

Pan Pacific Copper Announces Completion of Feasibility Study and Outlines Future Plans for the Quechua Copper Deposit Development Project in Peru

Pan Pacific Copper Co., Ltd. (hereinafter "PPC"; head office: Otemachi 2-chome, Chiyoda-ku, Tokyo; president: Yoshimasa Adachi), an integrated copper enterprise jointly established by JX Nippon Mining & Metals Corporation (head office: Otemachi 2-chome, Chiyoda-ku, Tokyo; president: Masanori Okada) and Mitsui Mining & Smelting Co., Ltd. (head office: Osaki 1-chome, Shinagawa-ku, Tokyo; president: Sadao Senda), had, from December 2009 through July this year, been conducting a feasibility study for the Development Project of the Quechua Copper Deposit in the Republic of Peru ("the Quechua Project"), including estimation of ore reserves, basic design of facilities, and economic evaluation.

The results of the recently completed feasibility study have indicated that an economically viable development could be possible assuming copper prices remain above a certain level. However PPC has decided to continue further study for decision to mine due to the following reasons:

1. The ore reserves have proved smaller and construction costs higher than estimated, making it necessary to pursue the evaluation for potential of vicinity deposit and further cost improvement, while also discerning the copper price trend and investment environment.
2. Priority needs to be given for the Caserones Copper and Molybdenum Deposit Development Project in the Republic of Chile, where construction will peak in 2012 to meet the goal of starting production in 2013.

To ensure stable supply of raw materials for its smelting operations, PPC intends to continue raising the ratio of materials from mines to which it has concession rights and will actively pursue exploration and obtain mining concessions for promising deposits.