News Release

November 7, 2007

Acquisition of mining concessions of copper deposit in Peru

Pan Pacific Copper Co., Ltd. (PPC) jointly owned by Nippon Mining & Metals Co., Ltd. and Mitsui Mining & Smelting Co., Ltd., is actively engaged in the development of promising mines in areas where large copper deposits are believed to exist, principally in South America. In view of this, it has been decided that all mining concessions of the Quechua copper deposit development project in the Republic of Peru currently held by Mitsui Mining & Smelting shall be transferred to Pan Pacific Copper.

This project, which accords with PPC's policy of securing stable supplies of copper concentrate, enjoys certain advantages. These include the fact that a significant proportion of the entire mining concession and surface rights in the area of the project have already been obtained, and that infrastructure such as port facilities, inland transportation facilities, and electric power supply are available. After the acquisition of the property, a commercial feasibility study will be conducted.

Outline of the project

1. Location:
   Quechua copper deposits located in the district of Espinar in Cuzco Province, 700km southeast of Lima. The region is at an altitude in the range of 4,000m-4,400m.

2. Area of mining concessions:
   5,732 hectares

3. Resources:
   Approx. 260 million tonnes with an average copper grade of 0.61% (@ cut-off grade of 0.4% copper)

4. Acquisition price:
   US$40 million

5. Work plan and schedule:

2007-2010	Conduct of feasibility study (Estimated cost: US$50 million)
2011-2012	Construction of mine and production facilities (Estimated cost: US$400 million)
2012 second half	Commencement of operations

16 years mine life, extending to 2028 and producing approximately 210,000 tons of copper concentrate per annum (equivalent to 60,000 tons of copper per annum)

6. Financing:

   The acquisition will be financed by the issuance of new shares, which will be underwritten by the joint-parent companies of PPC. The financing schedule for subsequent events is yet to be determined.