



NEWS RELEASE

XSTRATA TECHNOLOGY TO SUPPLY THIRD ISASMELT™ TSL PLANT TO VEDANTA

Brisbane, 19th August 2009

Xstrata Technology's ISASMELT™ top submerged lance (TSL) smelting technology has been chosen for its third smelter project in India, with a contract signed recently with Sterlite Industries (India) Limited, a subsidiary of Vedanta Resources plc (Sterlite).

Chief Executive Joe Pease said Xstrata Technology (XT) is providing a technology licence, engineering services and commissioning services for the Tuticorin copper smelter expansion project. This is third time Sterlite has chosen the ISASMELT™ technology for Tuticorin. The new furnace will complement an existing ISASMELT™ and will have capacity to treat over 1.5 million tonnes a year of concentrate to produce 400,000 tonnes per year of copper anodes.

The Sterlite metallurgical complex, in Tamil Nadu state near the southern tip of India, started operations with its first ISASMELT™ in 1996. Success of this installation led to a second plant in 2005, which is now followed by this expansion. Pease said "Sterlite's success is testimony to their operating expertise, and to the inherent advantages of ISASMELT™ - low capital and operating cost, high gas capture, and a myriad of 'small' design features to improve operations and maintenance life. Sterlite and Xstrata operators have worked closely together over many years to continually improve design and operating performance. This plant knowledge and close ongoing relationship with licensees is the distinguishing feature of XT's technical package - we offer long term support from expert operators of the technology".

A new copper refinery will also be constructed as part of the expansion project, with XT's ISA PROCESS™ technology also being supplied under a separate agreement. The new refinery will be adjacent to the existing ISA PROCESS™ refinery.

Copper ISASMELT™ furnaces are operating in India, Australia, Belgium, China, Germany, Peru, the United States and Zambia and are currently processing more than 6 million tonnes of raw materials per annum. This number is increasing rapidly as new plants are under construction in Kazakhstan and Peru as well as India.

The Sterlite project closely follows the award of a lead ISASMELT™ project in China. XT recently streamlined its technology package to enable clients to control capital cost while still drawing on XT's considerable experience in TSL smelter design and operation, and gaining access to the global network of ISASMELT™ operators including Xstrata.

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