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**FOR IMMEDIATE RELEASE**

**ASARCO RESPONSE TO JUSTICE DEPARTMENT ACTION**

**PHOENIX – Aug. 9, 2002** – Today the U.S. Dept. of Justice filed in federal district court in Tacoma, Wash., a motion to enjoin Asarco from selling its interest in Southern Peru Copper Corp. This action could have the effect of derailing Asarco's financial restructuring plans. The company is surprised and very troubled by the government's action.

Asarco has had continuing discussions with the Justice Dept. and has been very clear with them about the sale of our Southern Peru shares to Americas Mining Corp. The Justice Dept. asked for advanced notice of the transaction, which was granted by Asarco. Asarco extended the closing of the sale so that it could further discuss and address any concerns that the Dept. of Justice may have with the transaction.

This is an arms-length transaction, which will compensate Asarco at fair-market value. Independent experts who fully understand the value of the Southern Peru shares have validated the proposed selling price and the Justice Department is fully aware of that fact.

Contrary to what the Justice Department has said, selling the shares of Southern Peru is the best way for Asarco to meet its future obligations and remain economically viable. The shares currently are committed as collateral for a \$450 million loan with a consortium of lenders that comes due this fall. By paying off this loan with proceeds from the sale, Asarco will free up significant cash each month that is now used for interest payments on the debt.

The transaction will actually put Asarco in a much stronger financial position and will enable it to better meet its financial and environmental obligations going forward. Asarco is committed to fulfilling all obligations, as it has done in the past, and is dismayed that the Justice Department's actions could prevent it from doing that.

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