

March 27, 2009

Nippon Mining Holdings, Inc.
Nippon Mining & Metals Co., Ltd.

Transfer of polycrystalline silicon for solar cells business

Nippon Mining Holdings to divest stock in and assets of Japan Solar Silicon Co., Ltd.,
to Nippon Mining & Metals

Nippon Mining Holdings, Inc., (“Nippon Mining Holdings”) has decided to transfer its polycrystalline silicon feedstock for solar cells business and divest stock in and assets of Japan Solar Silicon Co., Ltd., a joint corporation engaged in the business, to its core operating company, Nippon Mining & Metals Co., Ltd. (“Nippon Mining & Metals”), effective April 1, 2009.

Nippon Mining Holdings, along with Chisso Corporation (“Chisso”) and Toho Titanium Co., Ltd., (“Toho Titanium”), established the joint corporation to manufacture polycrystalline silicon for solar cells using a unique zinc reduction technology, the Japan Solar Silicon (JSS) method, and is constructing a plant for commercial production. Nippon Mining Holdings decided to transfer the business and divest the stock and assets in view of the following factors:

- a. The business is currently moving from development into the commercialization phase.
- b. The transfer is expected to generate synergies between Japan Solar Silicon and Nippon Mining & Metals, since both businesses share much in common in terms of technology and markets.

Nippon Mining & Metals, in cooperation with Chisso and Toho Titanium, is actively moving toward launching the plant for commercial manufacturing.

Outline of Japan Solar Silicon Co., Ltd.

Date of establishment	June 2008
Head office	Chiyoda-ku, Tokyo
Plant location	Kamisu-shi, Ibaraki
Plant site area	50 thousand square meters
Paid-in capital	100 million yen
Investment ratios	Chisso: 50% Nippon Mining Holdings Group: 50% Nippon Mining Holding: 30% (transferred to Nippon Mining & Metals) Toho Titanium: 20%
President	Kazuo Oki (Senior Managing Director, Nippon Mining Holdings)
Business lines	Manufacturing and marketing of polycrystalline silicon feedstock for solar cells
Number of employees	Around 110 (when production capacity reaches 3,000 tons per annum)

Schedule

First phase	Operation of the plant with production capacity of 400 tons per annum will start in the first half of fiscal 2010.
Second phase	Construction to increase production capacity to 3,000 tons per annum will start in or after the first half of fiscal 2010.

Total capital investment will be around 24 billion yen.

Features of Japan Solar Silicon's manufacturing technologies

a. Features of the JSS method:

- The method employs a chlorination process, as in the Siemens method, a major production process in the field of polycrystalline silicon feedstock for solar cells.
- The JSS method can produce polycrystalline silicon with purity level between 8N and 9N (99.999999% and 99.9999999%), sufficient for generating solar power.
- Using silicon tetrachloride (SiCl₄) as a basic ingredient results in a more efficient reaction, and silicon tetrachloride (SiCl₄) is recyclable. Consequently, the JSS method can produce high-purity polycrystalline silicon at lower cost than the Siemens method.

b. Unique technologies developed by Chisso and the Nippon Mining Holdings Group have been incorporated into the JSS method.