

December 1, 2006

Sumitomo Metal Mining Co., Ltd.
Sumitomo Corporation

The Development of New Orebody at the Northparkes Mines, Australia

Sumitomo Metal Mining Co., Ltd. (“SMM”) and Sumitomo Corporation (“SC”) (hereinafter referred to collectively as “Sumitomo”) jointly announced today that the joint venture partners, Rio Tinto (80 per cent) and Sumitomo (20 per cent), have approved the development of the new orebody called as E48 at Northparkes Mines in New South Wales, Australia. This project will cost approx. A\$212 million, out of which A\$28 million (13.3%) will be borne by SMM through its Australian subsidiary and A\$14 million (6.7%) will be borne by SC through its Australian subsidiary.

Northparkes Mines has been mining the copper - gold deposit and producing the copper concentrate since 1994, and has been producing the feasibility study for E48 orebody, which would succeed the existing mining operation at E26 orebody. The mining reserve for E48 orebody is estimated to be approximately 35 million tonnes with 1.04% of copper and 0.46 g/t of gold. The block caving mining method will be applied for E48 as same as E26. The E48 orebody locates near the E26 orebody, and thus the existing facilities such as shaft and conveyor system can be utilized.

The development of E48 will commence upon the approval from the New South Wales Department of Planning, and it is scheduled to start operation in April 2009.

This decision will expand the operation of Northparkes Mines by 7 years to year 2016.