



ASX ANNOUNCEMENT

RELEASE DATE: 12 November 2010
TO: Manager Companies
Australian Securities Exchange
Company Announcements Office
CONTACT: Lexton Graefe (08 9 322 5222)
RE: Xstrata gains control of Sphere
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Dear Sirs

We enclose herewith a copy of a media release dated 12 November 2010.

Yours faithfully

Lexton Graefe
Company Secretary

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ASX ANNOUNCEMENT

ASX, Media Release

12 November 2010

Xstrata gains control of Sphere

Xstrata yesterday declared it had received acceptances for over 50% of Sphere shares and declared its Offer unconditional. Xstrata's Offer now remains open until 7:00pm on Thursday 25 November 2010 and the Board of Sphere recommends that Shareholders accept Xstrata's Offer.

If you do not accept the Offer, and Xstrata does not acquire a relevant interest in at least 90% of Sphere shares prior to the close of the Offer (and is therefore not entitled to proceed to compulsory acquisition), you will become a minority shareholder in Sphere. Furthermore, Xstrata has indicated that now that it has a controlling interest there are likely to be changes to the Board of Sphere in the very near future.

If Sphere remains listed, the liquidity of Sphere shares may be significantly reduced, limiting the ability of shareholders to sell their shares. The trading price of Sphere shares may also be adversely affected.

Xstrata's increased bid offers shareholders a compelling opportunity to realise, in cash, the value of their investment and the substantial 94% premium to the pre-announcement closing Sphere share price, without the inherent development and funding risks associated with the next phase of Sphere's development.

The Board urges all remaining shareholders to accept the offer (allowing time for postage and handling of your acceptance) before the Xstrata offer closes at 7pm Sydney time on 25 November 2010, unless extended by Xstrata.

Ends

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