

December 24, 2021

Sumitomo Metal Mining Co., Ltd.
Mitsui & Co., Ltd.
Sojitz Corporation

Sales and Purchase of Shares of Coral Bay Nickel Corporation

Sumitomo Metal Mining Co., Ltd. (“SMM”, Head Office: Minato-ku, Tokyo; President & Representative Director: Akira Nozaki), Mitsui & Co., Ltd. (“Mitsui”, Head Office: Chiyoda-ku, Tokyo; Representative Director, President & CEO: Kenichi Hori), and Sojitz Corporation (“Sojitz”, Head Office: Chiyoda-ku, Tokyo; Representative Director, President & CEO: Masayoshi Fujimoto) reached an agreement on the sales and purchase of shares of Coral Bay Nickel Corporation (“CBNC”, Head Office: Province of Palawan, Republic of the Philippines; President: Masahiro Kamiya), a nickel smelting and refining company located in the Philippines, and concluded contracts pertaining thereto on December 24, 2021.

1. Overview

Mitsui & Co. Mineral Resources Development (Asia) Corp. (“MMRDA”, Head Office: Manila, Republic of the Philippines), a wholly owned subsidiary of Mitsui, and Sojitz will sell all their shares in CBNC (36% in total; MMRDA: 18%, and Sojitz: 18%) to SMM. With the sales of the shares, SMM’s shareholding ratio in CBNC will increase from the current 54% of the outstanding shares to 90%. There will be no change in the shareholding ratio of the business partner on the Philippine side, Nickel Asia Corporation (“NAC”, Head Office: Manila, Republic of the Philippines, President and CEO: Martin Antonio G. Zamora). (The investment was initially carried out by NAC subsidiary, Rio Tuba Nickel Mining Corporation.)

	Before transfer of shares	After transfer of shares
SMM	54%	90%
MMRDA	18%	-
Sojitz	18%	-
NAC	10%	10%

2. Sale Price of Shares

The sale price of the 18% outstanding shares will be approximately JPY 9.5 billion (total: JPY 19 billion for shares owned by Mitsui and Sojitz).

3. Future Schedule

Based on the assumption that all necessary permits and approvals are acquired, the sales of the shares are planned to be completed by the end of January 2022.

4. Background/Policy of Each Company

Since the start of the project in 2002, CBNC has been managed and operated collaboratively by SMM, Mitsui, Sojitz, and NAC. Following the launch of its commercial production in 2005, CBNC has achieved great results, such as the world's first commercial success in the extraction of nickel and cobalt from a low-grade nickel oxide ore by using the High Pressure Acid Leach (HPAL) method.

As CBNC is approaching the milestone of the end of the initially set 20-year project period, the parties concerned had discussions on the long-term future direction of CBNC, and reached an agreement on the sales and purchase of the shares.

SMM will continue utilizing CBNC's HPAL plant to secure nickel and cobalt resources with the aim of realizing a stable supply of nickel and cobalt, for which demand is expected to grow, centered on the use for electric vehicles.

Mitsui and Sojitz decided to sell their shares in CBNC as part of the restructuring of their asset portfolios.

Mitsui will continue contributing to the stable supply of resources, including nickel and cobalt, which are among the resources essential to society, through the maximization of the value of the existing business, and will work to achieve the realization of low-carbon society and circular economy.

Sojitz will continue to pursue innovations in its resource-related businesses, while simultaneously positioning the recycling business as a priority area in order to conserve natural resources and realize a recycling-based society. Sojitz has therefore determined it will focus its management resources in business areas of higher priority.

【For questions regarding this press release,contact:】

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