

Press release

12 January 2001

UM decides on a new EUR 30 million investment to support the growth of its Precious Metals recycling operations

The UM Board decided on the construction of a new EUR 30 million copper leaching & electrowinning plant at UM Precious Metals in Hoboken, in order to support the growth of its precious metals recycling operations.

This new plant will allow the on-site refining of the entire precious metals-bearing blister copper produced at the Hoboken smelter. Currently, this is being treated at UM's copper refinery in Olen.

The investment, which will enable the streamlining of operations both in Hoboken and Olen, entails the following advantages :

- Extension of the capacity of UM Precious Metals to treat a wide range of precious metals-bearing secondary products, in order to support its position as the leading precious metals recycler in the world.
- Increase UM's total copper refining capacity in Belgium (which is today effectively limited to 320,000 tonnes per year) to 370,000 (340,000 tonnes in Olen and 30,000 tonnes in Hoboken).
- Considerable reduction in working capital needs through the simplification of the process, which will allow a very speedy payback of the investment. The value of the stock reduction has been hedged, taking advantage of the presently very high prices of platinum group metals.

Full-scale production is expected in the first quarter of 2003.

This new investment confirms UM's commitment to remain the world's leading refiner and recycler of secondary precious metals-bearing raw materials. The continuing increase in precious metals use, in particular that of palladium, platinum and rhodium in electronics and in various environmentally friendly technologies (such as car exhaust catalysts and fuel cells), makes effective and efficient recycling a precondition for sustainable development.

For more information:

Union Minière:

Press: Mrs Moniek DELVOU - Tel. +32 2 227 70 63 * +32 475 26 64 95 – moniek.delvou@um.be

Investor Relations: Mrs Isabelle MICHOTTE - Tel. +32 2 227 71 47 - isabelle.michotte@um.be

n.v. Union Minière s.a

Broekstraat 31 Rue du Marais • B-1000 Brussels, Belgium
Phone +32 2 227 70 63 • Fax +32 2 227 79 03 • Telex 34004 umb
VAT BE 401 574 852 • Bank 210-0053806-23 • TRB 85382
Internet www.unionminiere.com • e-mail info@um.be

PROFILE

Union Minière (UM) is an international metals and materials group, which strives to obtain leadership positions in selected markets. Its activities are centred on 3 business groups: Advanced Materials, Copper & Precious Metals and Zinc. To ensure a rapid response to the market, each business group is divided into several business units and business lines.

The UM Group has industrial operations in Europe, North America, Asia and Africa and serves a global customer base through an international sales network with offices in more than 25 countries.

The underlying principles of UM's strategy across the various business groups are a commitment to technological innovation, operational excellence, recycling and environmental responsibility.

The Group generated a turnover of EUR 3.2 billion in 1999. UM currently employs some 8,000 people.

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