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News Release

Pan Pacific Copper Co., Ltd.
6-3, Otemachi 2-chome, Chiyoda-ku, Tokyo

PPC concluded a loan and concentrate purchase agreement with
Philex Mining Corporation of the Philippines

Pan Pacific Copper (PPC) has reached an agreement with Philex Mining Corporation of the Philippines with respect to a loan arrangement for the exploitation of a deeper ore zone at its Padcal mine and the long-term offtake of copper/gold concentrates to be produced at the mine. PPC and Philex have signed a Letter of Intent, of which the following is an outline:

(1) PPC will provide Philex with a US$15 million loan facility for the purpose of deeper ore zone development at the Padcal mine.

(2) PPC will offtake approximately 50-70kdmt p.a. of copper/gold concentrate produced at the mine over the course of the life of the mine (which is currently expected to run to 2011).

(3) The two parties will continue to negotiate further details of the transaction, with the aim of signing a formal agreement by the end of March this year.

For further information please contact:

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