



NEWS RELEASE

CERREJÓN EXPANSION PROJECT APPROVED

Sydney, 18 August 2011

A \$1.3 billion project to expand the Cerrejón thermal coal mine in Colombia has been approved by Cerrejón's three equal shareholders. Cerrejón is an incorporated joint venture owned in equal shares by Xstrata Coal (33.3%), BHP Billiton (33.3%) and Anglo American (33.3%).

The project will increase saleable production and export capacity by 8 million tonnes per annum from 32 million tonnes to 40 million tonnes per annum. Construction is set to commence later this year and be completed by 2013 with production progressively ramping up to 40 million tonnes by 2015.

The approved project will require expansion of the mine, coal handling facilities and the port, inclusive of an additional loading berth. The expansion will create additional employment for both Cerrejón direct employees and contractors.

One of the largest coal deposits in the world, Cerrejón has a resource base of approximately 5 billion tonnes, of which 2.1 billion tonnes are currently at a measured and indicated export quality status.

All numbers are provided on a 100% basis unless specifically stated.

Ends

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Xstrata Coal

Xstrata Coal is the world's largest international 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. Further information concerning Xstrata Coal is available at www.xstratacoal.com.