



MEDIA RELEASE

Locals attend first public tour of Xstrata Coal's sample pit in Wandoan

Brisbane – 19 August 2008

Wandoan locals got to see first hand what is involved in the early stages of mine development when they attended a tour of Xstrata Coal's sample pit outside Wandoan recently.

About 130 people viewed the sample pit, rehabilitation trials, crushing and trucking operations on the site.

Guests included local families and landholders, councillors and staff from Dalby Regional Council and small business owners from the region.

Xstrata Coal Wandoan Coal Project Director, Bill McKinstrey, said the tour of the sample pit was an opportunity for locals to experience some of what was involved in a new mining project.

"It was a pleasure to welcome so many people onto site and have the opportunity to answer their questions regarding the pit operations and the project.

"Sample pit activities are an important part of our pre-feasibility studies for the project. The tour provided a unique experience for locals to understand what has been happening on site to date."

Xstrata Coal has extracted about 50,000 tonnes of coal from the 23m deep and 300m long pit for trial washing, grinding and burning to understand the coal quality and to help identify potential customers.

Visitors donned safety gear including hats, glasses and vests, to walk out to a viewing platform 23m above the pit floor.

Highlights of the tour included seeing the rehabilitation of an old sample pit mined by MIM about 30 years ago, seeing trial plantings where top soil dug up from the new pit area was reused and seeded with native grasses and pasture, and taking a piece of coal home from the site as a souvenir.

The day was capped off with a sausage sizzle at 5pm at the local Bowls Club in Wandoan.

ENDS

Information for editors: Photos of tour available on request.

Xstrata Coal Queensland is conducting pre-feasibility studies for the proposed Wandoan Coal Project about 400km north-west of Brisbane in Queensland. Covering approximately 32,000

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hectares of exploration tenure west of the town of Wandoan, it is anticipated that the proposed Project will comprise an open-cut mine, a coal handling and preparation plant, and support facilities. With an expected mine life of over 30 years, the mine would produce thermal coal for export markets and possibly domestic markets.

Xstrata Coal is the world's largest exporter of thermal coal and a significant producer of premium quality hard coking coal and semi-soft coal. Headquartered in Sydney, Australia, Xstrata Coal has interests in over 30 operating coal mines in Australia, South Africa and Colombia and an exploration project in Nova Scotia, Canada.

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