



FOR IMMEDIATE RELEASE  
August 28, 2015

August 28, 2015. ASARCO LLC a wholly owned subsidiary of Grupo Mexico announced today that due to a greater than 40% decline in copper prices since 2011 and current global market conditions, the Company proposed the indefinite shutdown of its Hayden Concentrator as well as a reduction in its stripping for leaching operation at its Ray Mine.

The Company's cost structure and current market conditions require operational adjustments in order to ensure its viability and sustainability as well as protect its mineral reserves for the longer term.

The Company has conducted a detailed analysis of each of its operating areas and determined that those that impact its overall cost structures the most are the Hayden Concentrator and Ray Mine.

The Company notified the Union on August 21, 2015 as well as local and State authorities of the proposed indefinite shutdown of its Hayden Concentrator as well as a reduction of its stripping for leaching output at the Ray Mine. A total of 211 hourly positions may be affected. The combined efforts result in a 20% reduction in hourly headcount reducing the hourly employee count to 1,637.

The impact of these adjustments will reduce production by approximately 67 million pounds per year equivalent to the Company's 17% of total production. This, combined with a \$110 million reduction in its capital expenditures for 2015-2016 will improve the Company's overall costs and free cash flow. Economic conditions will continue to be reviewed and adjustments may be made as market conditions warrant.

The Company looks forward to improved future economic circumstances and maintains its commitment to a sustainable business all for the benefit of its employees, vendors, customers and communities in which it operates.

ASARCO is a subsidiary company of Grupo Mexico with approximately 2,300 employees. The Company is an integrated copper mining, smelting and refining company headquartered in Tucson, Arizona and operates mines, mills and a smelter near Tucson and a refinery in Amarillo, Texas. For more information, visit <http://www.asarco.com>

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