

**News Release**  
**Date :April 19, 2004**

**Sumitomo Metal Mining Co.,Ltd.**

### **Construction Start-up at Pogo Gold Mine Project Temporarily Postponed**

Sumitomo Metal Mining Co., Ltd. (Minato-ku, Tokyo/ President: Koichi Fukushima), in partnership with Teck Cominco Ltd. (British Columbia, Canada/ CEO: David A. Thompson) and Sumitomo Corporation (Chuo-ku, Tokyo/ President: Motoyuki Oka), is currently undertaking the Pogo Gold Mine development project in Delta Junction, Alaska. The project is now in its final stage of feasibility studies, and a National Pollutant Discharge Elimination System (NPDES) permit, the last major permit required to proceed with development of the mine, was issued on March 15 by the Environmental Protection Agency (EPA), with an appeal period of one month. However, during that period an appeal was submitted to the EPA by a local environmental organization, causing the grant of the permit to be suspended. The appeal will now initiate a review by the EPA.

In response to this development, the three partners in the project have decided to temporarily suspend the start-up of construction until the NPDES permit becomes effective. As a result, the initial target of production launch by the end of 2005 will need to be reconsidered.

The Pogo Gold Mine, located in eastern Alaska, has an ore reserve containing an estimated 174 tons of gold with an average grade of 18.0g per ton. Sumitomo started exploration at the mine in 1991, and in 1997 it entered into a joint-venture agreement with Teck Cominco, a leader in mining operations with previous experience in Alaska, subsequent to which exploration and feasibility studies have been carried out jointly. In 2000 application processing was started toward obtaining the permits indispensable for commencing construction, and by the end of 2003 all major permits except the NPDES document were received. Accordingly, many local workers have been hired and preparations have started for construction of the access road to the site and groundwork for the mill complex. Plans called for construction to begin on full scale on April 15, assuming the NPDES permit would be in hand by then.

Currently the details of the appeal are being examined. It is not known when the appeal

process will end, enabling the NPDES permit to be finalized. The partners in the joint venture will carefully monitor the appeal proceedings and seek the cooperation of the EPA and other related parties toward an early settlement of the permit issue.

1. Outline of Pogo Gold Mine Project

- 1) Location: approximately 90 miles southeast of Fairbanks, Alaska
- 2) Ore reserve: 9.7 million tons of ore, 174 tons of gold (average ore grade: 18.0g per ton)
- 3) Annual production: 0.9 millions tons of ore, 12.5 tons of gold (underground mining)
- 4) Treatment on site: mining, concentration, cyanidation, electrowinning
- 5) Final product: gold ingots (94% Au)
- 6) Mine life: 10 years (potentially longer, depending on future exploration of surrounding area)
- 7) Equity interests: SMM America 51%, Teck Cominco 40%, SC Minerals America 9%

2. Outline of Teck Cominco Ltd.

- 1) Establishment: July 2001, through merger of Teck Ltd. and Cominco Ltd.
- 2) Capitalization: C\$1,810 million
- 3) Chairman: Norman B. Keevil
- 4) Headquarters: British Columbia, Canada
- 5) Business domain: mining and smelting of copper, zinc and gold and mining of coal in North and South America