



Clean Energy for a Secure Future

December 6, 2006

**For Immediate Release**

### ***Xstrata Coal Joins FutureGen Alliance***

WASHINGTON, December 6 – Xstrata Coal announced today it has become a member of the FutureGen Alliance, committing US\$25 Million to support building a first-of-a kind near-zero emission coal-fueled power plant. The Alliance is a non-profit consortium of global electric utilities and coal companies working with the U.S. Department of Energy to site and develop FutureGen.

Xstrata Coal is the twelfth company to become a member of the Alliance, which is facilitating design, construction and operation of this near-zero coal-fueled power plant that will generate electricity by hydrogen-driven turbines and will capture and permanently store carbon dioxide deep underground.

“As the world’s largest exporter of thermal coal, Xstrata Coal is demonstrating its commitment to the international collaborative effort to significantly reduce greenhouse gas emissions resulting from the use of coal in power generation,” said Peter Coates, Chief Executive, Xstrata Coal. “FutureGen is the most advanced coal-fueled electricity generation technology development project in the world and we are pleased to be involved with other forward-thinking global companies in the development and deployment of this technology solution to climate change concerns.”

“The involvement of the world’s leading coal producing companies such as Xstrata Coal is essential to the success of FutureGen,” said Michael J. Mudd, Chief Executive Officer of the Alliance. “Xstrata Coal’s membership in the FutureGen Alliance demonstrates the commitment of the energy industry on a global basis to develop new ways to address climate change concerns.”

Four candidate sites are in the running to host FutureGen – two in Texas and two in Illinois. The U.S. Department of Energy is reviewing the candidate sites in accordance with the National Environmental Policy Act prior to the Alliance's selection of a final site by late-summer 2007.

The FutureGen Alliance represents some of the world's largest coal companies and electric utilities including: American Electric Power, Anglo American, BHP Billiton,

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the China Huaneng Group, CONSOL Energy Inc., E.ON U.S., Foundation Coal, Rio Tinto Energy America, Peabody Energy, PPL Corporation, and Southern Company. The Alliance is partnering with the U.S. Department of Energy to design and build the facility.

These companies provide energy to tens of millions of residential, business, and industrial customers in Asia, Australia, Canada, Europe, the People's Republic of China, South Africa and the United States, among other regions.

For more information visit [FutureGenAlliance.org](http://FutureGenAlliance.org).

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