



Xstrata Nickel Appointments

Xstrata Nickel Senior Management Appointments

I am pleased to announce the new senior management team for Xstrata Nickel. The following appointments are effective immediately and members of the senior management team listed below will report directly to me:

Head Office Appointments

Dominique Dionne has been appointed Vice-President, Corporate Affairs.

Steve Flewelling has been appointed Vice-President, Projects and Exploration.

Doug McLarty has been appointed Vice-President, Legal with Steve Young as Group Counsel and Secretary.

David Rae has been appointed Vice-President, Strategy and Marketing.

Emree Siaroff has been appointed Vice-President, Human Resources.

Shaun Usmar has been appointed Vice-President and Chief Financial Officer. Shaun is currently Chief Financial Officer of Xstrata Alloys, based in South Africa and will take up his new role in Toronto in the coming weeks.

All members of the senior management team mentioned above will be based in Toronto, Canada.

With these announcements, Kathy Rohacek has decided to leave the Company. I would like to thank Kathy for her efforts with the Nickel Business Unit and wish her the very best going forward.

Operational Appointments

Allen Hayward has decided to retire from the organization. While the organization will miss Allen, he has agreed to remain available on a consultative basis for the next six months. Over this period of time he will be available to transfer his knowledge of the operation and assist in the transition to the new structure. I greatly appreciate the support that Allen is giving us.

Mike Dufresne has also taken this opportunity to retire from the organization while Bill Rogers has decided to leave the Company. I would like to thank both Mike and Bill for their contributions over the years and wish them the best in their future endeavours.

Mike Romaniuk has been appointed Vice-President Sudbury Operations and will also oversee Montcalm.

Denis Lachance continues in his role as Vice-President and General Manager, Raglan Operations while Ed Henriksen remains as Managing Director, Nikkelverk.

Mike, Denis and Ed will all report to me.

The role of President of Falcondo has yet to be filled. In the meantime, I wish to thank Ernie Mast and Juan Alfredo de la Cruz for their support in managing the organization.

Please join me in supporting the senior management team in their roles. We are working diligently to complete the first stage of the integration process by the end of September and will continue to keep you up to date on developments.

Sincerely

Ian Pearce