

May 12th, 2025

Sumitomo Metal Mining and Rio Tinto Sign the Definitive Agreements for Acquisition of a 30% Interest in the Winu Copper-Gold Project in Australia

Tokyo, Japan - Sumitomo Metal Mining Co., Ltd. (TSE: 5713) ("SMM") and Rio Tinto PLC (LSE: RIO, ASX: RIO) ("Rio Tinto"), a major multinational mineral resources company, have signed the definitive agreements regarding SMM's acquisition of a 30% interest in the Winu copper-gold project located in Western Australia (the "Winu Project").

The transaction is expected to close in 2025, subject to obtaining necessary consents and approvals, and the satisfaction of customary conditions. As consideration for the acquired interest, SMM will pay Rio Tinto an upfront cash payment of US\$195 million. Additionally, SMM and Rio Tinto have agreed on the payment of deferred consideration of up to US\$235.4 million, contingent (*1) upon milestones based on potential future expansions of the Winu Project's mill throughput.

The Winu Project is a highly attractive copper-gold mineralized zone discovered by Rio Tinto in the Great Sandy Desert region of Western Australia in the second half of 2017. As of December 31, 2024, the estimated indicated and inferred resources total 741 million tonnes ("Mt"), with a grade of 0.40% copper and 0.33 grams per tonne ("g/t") gold, containing approximately 3 Mt of copper and 250t of gold (*2). SMM understands that Rio Tinto is currently pursuing a pre-feasibility study for building a capacity of 10Mt annual mill throughput and has commenced the relevant environmental permitting processes. Following the completion of the transaction, Rio Tinto will remain as a 70% shareholder and sole operator of the Winu Project.

SMM has maintained a long-standing relationship with Rio Tinto, including the joint management of the Northparkes copper mine located in New South Wales, Australia from 2000 to 2013(*3).

In its long-term vision, SMM has set a target of producing 300 kilotons ("kt") of copper per year, and holds interests in the Quebrada Blanca copper mine (SMM interest: 25.0%) in Chile, the Morenci copper mine (SMM interest: 25.0%) in Arizona, the Cerro Verde copper mine (SMM interest: 16.8%) in Peru, and certain other copper assets. SMM expects that participation in the Winu Project will be a meaningful contribution to increasing SMM's copper portfolio.

RBC Capital Markets is acting as the financial adviser to SMM. Herbert Smith Freehills is acting as the legal adviser.

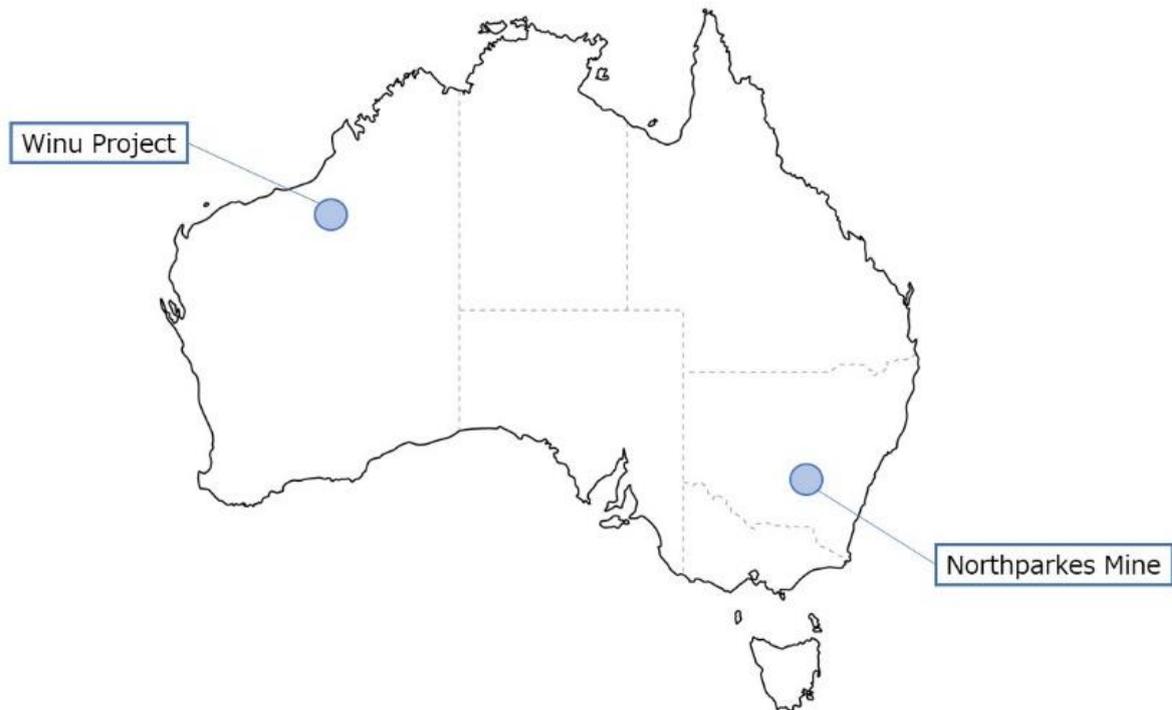
(*1) Conditional payments will occur after year 2030 based on the current estimate.

(*2) Please refer to Rio Tinto's notice.

<https://cdn-rio.dataweavers.io/-/media/content/documents/invest/reserves-and-resources/2025/2025-mineral-resources-ore-reserve-updates.pdf>

(*3) SMM is still participating in the management of the Northparkes copper mine.

<For reference>



Location of the Winu copper-gold project and currently operating Northparkes copper mine

1. Winu Copper-Gold Project Overview

- Location: Pilbara Region, Western Australia
- 1,400 km northeast of Perth, 320 km east of Port Hedland and 300 km south of Broome, 240 m above sea level
- Located on the traditional lands of the Nyangumarta People and Martu People.

Mineral resources as of December 31, 2024

	Tonnage (Mt)	Copper grade (%)	Gold grade (g/t)	Contained copper (kt)	Contained gold (t)
Indicated Mineral Resources	464	0.39	0.32	1,810	148
Inferred Mineral Resources	277	0.41	0.36	1,136	100

2. About Rio Tinto

- Established in 1873 to redevelop the Rio Tinto mine in the Huelva region of southern Spain.
- Listed on the London Stock Exchange and the Australian Securities Exchange

- Location: London, UK (headquarters)
- A major mining company with an annual copper production of 562kt (actual results for 2023). In addition to the Oyu Tolgoi copper mine in Mongolia, the Bingham Canyon copper mine in the United States, and the Escondida copper mine in Chile, the company also mines iron ore, produces aluminium, and produces lithium resources.

Media Contact

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Please contact from the inquiry form: <https://www.smm.co.jp/en/contact/>