Former ASARCO Smelter Site Project Status Presentation

September 15, 2012

PRESENTED TO
Committee for a Future El Paso

PRESENTED BY
Roberto Puga, P.G.
Site Trustee
Project Navigator, Ltd.

www.recastingthesmelter.com
Presentation Agenda

- Review of Trust Purpose and Objectives
- Trust Activity Progress Report
- Future of Trust Properties
  - ASARCO West
  - ASARCO East
  - Smelter Town
Trust Purpose and Objectives

- **Purpose**
  - Carry out the requirements of the Texas Custodial Trust
    - Addressing contamination on and in structures, soils, surface water and groundwater
    - Remediating the Site to standards that are protective of human health and the environment with the oversight of TCEQ
    - Ultimately to sell the property, maximizing the return to the Trust

- **Objectives**
  - Implement a technically rigorous remedy
  - Ensure a viable and beneficial final site end use
  - Facilitate community participation
  - Effective management of site assets to increase remediation fund
  - Efficient and objective procurement of project resources
Community Interaction

The Community Outreach effort has been higher than anticipated due to diverse stakeholders, a high level of community involvement, local government involvement and various community activist groups.

Avenues for Community Input

- **Website:** (www.RecastingTheSmelter.com)
  - The website is aimed at providing the public with current site information and activities.
- **Blog:** Gives the community a forum to post their opinions and input.
- **Access to media:**
- **Ex-ASARCO Employee Group:**
  - Intensive One-on-one interaction (site tours, meetings, written communications, incorporation of concerns into work plan)
- **Elected Officials:**
  - Frequent briefings to federal, state, and local officials
- **El Paso Based Contractors**
  - We have utilized local labor and resources as much as possible, -$4 million to date.
Site Demolition

- Demolition approximately 95% complete
Site Demolition: Saved Materials/Buildings

Powerhouse  Left Onsite

Administrative Building  Left Onsite

Time Capsule

Materials: historical documents, photographs, pay ledgers, hand drawn architectural drawings and maps

Donated to UTEP Special Collections Department
<table>
<thead>
<tr>
<th>Asset</th>
<th>Buyer</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matte Sales</td>
<td>Minera Rio Tinto</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>Copper Jacket Sales</td>
<td>Minera Rio Tinto</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>Net Scrap Value from Demo Contractor</td>
<td>Brandenburg</td>
<td>$1,056,686</td>
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<tr>
<td>Oxygen Plant</td>
<td>International Cryo Products, Inc.</td>
<td>$1,900,000</td>
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<tr>
<td>Rails/Rail Ties</td>
<td>National Salvage</td>
<td>$215,000</td>
</tr>
<tr>
<td>Liquid Oxygen Tanks</td>
<td>McGill’s Equipment</td>
<td>$130,500</td>
</tr>
<tr>
<td>Miscellaneous Equipment</td>
<td>Various Buyers</td>
<td>$332,720</td>
</tr>
<tr>
<td>Lead &amp; Scrap Metal</td>
<td>Various Buyers</td>
<td>$1,620,000</td>
</tr>
<tr>
<td>*<em>TOTAL</em></td>
<td></td>
<td><strong>$14,504,906</strong></td>
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</table>

* This does not include value of the land.
Remedy Planning: Cost Estimates

Old Cost Estimates

New Cost Estimates (being revised)

<table>
<thead>
<tr>
<th>2008 TCEQ Cost Estimate (in millions)</th>
<th></th>
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<tbody>
<tr>
<td>Demolition of Structures</td>
<td>$8.9</td>
</tr>
<tr>
<td>Asphalt Paving (75.50 acres)</td>
<td>$9.8</td>
</tr>
<tr>
<td>Construct Fourth Cell &amp; Fence</td>
<td>$5.9</td>
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<tr>
<td>Groundwater Remediation</td>
<td>$21.9</td>
</tr>
<tr>
<td>Post Closure Care</td>
<td>$3.3</td>
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<tr>
<td>Other Expense</td>
<td>$2.2</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$52.0</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>2011 Cost Estimate (in millions)</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Demolition of Structures</td>
<td>$3.6</td>
</tr>
<tr>
<td>Site 5 Feet Thick Soil Cover</td>
<td>$9.1</td>
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<tr>
<td>Construct Fourth Cell</td>
<td>$6.8</td>
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<tr>
<td>Groundwater Remediation</td>
<td>$20.9</td>
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<tr>
<td>Post Closure Care</td>
<td>$3.0</td>
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<tr>
<td>Other Expense</td>
<td>$2.2</td>
</tr>
<tr>
<td>Fines Pile Cover</td>
<td>$1.2</td>
</tr>
<tr>
<td>Category 3 Landfill</td>
<td>$1.2</td>
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<tr>
<td>Parker Brothers Arroyo Restoration</td>
<td>$11.3</td>
</tr>
<tr>
<td>Plant Slope Cover and Erosion Control</td>
<td>$4.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$63.8 (1)</strong></td>
</tr>
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</table>

(1) Additional budget from asset recovery.
On schedule

Updated Remediation Timeline

- PLANNING & PROCUREMENT
- SITE DEMOLITION (Began in April 2011)
- SURFACE SOILS & SURFACE WATER REMEDY
- GROUNDWATER REMEDY
- LONG TERM MAINTENANCE
- PROPERTY DISPOSITION

September 15, 2012
Former ASARCO Site, El Paso, TX
Construction of hazardous waste cell is underway

Waste cell liner and cover cross-section

Final cover grading plan
Property Review: Trust Holdings

Former ASARCO Site, El Paso, TX
Before view from Paisano Drive

September 15, 2012
Former ASARCO Site, El Paso, TX
After view from Paisano Drive

After September 15, 2012
Former ASARCO Site, El Paso, TX
End Vision of Remediated Site

Lined Channel | Lined Detention Pond | New Culvert Under Tracks | Lined Channel | Improved Culvert Under Tracks

New Category 1 Landfill | New Class 3 Landfill | Drop Structures | Improved Parker Brothers Arroyo | Power House | Historical Offices

September 15, 2012
Former ASARCO Site, El Paso, TX
Questions and Discussion