
Xstrata Copper and Bechtel sign strategic alliance

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Xstrata Copper and engineering, construction and project management company Bechtel have joined forces in a strategic alliance, which will facilitate the development of Xstrata Copper's pipeline of copper projects.

The agreement covers the provision by Bechtel of engineering, procurement, construction and construction management services in relation to a series of potential copper mines, concentrators and related mineral processing facilities. Under this alliance, Bechtel will also contract personnel to Xstrata Copper to assist the company in the development of certain projects.

The strategic alliance also involves the innovative concept of designing a replicable copper concentrator and other facilities that could be applied to Xstrata Copper's individual projects. This will enable the early ordering of long lead time items and reduce the engineering time and costs on individual projects. It will also provide construction efficiencies. Future work on Antapaccay and Las Bambas in Peru and El Pachón in Argentina will be undertaken under this alliance and additional projects will be added as appropriate.

Mr Charlie Sartain CEO of Xstrata Copper said that "We are very excited about working with Bechtel in this innovative approach to project development which will optimize Xstrata's copper growth, in a cost effective and efficient manner. We have selected Bechtel to be our long term partner based on their leadership in the copper industry as well as their track record of developing high tonnage copper projects, safely, in a sustainable fashion, on time and on budget anywhere in the world."

Mr Andrew Greig president of Bechtel Mining & Metals said that "We look forward to a long term, successful relationship. Working with a world class company like Xstrata to develop a replicable copper concentrator design for their portfolio of projects has the potential to fundamentally change the way projects are delivered in the copper industry. We are very pleased to be Xstrata's strategic partner, not just for the challenge of delivering multiple projects globally, but because we share values with Xstrata relating to safety, sustainability, and ethics."

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