FOR IMMEDIATE RELEASE

Asarco to pay $20,000 in Civil Penalties for Water Quality Violations and Discharging Tailings Without Permit Near Hayden Smelter

PHOENIX (April 12, 2010) -- The Arizona Department of Environmental Quality and Arizona Attorney General's Office announced today that Asarco LLC will pay $20,000 in civil penalties under a consent judgment for discharging tailings into the Gila River without a permit and surface water quality violations.

The incident occurred in February 2007 when a pipeline straddling the river and connecting Asarco's Hayden concentrator to the tailing ponds ruptured, releasing an estimated 1,500 gallons of tailings onto the banks and main channel of the river.

ADEQ issued Asarco a Notice of Violation in April 2007 for discharging without a permit in violation of the federal Clean Water Act, which is administered by the state under the Arizona Pollutant Discharge Elimination System program. The incident also caused violations of the state's surface water quality standards that require the water to be free of oil, grease and other pollutants that cause a deposit on a shoreline or aquatic vegetation or change the color of the surface water from natural background levels.

Asarco ultimately spent more than $1 million in replacing the pipeline with one designed and engineered to prevent other such incidents in the future.

"This was a significant spill to an important waterway but Asarco reported it quickly, removed contaminated tailings, and invested heavily in pipeline improvements since an ounce of prevention is worth a pound of cure," ADEQ Director Benjamin H. Grumbles said.

"Any company handling mine tailings needs to rigorously comply with state regulations to protect the health of our citizens and our environment," Attorney General Terry Goddard said.

The consent judgment is subject to court approval.