

February 9, 2009

Name of Listed Company: Chugai Mining Co., Ltd.
Representative: Michiaki Ando, CEO and President
(Listed on the Tokyo and Osaka Stock Exchange 2nd Section; Code No. 1491)
Contact: Isao Sakuraba, IR Center
(Telephone No.: (03)3201-1541)
Website: www.chugaikogyo.co.jp

Reduction of Board Members' Compensation and Reinforcement of the Precious Metal Business

1. Reduction of Board Members' Compensation

Responding sincerely to the revisions to business performance outlook for the period ending March 2009 announced today, and to clarify the responsibility of the management, board members' compensation will be reduced as follows.

(1) Amount of reduction

Member of the board: 30% reduction in the monthly compensation

(2) Period of reduction

From February 2009 through March 2010

2. Manpower Planning

The Company plans not to reduce the workforce but to readjust the employment costs throughout the Group. The Company will take in both new recruits and mid-career workers to the Group as planned.

3. Reinforcement of the Precious Metal Business

The Company currently has monthly gold refining capacity of 600kg at the Tokyo Plant (Ohta-ku, Tokyo). As a means to increase sales and profits from its core business, i.e. the Precious Metal Business, the Company is going forward with installations of 3 additional solvent extraction units and accessory equipment in order to increase the capacity by 400kg for a monthly production of 1,000kg of gold from April 2009.

The Company has been actively working to open branch stores, and opened the Sendai Branch (Sendai-shi, Miyagi Prefecture) on February 7, 2009. The Company currently owns a total of 12 branches in Japan. The Company will continuously make efforts to scout for potential locations in order to open more branches.

Outline of the Sendai Branch

Branch Manager	Keita Izutani
Branch Name	Sendai Branch, Precious Metal Business Division
Address	1F YS Bldg., 2-11-30 Chuo, Aoba-ku, Sendai-shi, Miyagi Prefecture
Telephone No.	022-397-7511
Facsimile No.	022-397-7512