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COURT APPROVES ASARCO BUYBACK OF MISSION MILL

TUCSON, AZ – February 28, 2007 – The U.S. Bankruptcy Court presiding over ASARCO LLC’s pending chapter 11 reorganization today approved a settlement agreement between Mineral Park, Inc., a subsidiary of Mercator Minerals Ltd., and ASARCO ending months of litigation between the parties. Under the settlement, ASARCO has agreed to buy back the Mission Mine “south mill” for \$9 million. ASARCO had sold the mill to Mineral Park in July 2005 for \$6 million, weeks before filing for chapter 11 bankruptcy protection. Mercator had planned to dismantle and relocate the mill to its Mineral Park Mine near Kingman, AZ.

“We believe the mill will increase Mission’s copper concentrate production over time, perhaps as much as nearly 50%, if we achieve our objective of ultimately operating the mill at its full capacity of 18,000 tons of ore per day,” said John Low, ASARCO Vice President of Mining Operations. ASARCO plans to start the mill later this year. The north mill at Mission is currently operating near its capacity of 35,000 tons of ore per day. The concentrate produced at the Mission Mine feeds the ASARCO smelter at Hayden, AZ.

ASARCO mothballed the “south mill” in early 2002 when the copper price was 65 cents per pound. “At current copper prices, it makes perfect sense to operate this second mill and maximize production at Mission,” Mr. Low stated. Comex spot prices for copper presently are in excess of \$2.50 per pound.

According to the court order approving the buyback, the transaction is expected to close by March 13, 2007.

ASARCO is a Tucson-based integrated copper mining, smelting and refining company. For more information, visit http://www.asarco.com/mission_T.html.