



## NEWS

ASARCO Incorporated  
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### **Asarco, Union Reach Tentative Agreement**

**TUCSON, AZ., July 2, 2001** -- ASARCO Incorporated announced today that it has reached tentative agreement in contract negotiations with the United Steel Workers, representing workers at five Asarco locations. The agreement is subject to ratification by the union membership. The prior contract expired June 30<sup>th</sup>, but negotiations continued through July 1<sup>st</sup> until agreement was reached.

Under terms of the tentative agreement, workers covered by the contract will receive two wage increases and some improvement in benefits during the term of a new three-year contract, expiring July 1, 2004. The first wage increase of 50 cents per hour will occur when the price of copper reaches \$1 per pound or on July 1, 2002, whichever occurs first. The second increase, also 50 cents per hour, will occur on July 1, 2003. The parties also agreed to modifications in work rules and practices, which will have a positive impact on the company's productivity and cost.

USWA is the majority union representing about 1,450 Asarco employees at the Company's Mission and Silver Bell copper mines and the Hayden copper smelter in Arizona, the El Paso copper smelter, currently on an indefinite shutdown and the Amarillo, Texas copper refinery.

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