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Caracas, November 5, 2004. International Briquettes Holding "IBH", a corporation dedicated to the production and commercialization of iron ore briquettes, announced today that a change has taken place in the shareholding structure of the commercial corporation Orinoco Iron, C.A. ("Orinoco"), a company that up to this date was held by a 50%-50% association of IBH and a subsidiary of BHP Billiton ("BHPB"). This change is due to the fact that BHPB assigned 2% of its shares (which represents 1% of the total stock capital of Orinoco) to IBH, and assigned the balance of its shares, as well as the credit maintained against Orinoco, indirectly to certain existing creditors of Orinoco. BHPB also transferred to IBH (or its 100% owned affiliates) the totality of the shares it held in Operaciones RDI, C.A., IBMS and Brifer, therefore, IBH is directly or indirectly the holder of the totality of the social capital of these corporations.

Consequently, as of November 5, 2004, 51% of the equity of Orinoco is the property of IBH. IBH has assumed the role of management and operational control of Orinoco. For this reason and according to applicable rules, IBH, which had made reserves for its investment in Orinoco, must begin to consolidate accountings of the Orinoco results. In connection with the transactions described above: (i) BHPB shall receive a maximum amount equal to US\$31,800,000; (ii) an amount approximately equal to 50% of Orinoco's outstanding debt under its financing agreement executed in 1997 will eventually be neutralized in the future (subject to the performance of certain conditions) in a manner which will not impact the current capital structure of Orinoco nor the rights that IBH currently holds as a shareholder of Orinoco; and (iii) additional rights, including certain governance rights, have been granted to the non-IBH owners of Orinoco equity.

Notwithstanding the above mentioned changes, IBH informs that the financial liability of Orinoco is still under a situation of breach and that the conversations with the Lenders oriented to reach agreements for its restructuring continue advancing.