



## **NEWS RELEASE**

### **SMI welcomes entry of new Senior Officials**

Tampakan, 2 April 2007

Sagittarius Mines, Inc. (SMI) is looking forward to an exciting phase in the development of the Tampakan Copper-Gold Project in South Cotabato, with the entry of the new senior SMI officials from Xstrata Copper, which exercised its option for a controlling interest in SMI, effective 30 March 2007.

"By carrying out best practices in key pre-feasibility areas like environmental management and community development over the last three years, we at SMI believe that a solid foundation has been laid for the more technical aspects of the project." said Rolando S. Doria, SMI spokesperson. "And it is quite timely and appropriate that, henceforth, we will be receiving management guidance from Xstrata Copper, the world's fourth largest copper producer."

Under the Financial or Technical Assistance Agreement (FTAA) governing the Tampakan Project, considered one of the largest undeveloped copper deposits in the world, SMI has been designated as the operating entity.

"There is a definite congruence between the philosophy of the former SMI management with that of Xstrata Copper," added Doria. "The new majority owners put just as heavy a premium on robust community partnership, excellent government relations, social responsibility, health and safety management, and environmental stewardship. We look forward to enriching each other's perspective in these project areas."

In recent years, SMI's innovative community and environmental projects have been cited as benchmarks in responsible mineral development.

The Philippine Mine Safety and Environment Association (PMSEA) honored SMI as the top recipient of the Presidential Mining Industry Environmental Award (PMIEA) in December 2006. The highest award to be given to a mining company, the PMIEA gives recognition to programs and projects for environmental protection and enhancement of mining areas, development of the host and neighboring communities, land use improvement, exploration and mining site rehabilitation and final project decommissioning.

PMSEA also honored SMI with a special award for the Best Mining Forest Program.

SMI has also been undertaking extensive community development activities – mostly on education, capacity-building and health, with special focus on the indigenous communities in whose home lands the mine will operate. These programs of SMI have been well received by the host communities and by government officials.

No less than Environment and Natural Resources Secretary Angelo T. Reyes has given SMI and the Tampakan Project high marks for their sterling record in environmental stewardship and community development.

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