

September 15, 2016

Press Release

Sumitomo Metal Mining Co., Ltd.

Acquisition of Additional Interest in Taganito HPAL Nickel Corporation

Sumitomo Metal Mining Co., Ltd. (SMM) has decided that SMM will acquire an additional interest of 12.5 % in Taganito HPAL Nickel Corporation (THPAL, Headquarters: Surigao del Norte Province, Republic of the Philippines), its base for producing nickel/cobalt mixed sulfide in the Philippines. SMM possesses a 62.5% interest in THPAL at present.

This acquisition of an additional interest is in response to a request by Nickel Asia Corporation (NAC, Headquarters: Taguig City, Republic of the Philippines), a THPAL partner. NAC possesses a 22.5% interest in THPAL, and desired to sell an interest of 12.5% to SMM in order to commit more management resources to investment in the development and expansion of mines and renewable energy business.

The acquisition of additional interest costs a total of about 42 million US dollars. Share Purchase Contract is to be completed today (September 15, 2016), and the acquisition is anticipated to be made before the end of 2016, assuming completion of procedures for official permit and other requirements. The acquisition of additional interest will have only a slight influence on SMM's business performance.

By acquiring this additional interest in THPAL from NAC, SMM will develop the relationship with NAC further. SMM will also make continuous endeavor to operate THPAL plant smoothly, so that the supply of raw material for our nickel business becomes even more secure.

Address inquiries concerning this Press Release to:

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[Reference] Overview of THPAL

- Location: Surigao del Norte Province, Republic of the Philippines

- Interest ratio:

[Present]

- SMM	62.5%
- NAC	22.5%
- Mitsui & Co., Ltd.	15.0%



[After acquisition of additional interest]

- SMM	75.0%
- NAC	10.0%
- Mitsui & Co., Ltd.	15.0%

- Products: nickel and cobalt mixed sulfides
- Annual production capacity: 30,000 metric tons (nickel metal equivalent)