COPPER PROJECT

Brisbane, 8 September 2010

Xstrata Copper's recently announced Antapaccay project in southern Peru has selected IsaMill™ technology to be part of its regrind circuit. The copper operation is a major long-life, low cost brownfield expansion of the existing Tintaya copper mine operated by Xstrata Copper.

Mr Stephen Smith, Operations Manager - Mineral Processing, Xstrata Technology, said the IsaMills™ were selected after rigorous comparisons of a variety of regrind equipment by Xstrata Copper. However, after Xstrata Copper's assessment, the superior energy efficiency of the IsaMill™ was one of the key factors in their selection, and important in a region such as southern Peru, where power costs are high.

Two M3000 IsaMills™ will be part of the copper regrind section, where product sizing less than 40 micron are required. The mills will be powered by 1500 kW (2000 hp) motors, and will come complete with the entire regrind plant design and supply, including feed and discharge hoppers and surrounding steel work, as well as the recently released IsaCharger™ media addition system. Ceramic media will be used in the mills. The planned commissioning of the mills will be in the second half of 2012.

Karina Arburo, from the Xstrata Technology Santiago Office said "This is a very important IsaMill™ installation for Xstrata Technology, as it will be the first in South America. This region is significant for future copper production and the IsaMill™ offers a lot of opportunities for producers to produce quality concentrate at much lower power input than other traditional grinding technologies. In addition, producers can gain increased copper recovery with the inert grinding environment benefits of the IsaMill™ to the downstream flotation process".

The IsaMills™ will be designed and managed by Xstrata Technology's Vancouver office, as well as being supported during the project stage and commissioning by the Santiago office.

Other recently announced projects using IsaMills™ are the Endako project in Canada, where 3 x M1000 IsaMills™ will form part of the regrind circuit for molybdenum processing, as well as a M100 (75 kW) unit being installed by Exportadora Aurifera in a gold mine in Ecuador. Xstrata Copper have also recently purchased a M10,000 (3000 kW) IsaMill™ for the Ernest Henry magnetite/copper project in Australia. IsaMill™ Technology is becoming a standard for regrinding copper concentrate.

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Notes to editors**ABOUT XSTRATA PLC**

Xstrata is a global diversified mining group, listed on the London and Swiss Stock Exchanges, with its headquarters in Zug, Switzerland. Xstrata's businesses maintain a meaningful position in seven major international commodity markets: copper, coking coal, thermal coal, ferrochrome, nickel, vanadium and zinc, with additional exposures to platinum group metals, gold, cobalt, lead and silver, recycling facilities and a suite of global technology products, many of which are industry leaders. The Group's operations and projects span 19 countries

XSTRATA TECHNOLOGY

Xstrata Technology develops markets and supports technologies for the global mining, mineral processing and metals extraction industries. It has offices in Australia, South Africa, Canada and Chile, and is a wholly owned subsidiary of Xstrata plc. For further information please visit www.xstrata.com.