



SAGITTARIUS MINES, INC.

Media Release

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TAMPAKAN PROJECT FORGES AHEAD WITH COMMUNITY PARTNERSHIP DEVELOPMENT INITIATIVES

General Santos City -- Sagittarius Mines, Inc. (SMI) will continue to build on its PhP 21.6 million investment in sustainable development initiatives with a range of community and social infrastructure development partnerships as part of the company's copper and gold project located in the boundaries of Tampakan (South Cotabato), Columbio (Sultan Kudarat) and Kiblawan (Davao del Sur).

SMI is working closely with local communities to identify the barriers to their development and examine potential capacity building activities. The company has recently completed consultations with 27 *sitios / puroks*, and is now partnering with local governments in the area, along with the community members, to deliver key resources such as clean water supply, livelihood projects and electricity to the communities.

SMI Resident Manager Gerardo Laviste said: "Partnerships like these reflect our commitment to socially responsible mining and our belief that the project has the potential to significantly improve the quality of life for local communities as it progresses.

"We understand that if we are to realise our goals and unlock the substantial potential gains for this region, then we must continue to involve all our partners."

The latest partnership projects form part of SMI's ongoing sustainable development program that has already delivered many benefits to the local communities including:

- 10,250 educational grantees, from elementary to college
- 2,226 local people enrolled in the PhilHealth indigent program
- PhP 26.47 million in taxes contributed to the local government
- Free training for more than 250 locals through the Competence Center
- 77,000 trees planted as part of the reforestation program

Bella Lechonsito, Community Relations and Development Superintendent, said the company's sustainable development program aims to empower community members to work through the many challenges they face.

"It's not just about the end solutions; it's about the process the communities go through to reach those solutions. It gives community members a sense of ownership and a realisation that together they can make a difference and shape the future of their region," she said.

SMI is currently focussed on pre-feasibility related studies, which are scheduled to be completed by the end of 2008. SMI is committed to international best practice in

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environmental and social performance and to working closely with host communities, local and national governments, to progress the project.

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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.