

December 8, 2010

Sumitomo Metal Mining Co., Ltd.

**SMM Acquires Exploratory Rights to Nickel Mining Zones in the Solomon Islands  
Through International Tender Competition**

Sumitomo Metal Mining Co., Ltd. (SMM) is pleased to announce that on December 4 its local subsidiary in the Solomon Islands was selected in an international tender operation to acquire rights to explore for nickel in three mining districts in the archipelago's Isabel Province.

The international tender, opened by the Government of the Solomon Islands on July 23, concerned exploration for nickel deposits in three zones within the province: San Jorge, Takata and Jejevo. SMM had submitted its bid through its local subsidiary, SMM Solomon Limited. During the 1950s and 1960s active exploration for nickel was carried out in these regions by Inco Limited, and nickel resources, including low-grade ore which at the time presented technologically difficult challenges, are expected to be of substantial volume.

SMM has been actively exploring for nickel in the Solomon Islands for a number of years, starting with its acquisition of exploratory rights initially on the island of Choiseul in 2005 and then on Santa Isabel Island in 2007. In March 2010 the company's exploratory project got a major boost through equity participation by Japan Oil, Gas and Metals National Corporation (JOGMEC), an independent administrative institution.

With the acquisition of exploratory rights to the San Jorge, Takata and Jejevo zones, integrated development will now be possible with the areas already under exploration. This comprehensive scope is expected to advance SMM's nickel resource development operations in the Solomon Islands significantly. Going forward, agreements will be concluded with the relevant landowners to secure access to their properties, and intense exploration will be pursued toward implementing feasibility studies. Environmental impact and social infrastructure studies will also be launched.

Under its 2009 3-Year Business Plan SMM has set a long-range target of a nickel production structure of

150,000 t/yr, and this exploratory project in the Solomon Islands is part of the company's strategy for achieving that goal. SMM looks upon its success in the latest international tender competition as the first step toward realizing its vision for the future.

**Address inquiries concerning this Press Release to:**

Sumitomo Metal Mining Co., Ltd.

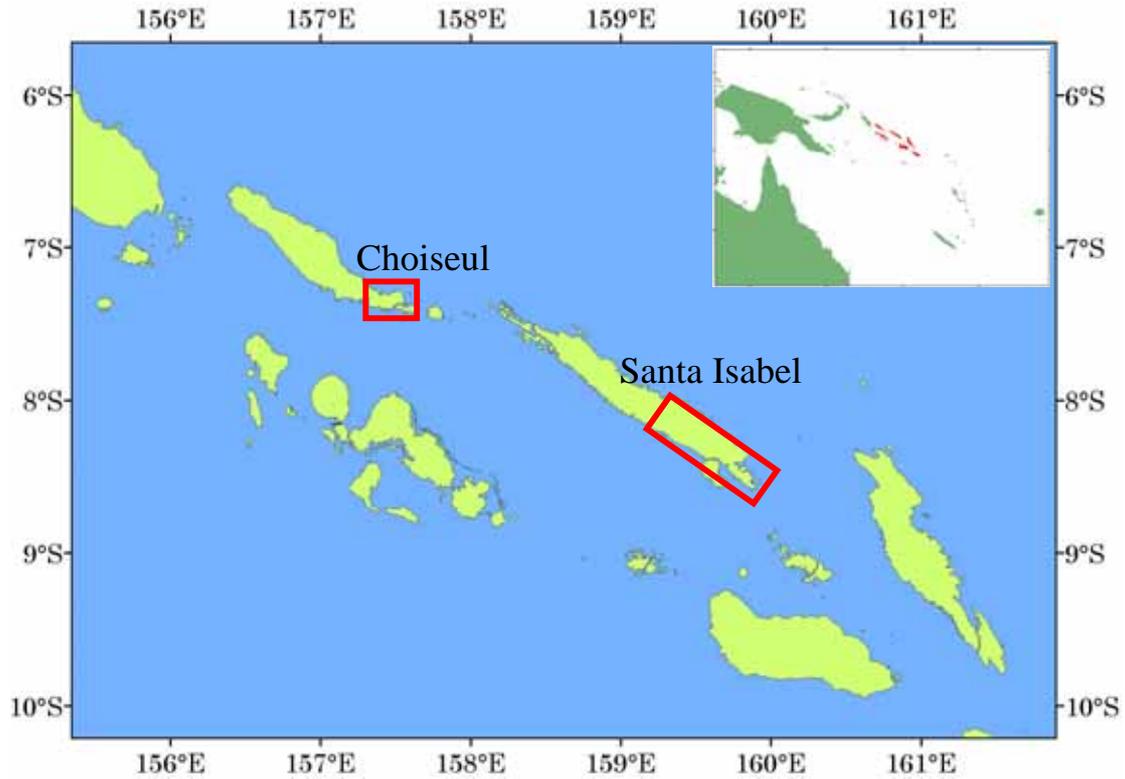
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**( References )**

**Project Location:**



**Location of New Exploratory Zones:**

