



NEWS

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FOR IMMEDIATE RELEASE

Grupo Mexico Forms New Mining Operations Subsidiary

NEW YORK, N.Y., December 28, 2000 -- Grupo Mexico S.A. de C.V. announced today that it has completed the organization of a new, U.S.-based mining and minerals subsidiary which will operate under the name of Americas Mining Group (AMG). AMG includes Grupo's interests in ASARCO Incorporated, Southern Peru Copper Corporation (54.2%) and Grupo Minero Mexico. It also will include stand-alone purchasing and sales entities.

AMG has major copper mines and processing plants in the states of Arizona (the Ray Complex, including the Hayden smelter, the Mission Complex and the Silver Bell mine), Texas (Amarillo refinery and the El Paso smelter), and Sonora, Mexico (Cananea and La Caridad). AMG also has zinc mining in Tennessee, a precious metals smelter in Montana, a specialty metals plant in Colorado, and lead, zinc and silver mines and processing plants in central Mexico.

The new subsidiary will be staffed by personnel from existing Grupo Mexico units and will be headquartered in Phoenix, Arizona.

Grupo Mexico is a diversified mining and transportation company that ranks internationally as the third largest copper producer, the 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 developed one of the largest copper ore reserve positions in the industry. In addition, Grupo Mexico owns a majority of the largest and most profitable railroad in Mexico.

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