

August 23, 2006

Sumitomo Metal Mining Co., Ltd.
Sumitomo Corporation

Sumitomo Metal Mining Co., Ltd. (SMM) and Sumitomo Corporation (SC) (SMM and SC collectively referred to in as "Sumitomo") jointly announced today that they have updated the production of Pogo Gold Mine located in Alaska, U.S.A. and managed under the joint venture formed by Teck Cominco Ltd. in Canada and Sumitomo.

Pogo Gold Mine has commenced its production since February 12, 2006 local time. In the course of the ramp up of the production, the total project capital expenditures were inevitably reviewed due to the necessity of filter plant modifications.

As announced on April 25 2006, it was found design throughput cannot be sustained because of inadequate tailings filtration capacity coming from the adverse effect by ore characteristic and the Pogo Gold Mine has been studying the need to install a third filter. As the outcome, it was decided to install the third filter and modify the handling system for transporting filtered tailings. The additional equipments and installations would cost US \$21 million and total capital expenditures are now to be increased to approximately US\$378 million from the previously planned US\$ 357 million.

The third filter and filter plant modifications will be in operation in the first quarter of 2007 and the full production is scheduled to be achieved then, as announced before. The mine is expected to operate at approximately 60% of design capacity until the filter plant modifications are operational.

The Pogo Gold Mine Project is the first overseas mining project which SMM has a majority ownership interests, and is a substantial assets for SMM, and it is the first gold mine project for SC into which SC has made its investment. SMM and SC will make best endeavors toward the full production from now on as well.