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Executive Summary:

**Ancient Metal, Today's Market Reality – What Vision for the Future?**

I'd like to start by introducing you to The Doe Run Company, one of North America's largest integrated lead producers. Then, I will share our vision for the future of this industry and talk about what Doe Run is doing to bring that future about.

Lead is indeed an ancient metal. At Doe Run, we trace our corporate ancestry to 1864. The primary lead smelter in Herculaneum, Missouri, was built in the early 1890s, and is the only primary lead smelter still operating in the United States.

We currently operate six mines and four mills in Missouri's Viburnum Trend, supplying the customers served by our smelter and lead concentrate business. We provide some of the world's purest concentrates. Herculaneum can produce lead that is 99.99 percent pure. We also produce more than 50 custom alloys to meet specific performance requirements of our customers.

We converted another smelter in Boss, Missouri, into a secondary smelter and recycling plant. Today, our Buick Resource Recycling Division is one of the largest lead recycling facilities in the world and one of the most advanced facilities of its kind. Every year, we turn about 13.5 million lead-acid batteries back into lead, acid and plastic raw materials for new batteries and other products. Thanks to operations like Buick, lead-acid batteries in the United States are virtually a closed loop; 97 percent of their lead is recycled and 60 percent to 80 percent of a new battery is recycled content.

Buick is one the few facilities in the world equipped to extract lead from the glass in television picture tubes and CRT computer monitors. The newer flat-screen monitors use less lead, but the old ones still need to be recycled and we get about 5 pounds back from every CRT.

Doe Run also operates Fabricated Products, Inc., with facilities in Arizona and Washington state, converting lead into finished goods. Our fabricated products include radiation shielding for hospitals and cancer clinics; lead-lined wallboard and plywood; and storage casks for nuclear materials. We also do specialty extrusions for plating, pollution control and battery applications. Our direct participation in these downstream markets gives us insight and know-how that help us move lead into higher-technology products.

One of the other distinctions for Doe Run is that lead is our primary business. Many major suppliers have zinc as their primary focus and lead as a byproduct. Our situation is just the reverse – we do lead, first and foremost, with zinc, copper and other metals as the byproducts. I think it's safe to say that that no one cares more about lead than Doe Run.

Notwithstanding the long history of lead, our industry is a dynamic one. Leadership requires that we continue to take advantage of lead's performance characteristics in ways that are responsible and sustainable.

Today's primary lead market, of course, is the lead-acid battery. Batteries represent upwards of 75 percent of all lead use. When the business cycle is favorable, a manager needs to look beyond the horizon and try to identify factors that could transform the industry yet again. A variety of factors are coming together to support the growth of alternative-fuel cars, and many of the hybrids on the market today do not rely on our stalwart lead-acid battery.

Doe Run is a founding member of the Advanced Lead Acid Battery Consortium, which was formed to improve the design, construction and performance of lead-acid batteries for important future markets. In the United Kingdom, the consortium recently completed a 100,000-mile test-drive of a Honda Insight with lead-acid battery power. This demonstrated that lead-acid is at least as durable as nickel metal hydride, as well as more efficient and considerably less expensive. Nickel metal hydride batteries for a hybrid can cost \$4,000 where lead-acid batteries with comparable performance might cost \$800. As this technology is refined, lead may be able to help make hybrid vehicles more affordable, which will make the new technology more sustainable for the long term.

Participating in the global marketplace is another way to make our business sustainable. Today's robust global growth rate – upwards of 4 percent annually – is really the average of double-digit growth in China and a flatter trend in the West. It's no accident that the rest of this morning's session is focused on "China, China, China." Doe Run is already a global supplier, but globalization is another area that merits continued management attention to sustain our company.

What else do we need to do to ensure a sustainable business? We absolutely need to look to our people, who are more important than ever. When the value of our products soars, so does the value of people who know how to find it, extract it, refine it and deliver it to our customers. The U.S. government forecasts a return to job growth for mining engineers following a lengthy period of decline.

In a business that depends on natural resources, we need to be sure we have those resources that enable us to be a reliable supplier of high-quality lead and related products. Our goal is always to identify more resources in a given year than we have mined in that year. Doe Run has sufficient reserves for our foreseeable development needs.

The agenda of this meeting, covering applications, sustainability and China's market activity, underscores how important it is to continue to reinvent ourselves constructively even if we only want to keep up with the changes in our industry and markets. If we want to drive those changes, we need to develop closer relationships ... with our suppliers and customers and the communities where we operate.

A focus solely on financial profit might work in the short-term ... but over a longer term it could undermine freedom to operate and ultimately limit success, if not survival. Our performance must measure up for employees, neighbors and the environment ... as well as by traditional financial metrics.

Lead saw the construction of the pyramids and the rise of modern civilization ... and went on to play an integral role in today's technology, from autos to cell phones to computers. If we don't take the good times for granted, if we properly manage our challenges and exercise sound stewardship, this ancient metal still has plenty of energy for the future.