



April 11, 2005

ASARCO Subsidiaries File Chapter 11 Proceedings

TUCSON, Arizona – ASARCO LLC (“ASARCO”) announced today that five non-operating and dormant subsidiaries of ASARCO have filed chapter 11 proceedings in Bankruptcy Court in Corpus Christi, Texas as part of a strategy to invoke special provisions of the Bankruptcy Code designed to assist companies in dealing with asbestos-related liabilities.

The company explicitly emphasized that the filing would have no effect whatsoever on customers, vendors, employees or banks of ASARCO or any of ASARCO’s currently operating affiliated companies.

The filing subsidiaries included Lake Asbestos of Quebec, Ltd. (f/k/a/ Lac d’Amiante du Québec Ltée) (“LAQ”), which was in the business of producing asbestos from the Black Lake region of central Quebec, and which was ultimately sold in 1989, and CAPCO Pipe Company, Inc. (f/k/a/ Cement Asbestos Products Company) (“CAPCO”), which formerly manufactured various cement underground pipe products that used asbestos as a binding agent and was ultimately sold in 1994.

Although both lines of business were discontinued, by the late 1990s, CAPCO and LAQ found themselves, like much of corporate America, in a widening asbestos crisis as plaintiffs began asserting an ever growing number of asbestos-related personal-injury claims against them. In order to dispose of thousands of claims in an expeditious and fair manner, ASARCO has turned to the congressionally authored solution, and will seek a permanent injunction under section 524(g) of the Bankruptcy Code in which all asbestos-related claims will be channeled to a trust for an equitable resolution and payment.

ASARCO is a Tucson-based integrated copper mining, smelting and refining company.