



FOR IMMEDIATE RELEASE
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ASARCO Obtains Final Approval of DIP Financing, Gains Additional Directors

TUCSON, Arizona –ASARCO LLC announced today that the Bankruptcy Court has granted final approval of a \$75 million debtor-in-possession (“DIP”) loan facility and approved the appointment of two independent members to the company’s board of directors and an interim Chief Executive Officer.

The DIP will provide liquidity to the company on an as-needed basis to facilitate ASARCO’s efforts to reorganize under chapter 11 of the United States Bankruptcy Code.

The two new board members are H. Malcolm Lovett, Jr. and Edward R. Caine. They will join Carlos Ruiz Sacristan to form a three-member board. Mr. Lovett has served for the last nine years as Chairman and CEO of Strategic Capital Corporation in Houston, providing financial advisory, restructuring, and crisis management services. He previously served as an independent director and member of the restructuring committee of EOTT Energy Corporation, General Partner of EOTT Energy Partners, L.P., a subsidiary company in the Enron bankruptcy case. Mr. Lovett has many years of experience in investment banking, financial and management consulting, and has particular expertise in advising companies undergoing restructuring both in and out of bankruptcy. He previously served as founder and chairman of Lovett, Mitchell, Webb & Garrison and as Executive Vice President and Chief Financial Officer of Rotan Mosle Financial Corporation, both of which were Houston-based member firms of the New York Stock Exchange. Mr. Lovett holds a B.A. degree from Rice University and an M.B.A. from Harvard.



Edward R. Caine worked for 36 years in a variety of executive and management positions with U.S. Steel. In 1996, he was named President and CEO of WCI Steel, a fully integrated flat roll steel producer in Warren, Ohio. After WCI was forced to enter bankruptcy in 2003 because of worldwide industry conditions, Mr. Caine assumed the position of Vice Chairman and Chief Restructuring Officer and has been responsible for guiding WCI through the bankruptcy process. Mr. Caine holds a B.S. degree in Metallurgical Engineering from Grove City College and an M.B.A. from Loyola University.

The Bankruptcy Court also granted ASARCO's request that Douglas E. McAllister be appointed interim Chief Executive Officer of ASARCO. As interim CEO, Mr. McAllister will have responsibility for all day-to-day operations of the company and will report directly to the new board of directors. Mr. McAllister has been serving as Vice President, General Counsel, and Secretary for ASARCO since February 2001.

ASARCO is a Tucson-based integrated copper mining, smelting, and refining company with 2,000 employees, primarily in Arizona and Texas.

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