

**Sumitomo Metal Mining Co., Ltd.**  
**Press Release**  
**June 7, 2004**

**Construction Gets Under Way  
At Pogo Gold Mine Project**

Following completion of the final feasibility study, construction has started on the Pogo Gold Mine development project being carried out in Alaska by Sumitomo Metal Mining Co., Ltd. (Minato-ku, Tokyo/President: Koichi Fukushima) in partnership with Sumitomo Corporation (Chuo-ku, Tokyo/ President: Motoyuki Oka) and Teck Cominco Ltd. (Canada/ CEO: David A. Thompson). The target date for the launch of mine operations is set at March 2006. The total capital expenditure is expected to be approximately US\$280 million.

The start of full-scale construction was enabled by receipt of a National Pollutant Discharge Elimination System (NPDES) permit, the last authorization necessary to implement the project. The permit, granted by the Environmental Protection Agency (EPA), took effect on May 7. The start of construction had been temporarily delayed by the filing of an appeal by a local environmental group, but the issue was resolved. Construction is now moving forward toward an operational start-up in March 2006, several months after the original target date of December 2005.

The Pogo Gold Mine project is of great importance to Sumitomo Metal Mining as it represents the company's first overseas mine development project under its leadership. In preparing for the inauguration of the new mine, SMM is applying its rich experience in mine management cultivated over several decades of operating its Hishikari Gold Mine, located in Kagoshima prefecture.

A. Outline of Pogo Gold Mine Project

- 1) Location: approx. 90 miles southeast of Fairbanks, Alaska
- 2) Resources: Au 152 tons (according to final feasibility study)
- 3) Average production: approx. 12 tons/yr (operating at full capacity)
- 4) Capital expenditure: approx. US\$280 million (51% to be provided by SMM, 9% by Sumitomo Corp.)
- 5) Treatment on site: mining, concentration, cyanidation, electrowinning, production

of gold ingots (94% Au)

- 6) Mine life: 10 years (potentially longer, depending on future exploration of surrounding area)
- 7) Equity interests: SMM America (wholly owned SMM subsidiary) 51%, Teck Cominco 40%, SC Minerals America (wholly owned SC subsidiary) 9%

B. 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 domains: mining and smelting of copper, zinc and gold and mining of coal in North and South America

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