



NEWS

ASARCO Incorporated
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ASARCO MISSION MINE PLAN

Tucson, Arizona, October 30, 2000 -- ASARCO Incorporated will initiate a new mining plan at its Mission Mine unit, 20 miles south of Tucson, on November 1st.

Under the new plan Asarco will increase the stripping of overburden from higher grade ore areas and decrease ore production from 62,000 tones per day (TPD) to 41,000 TPD. Material moved at the mine will increase by 25%, thus increasing the waste to mineral ore ratio as well as extending the reserve life at the mine from 14 to 22 years. The new production and mine plan will result in an increase of ore grades, an increase in copper ore recoveries and will allow for a lower unit cost at the mine and concentrator plant. However, contained copper in concentrate production at the mine will decrease by 48 million pounds per year.

Asarco continues negotiations with labor unions and services, equipment and materials suppliers, while also seeking to reduce the impact to its costs due to high electricity costs and land royalties to the Indian Reservation and the State of Arizona. The objective is to search for profitability that permits operations to continue, preserving employment and the economic benefits to the region.

The Mission open pit copper mine has been in operation since 1964. The mine produces copper concentrates with silver content and employs more than 700 workers.

Grupo Mexico is a diversified mining company that ranks as the world's third largest copper producer, fourth largest silver producer and fifth largest zinc producer. The Company's mining operations include mining, smelting and refining in Mexico, the United States and Peru. The Company has one of the largest copper ore reserve positions in the industry. Grupo Mexico also owns 74% and operates in partnership with Union Pacific (26%), the largest and most profitable railroad in Mexico.

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