



## **SAGITTARIUS MINES, INC.**

### **Statement**

*6 October 2007, Tampakan, South Cotabato*

### **SMI THANKS TAMPAKAN LGU, PROPOSES WAY FORWARD**

Sagittarius Mines, Inc. (SMI) expressed its appreciation to the local government of Tampakan, led by acting Mayor Pedro Cagas and acting Vice Mayor Relly Leysa, for its sincere and serious efforts in working to remove the padlocks in the SMI facilities in Tampakan, and to lift the roadblock on public road leading to the project site.

On Thursday, SMI representatives met with local government representatives, who agreed to assist the company by resolving the illegal actions started by a small group of deployed agency workers last Monday. The company recognized the local government's mandate to intervene and restore order.

With the removal of the padlocks and lifting of the roadblock, SMI sent a letter to acting Mayor Cagas, to express its appreciation and to propose a way forward through constructive and transparent dialogue in an atmosphere of respect and mutual cooperation.

"During this time, SMI activities in the Project area continued with no disruption. SMI is hoping that the encouraging steps will soon lead to a lasting solution and stronger partnership between the company, the community and the local government."

"SMI has always believed that issues can be resolved through sincere dialogue and engagement with concerned parties. It is along this approach that we are pursuing our long-term development partnership with the community and the stakeholders of the Tampakan Project," said Gerardo Laviste, SMI Resident Manager.

Laviste reiterated, "SMI remains committed to playing an important role in project and community development. We intend to be around for the long term, and we ask our partners and local community to work with us to improve employment prospects and well-being in the region."

"The Tampakan project has already delivered many benefits to the local communities. We believe the project has the potential to further significantly improve the quality of life for local communities as it progresses."

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Notes to editors:

Tampakan Project

The Tampakan project is located on the southern Philippines island of Mindanao, approximately 65 kilometers north of General Santos City. The current project is situated on the boundary of three Provinces – South Catabato, Sultan Kudarat and Davao Del Sur. The Tampakan copper gold deposit is located in the Province of South Cotabato, Municipality of Tampakan.

The Tampakan deposit represents one of the largest undeveloped copper-gold deposits in the South East Asia-Western Pacific Region. The PFS confirmed that resources of 2 billion tonnes containing 11.6 million tonnes of copper and 14.6 million ounces of gold at a 0.3% copper cutoff grade.

On 30 March 2007, Xstrata Copper acquired 62.5% of the controlling interest in the Tampakan Project and assumed management control through its Philippines based affiliate Sagittarius Mines, Inc.

Xstrata Copper

Xstrata Copper is headquartered in Brisbane, Australia, with regional offices in Santiago and Antofagasta, Chile; Lima and Arequipa, Peru; Buenos Aires, Argentina; and Toronto, Canada, and is one of the commodity business units within the major global diversified mining group Xstrata plc.

Xstrata Copper's mining operations and projects span seven countries and include mines, mineral processing plants and port facilities in North Queensland, Australia; mining and processing operations and port facilities in Chile, Peru and Argentina in South America; and mining and processing plants in Canada. It also has a recycling business (Xstrata Recycling) with facilities in Canada, the United States and Asia.

Xstrata Copper is the fourth largest global copper producer, with annual managed production of over one million tonnes.