

Caserones Copper and Molybdenum Deposit Development Project in Chile

JX Nippon Mining & Metals Corporation
Mitsui Mining & Smelting Co., Ltd.
Pan Pacific Copper Co., Ltd.
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Pan Pacific Copper Co., Ltd. (hereinafter "PPC"; head office: Otemachi 2-chome, Chiyoda-ku, Tokyo; president: Yoshimasa Adachi), an integrated copper enterprise jointly established by JX Nippon Mining & Metals Corporation (head office: Otemachi 2-chome, Chiyoda-ku, Tokyo; president: Masanori Okada) and Mitsui Mining & Smelting Co., Ltd. (head office: Osaki 1-chome, Shinagawa-ku, Tokyo; president: Sadao Senda), and Mitsui & Co., Ltd. (hereinafter "Mitsui"; head office: Otemachi 1-chome, Chiyoda-ku, Tokyo; president and CEO: Masami Iijima) have reviewed the investment to develop the Caserones Copper and Molybdenum Deposit Development Project (hereinafter "the Project"), taking stronger Chilean peso against the US dollar led by higher copper price, inflationary effects on construction materials, equipments and labor costs and engineering design development into consideration. As a result, estimates for the capital expenditure (production facilities and related costs) for the Project is increased to approximately US\$ 3 billion from original estimates of US\$ 2 billion. Despite the increase in the capital expenditure, we believe that the Project still has sufficient economics driven by the increase in copper price.

Additional funding from each shareholders shall be provided to SCM Minera Lumina Copper Chile (head office: Santiago, Chile; percentage of investment: PPC 75%, Mitsui 25%), the project company, as necessary.

Construction of the project is progressing in line with the original schedule. Detailed engineering and construction of the camp and access roads to the mine site have been mostly completed. The groundwork for each of the facilities has started and it is expected that the commercial production will commence in 2013 as planned originally.

PPC and Mitsui will continuously strive for the smooth development of the Project.

An outline of the Caserones Copper and Molybdenum Deposit Development Project

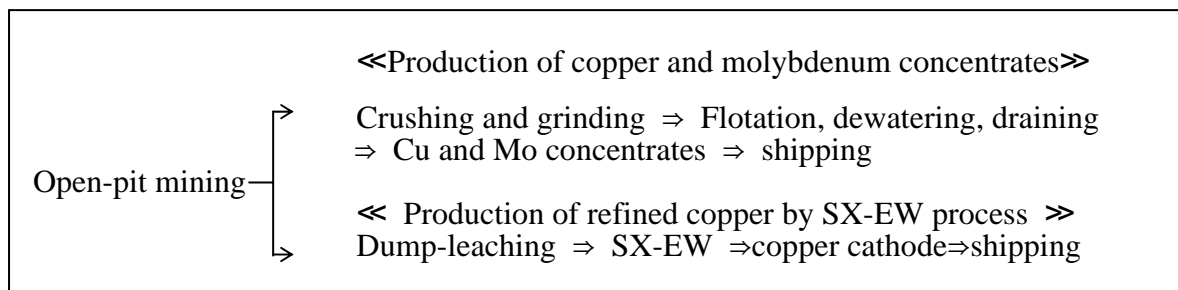
A. Construction period: From 2010 to 2013.

B. Commencement of operation:

- Production of refined copper by hydrometallurgical SX-EW process: in January 2013
- Production of copper and molybdenum concentrates: in September 2013

C. Expected mine life: 28 years

D. Flow of production to shipment:



Notes 1: (1)Dump-leaching means a process to extract (leach) copper by sprinkling sulfuric acid over a pile of uncrushed copper ore.

(2)SX-EW process means a solvent extractive electrolytic copper winning process. Copper ion is selectively recovered from the leaching solution, and copper metal is produced by electrolysis from the copper sulfate solution. Approximately 20% of the copper from the mines in the world is produced by this process.

E. Estimated volume of ore to be mined

Ore	Volume (million tons)	Grade	
		Copper %	Molybdenum (ppm)
Primary and secondary copper sulfide (For production of copper and molybdenum concentrates)	1,050	0.34	126
Copper oxide and secondary copper sulfide ore (For production of refined copper by SX/EW process)	300	0.25	—

- Notes 2:
- Primary copper sulfide : sulfides which formulated during the metallogenetic epoch. Chalcopyrite etc.
 - Secondary copper sulfide : sulfides made of the primary copper sulfide which reacted with sulfuric acid. Chalcocite etc.
 - Copper oxide : primary copper sulfide which oxidized by rain or weathering. chalcantite, malachite ore etc.

F. Daily output of ore: approximately 103,000 tons

G. Estimated annual production volume:

(Average during the initial phase of 10 years)

Copper: Copper content in copper concentrate: approx. 150,000 tons
 Refined copper produced by SX-EW process: approx. 30,000 tons
 Total: approx. 180,000 tons

Molybdenum: approx. 3,000 tons

(Average 28 years)

Copper: Copper content in copper concentrate: approx. 110,000 tons
 Refined copper produced by SX-EW process: approx. 10,000 tons
 Total: approx. 120,000 tons
 (Total production for mine life: approx. 3,547,000 tons)

Molybdenum: approx. 3,000 tons

(Total production for mine life: approx 87,000 tons)

H. Estimated initial investment: approx. 3 billion US dollars

I. Location of the Caserones copper and molybdenum deposit

162 kilometers southeast of Copiapó, the capital of the III Atacama Region of Chile, and 15 kilometers from the border with Argentina.

The deposit lies at altitudes between 4,200m to 4,600m above sea level.

