



NEWS RELEASE

XSTRATA SUBSIDIARY XSTRATA CANADA CORPORATION DECLARES PREFERRED SHARE DIVIDENDS

Toronto, March 14, 2008

Xstrata plc subsidiary, Xstrata Canada Corporation (“XCC”), has declared the following preferred share dividends:

| Name of XCC Security | Trading Symbol | Dividend Amount Per Share | Record Date | Payable Date |
|-------------------------------------|---------------------------|---|--|---|
| Preferred Shares, Series 2 | FAL.PR.A | Floating rate Floating rate Floating rate | March 31, 2008 April 30, 2008 May 30, 2008 | April 14, 2008 May 12, 2008 June 12, 2008 |
| Preferred Shares, Series 3 | FAL.PR.B | Cdn\$0.2863 | May 15, 2008 | June 2, 2008 |

On February 21, 2007, the Parliament of Canada enacted amendments to the *Income Tax Act* (Canada) which are intended to reduce the personal tax rate on “eligible dividends” paid after 2005. XCC hereby notifies its holders of preferred shares that the full amounts of the dividends to be paid on the respective series of preferred shares set out above are designated as eligible dividends for purposes of these amendments and any applicable corresponding provincial provisions.

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