

December 5, 2018

Press Release

Sumitomo Metal Mining Co., Ltd.  
Sumitomo Corporation

**Acquisition of Interest in Quebrada Blanca Copper Mine**

Sumitomo Metal Mining Co., Ltd. (SMM) and Sumitomo Corporation (SC) have decided to acquire from Canadian diversified resource company Teck Resources Limited (headquarters: Vancouver B.C., Canada, "Teck") a 30% (SMM: 25%, SC: 5%) interest in the Quebrada Blanca Copper Mine (located in Region I, Republic of Chile, "QB Copper Mine") .

SMM and SC (collectively referred to herein as "Sumitomo") have maintained a long partnership with Teck, including such activities as the joint venture operation of the Pogo Mine (Alaska, USA) from 1997 to 2009.

Teck has entered into an agreement with Sumitomo pursuant to which they have agreed to acquire a 30% interest in the QB Copper Mine out of the 90% interests held by Teck.

The QB Copper Mine is expected to produce copper and molybdenum concentrates until late 2040s under the current plan (QB2). In addition, Sumitomo will assess major expansion potential and extension of the mine life jointly with Teck over the long-term, since the deposit of the QB Copper Mine is open in several directions, with further resource expansion potential and a consistent grade profile.

Through its partnership with Teck, and by leveraging its resource development technologies, Sumitomo hopes that the QB Copper Mine will become one of the world-class copper mines such as the Morenci Copper Mine (SMM: 25.0%, SC: 3.0%) and the Cerro Verde Copper Mine (SMM: 16.8%, SC: 4.2%).

Closing of the transaction, which is subject to obtaining necessary approvals and satisfaction of other customary conditions, is expected to be completed before the end of April 2019. The consideration for the acquired interest payable by Sumitomo will be US\$800 million, and Sumitomo will expend US\$400 million for the part of construction costs for QB2 in 2019.

In addition, Sumitomo has agreed to make a supplemental payment to Teck of US\$50 million if QB2 mill throughput reaches certain conditions. Sumitomo has also agreed to contribute an additional amount of the incremental value of the expansion if they elect to participate in the major expansion project.

SMM expects to achieve 300,000-tonne target of annual copper production from its interests under the long-term vision after the commencement of the production in the QB Copper Mine.

SC, participating in this project, makes efforts jointly with Teck and SMM to contribute to the stable providing of mineral resources and the developments of local economies.

RBC Capital Markets acted as exclusive financial adviser to Sumitomo.

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[Reference]

1. Overview of Teck

- Established in 1913 as Teck-Hughes Gold Mines
- Listed on Toronto Stock Exchange and New York Stock Exchange
- Location: Vancouver, British Columbia, Canada (headquarters)
- Major Canadian mining company with an annual production of 274,000 tonnes (2017 results). As well as mining copper at the Highland Valley Copper Mine in Canada and the Antamina Copper Mine in the Republic of Peru, the company also mines coal, zinc, energy resources among other resources.

2. Overview of Quebrada Blanca Copper Mine Development Project (QB2)

- Location: Region 1, Republic of Chile (north of Chile, 1,500 km from Santiago, 240 km southeast of Iquique, altitude 4,400 m)
- Map: See below



- Investment relationship:

Teck Resources	90%
Empresa Nacional de Minería	10%

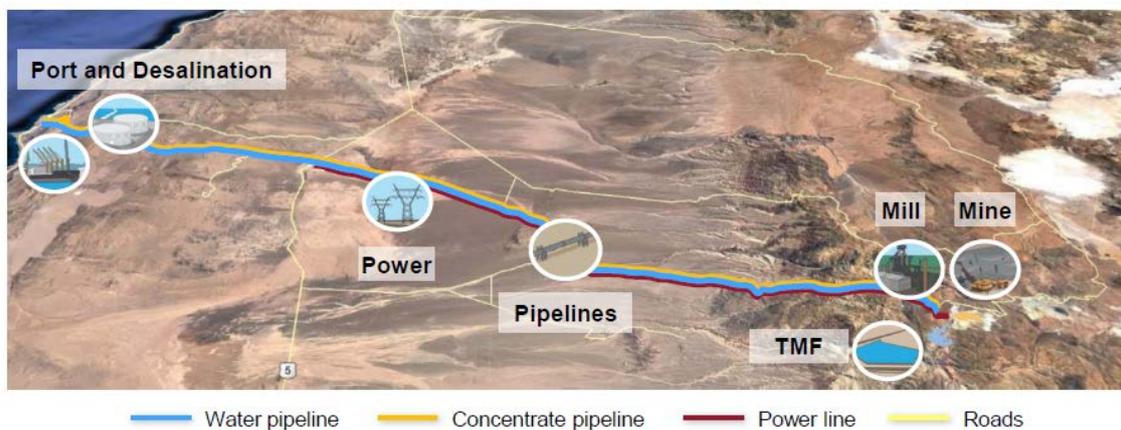


[After Sumitomo joins]

Teck Resources	60%
Sumitomo Metal Mining	25%
Sumitomo Corporation	5%
Empresa Nacional de Minería	10%

- Planned investment: Approximately US\$4.7 billion as of January 1, 2019
- Main investment details: Mineral processing area, tailings dam and others
- Planned start of production: 2021
- Product: Copper concentrate, Molybdenum concentrate
- Average annual production volume (metal volume contained): Copper 240,000 tonnes, molybdenum and silver
- Reserves :Copper Approximately 6.2 million tonnes
- Mine life : Approximately 28 years
- Extraction method: Open-pit mining

### Project area layout



(This picture is permitted by Teck Resources.)