



**FURUKAWA**

**DOWA**

November 9, 2011

Sojitz Corporation  
Furukawa Co., Ltd.  
DOWA Holdings Co., Ltd.

## **Sojitz, Furukawa, and DOWA Metals & Mining to Expand Copper and Molybdenum Production at Gibraltar Mine, Canada**

Sojitz Corporation, Furukawa Co., Ltd. and DOWA Metals & Mining Co., Ltd., a subsidiary of DOWA Holdings Co., Ltd., will expand the Gibraltar copper and molybdenum mine that they own jointly with Taseko Mines Ltd., a Canadian mining firm, by 1.6 times.

Construction will be completed by the end of 2012 and full-scale increased production will begin in 2013. Total investment in the mine expansion will be C\$363 million (approximately ¥29 billion calculated at an exchange rate of C\$1/¥80; includes lease of some heavy machinery). Of this amount, the Japanese partners will contribute C\$69 million (approximately ¥5.5 billion).

The Gibraltar mine, which began production in 1972, is a copper and molybdenum mine located in Williams Lake, approximately 600 km north of Vancouver in Canada's British Columbia Province. Movable reserves are 800 million tons, and annual production is currently about 50,000 tons of copper (180,000 tons of copper concentrate) and 500 tons of molybdenum as a byproduct. With the construction of an additional copper concentrate plant, overhaul of the molybdenum dressing plant, expansion of maintenance facilities, and other facility expansions, annual copper production will be increased to about 80,000 tons (280,000 tons of copper concentrate) and molybdenum production increased to about 1,000 tons.

The three Japanese partner companies established Cariboo Copper Corporation (owned 50% by Sojitz, 25% by Furukawa, and 25% by DOWA) in March 2010, and through Cariboo, they acquired a 25% interest in Taseko Mines' Gibraltar copper and molybdenum mine.

In conjunction with economic development and infrastructure construction in emerging market countries such as China, global copper demand is expected to increase by 3% to 4% annually. Approximately 35% of the world's copper concentrate (16 million tons in 2010) is produced in Chile, but since copper is a resource with a high degree of unevenness of distribution, production and environmental costs are expected to rise.

The copper concentrate produced at the mine contains few impurities and is highly competitive for supply to refineries in Japan in terms of quality, production costs, and transport. With the mine expansion, Furukawa and DOWA will secure even more stable supply of copper resources, while Sojitz will further expand copper mining business.

The Loan, Equity Investment and Loan Guarantee Schemes of the Japan Oil, Gas and Metals National Corporation (JOGMEC) will be used for the mine expansion project.



The Gibraltar copper and molybdenum mine in Canada

- Overview of the Gibraltar Mine
  - (1) Name: Gibraltar Mine

- (2) Location: Williams Lake, British Columbia (approximately 600 km north of Vancouver)
- (3) Production volume: Currently 50,000 tons of copper annually, to be increased to 80,000 tons following the expansion, and 500 tons of molybdenum (as a byproduct), to be increased to 1,000 tons
- (4) Mineable reserves: 800 million tons (0.30% Cu, 0.008% Mo)
- (5) Extraction method: Open-cut mining
- (6) Mine life: 17 years

- Overview of Taseko Mines

- (1) Name: Taseko Mines Ltd. (listed on the Toronto Stock Exchange)
- (2) Headquarters: Vancouver, British Columbia
- (3) Representative: Russell Hallbauer, President, CEO & Director

- Overview of Cariboo Copper

- (1) Name: Cariboo Copper Corporation
- (2) Established: March 11, 2010 and
- (3) Headquarters: Vancouver, British Columbia
- (4) Representative: Kiyotaka Tomita, president (General Manager of Sojitz Corporation's Nonferrous and Precious Metals Department)