NEWS RELEASE

PHELPS DODGE CHOOSES ISAMILL FOR MORENCI LEACH PROJECT

Brisbane, 12 October 2005.

Phelps Dodge has chosen a 2.6 MW M10 000 IsaMill for its copper concentrate leaching facility being built at Morenci, Arizona. The Morenci project will be the world's first commercial scale chalcopyrite leach and direct electrowin facility. A single IsaMill will fine-grind the concentrate feed to the pressure leach step. The mill will operate in open circuit and will use screened river sand as grinding media.

Features of the IsaMill that are attractive to leaching applications are its large unit size, small footprint, simple maintenance, and tight size distribution produced in open circuit. The mill will be delivered in mid 2006.

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Phelps Dodge Corp. is one of the world's leading producers of copper and molybdenum, the largest producer of molybdenum-based chemicals and continuous-cast copper rod, and among the leading producers of magnet wire and carbon black. The company and its two divisions, Phelps Dodge Mining Co. and Phelps Dodge Industries, employ more than 15,000 people worldwide.

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