

Press Release

November 1, 2012

Sumitomo Metal Mining Co., Ltd.

**SMM to Construct New Development Center
To Conduct R&D in Mineral Resources and Smelting & Refining Areas**

Sumitomo Metal Mining Co., Ltd. (SMM) has determined to create a new “Resource & Hydrometallurgy Process Center” aimed at further boosting the company’s competitive strengths in technical and physical plant aspects relating to the fields of mineral resources and smelting & refining. The new Center, to become part of SMM’s comprehensive R&D framework, will be housed in a new building to be constructed as a base for related research activities.

Under its 2009 3-Year Business Plan, SMM has embraced a long-range vision targeting entry into the ranks of world-class non-ferrous metal producers, and in line with this vision it has steadily sought to enhance the company’s competitive strengths in operations relating to mineral resources and smelting & refining. Now, in conjunction with this ongoing initiative, the company has newly decided to establish a “Resource & Hydrometallurgy Process Center” within its overall R&D framework to undertake long-term development of the world’s most advanced processes and physical plant installations in the areas of mineral resources and smelting & refining. As its first important task for the near term, the new Center will pursue enhanced efficiency using the company’s existing manufacturing processes in a quest to achieve a production structure enabling output of 150,000 tons of nickel per year. Simultaneously the Center will launch research initiatives aimed at developing new processes.

In tandem with the establishment of the new Resource & Hydrometallurgy Process Center, SMM will construct a new building to serve as its R&D base.

The new building will have permanent research facilities relating to mineral resources and smelting & refining, structured so as to enable flexible combinations of equipment in accordance with specific research topics at hand. Moreover, by bringing together all company engineers involved in the mineral resources and smelting & refining areas – who until now have been dispersed among SMM's various factories, research laboratories and engineering sections – the company looks both to enhance the level and speed of R&D activities and to cultivate the human resources it will require in the future.

With the creation of the new Development Center and construction of its new home, SMM will strive to achieve a firm position of superiority in both the technology and physical plant facets of operations in mineral resources and smelting & refining.

Outline of Mineral Resource & Hydrometallurgy Process Center

Construction schedule: November 2012 to February 2014

Total investment cost: Approx. 1 billion yen

Location: Nishibara-cho, Niihama City, Ehime Prefecture (on premises of
Niihama Nickel Refinery)

Total building area: 1,110m²

Total floor area: 1,620m²

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