



SAGITTARIUS MINES, INC.

SMI Statement

11 March 2009

SMI empathizes with the sentiments of the colleagues and loved ones of Boy Billanes over his sudden death. We respect everyone's right to express these sentiments.

SMI is also saddened by this incident, and reiterates its condolences and sympathies to his family and loved ones.

The allegations linking SMI to this incident is totally untrue and baseless.

As many from our communities will attest, SMI has always respected and will continue to respect human rights and the rights of stakeholders to express their concerns on the Tampakan Project.

SMI has always conducted its business through genuine partnerships by working ethically, responsibly, openly and with others.

We look forward to see justice served to those who are behind this incident through an immediate and thorough investigation.

Ends –

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Notes to editors:

Tampakan Project

The Tampakan project is on the southern Philippine island of Mindanao, approximately 65 kilometers north of General Santos City. The current project borders three Provinces – South Cotabato, Sultan Kudarat and Davao Del Sur. The Tampakan copper gold deposit is in the province of South Cotabato, municipality of Tampakan.

The Tampakan deposit represents one of the largest undeveloped copper-gold deposits in Southeast Asia. The latest mineral resource estimate confirmed 2.2 billion tonnes containing 12.8 million tonnes of copper and 15.2 million ounces of gold at a 0.3% copper cut-off 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 attributable production capacity of over one million tonnes.

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