



FOR IMMEDIATE RELEASE
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ASARCO OFFERS LABOR CONTRACT TO STRIKING WORKERS

TUCSON, AZ -- ASARCO LLC (Asarco) announced today that it has made a formal offer to its labor unions for a one-year contract with the same terms and conditions as the previously expired contracts. “We have heard the unions message that they want a formal contract, and we are responding,” said Daniel Tellechea, President and CEO of the Company. “We believe that this offer will end the strike and bring our employees back to work,” he said.

The formal offer also includes a commitment by the Company not to seek through the bankruptcy process any changes in wages and benefits for the term of the contract. “This offer gives our workers assurance and certainty for the next twelve months while we develop a plan for reorganizing the Company in the chapter 11 process,” said Tellechea. Asarco filed for protection under chapter 11 of the Bankruptcy Code on August 9, 2005. The unions are expected to participate in the bankruptcy process through a creditors’ committee.

In explaining the motivation for this move, Mr. Tellechea stated: “Asarco must increase production to take advantage of the current high copper prices. We need our workers back in order to do this. The strike has achieved its purpose. Let’s get to work and restore this Company to its potential.”

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