

August 6, 2007

Sojitz Corporation

Sojitz to acquire a Tungsten producing company

- Launching a friendly take-over-bid with the aim to get into the administration of stably operating mine -

Sojitz Corporation will launch a friendly take-over-bid ("TOB") to Primary Metals Inc. ("Primary") listed at TSX Venture Exchange (TSX-V) through special purpose company ("SPC"). This is the first time for Sojitz to launch a friendly TOB, and the TOB offer of Sojitz will be subject to customary conditions, including acceptance of the offer by Primary shareholders owning not less than 66.67 percent of Primary common shares on a fully-diluted basis. Sojitz will eventually aim to acquire 100% of Primary shares. The offer price per share is C\$3.65, and the total amount would reach about 6.2 billion yens in case Sojitz eventually succeeds to acquire 100% of Primary shares on a fully-diluted basis.

Primary owns a 100% interest in the Panasqueira tungsten mine in Portugal, which is currently producing wolframite concentrates containing some 100,000 MTUs (1,000 tons) of tungsten trioxide per annum. And in case TOB becomes successful, Sojitz will enter into the area of operating a mining company.

Sojitz already owns interest in rare metals such as Molybdenum(Canada), Vanadium (South Africa) and Nickel (Phillipines). And Sojitz considers to add Tungsten as one of the pillars of its interest in rare metals. By owning interest at a mine in Portugal, Sojitz will be able to have geopolitical balance of its rare metals interest portofolio. Also, Sojitz will be able to secure long term stable source as well as distribution businesses of tungsten, thus enabling itself to accelerate ferro-alloy business where Sojitz has strength at.

Sojitz is placing energy and resource area as one of its core businesses. And by acquiring Primary through TOB, Sojitz aims to accumulate know-how of mining company including exploration, development and operation. By such, Sojitz aims to further increase it's profit by applying such know-how to expansion/strengthening of the mines which it already has interest as well as enter-in to the business of new good mines.

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