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Freeport-McMoRan Copper & Gold Inc. Completes Sale of \$6.5 Billion of Senior Notes in a Private Placement

PHOENIX, AZ, March 7, 2013 – Freeport-McMoRan Copper & Gold Inc. (NYSE: FCX) announced today that it has completed the sale of \$6.5 billion of senior notes in four tranches, consisting of 5-year, 7-year, 10-year and 30-year senior notes. The offering generated net proceeds of approximately \$6.4 billion, which FCX expects to use, together with the net proceeds of its \$4.0 billion term loan, primarily to fund the acquisitions of Plains Exploration & Production Company (PXP) and McMoRan Exploration Co. (MMR), including for the payment of cash consideration for the acquisitions and the repayment of certain indebtedness of PXP.

Following is a summary of the four new tranches of debt, which will have an annual aggregate weighted-average interest cost of approximately 3.9%:

Description	Amount	Maturity
2.375% Senior Notes ⁽¹⁾	\$1.5 Billion	Due March 15, 2018
3.100% Senior Notes ⁽²⁾	\$1.0 Billion	Due March 15, 2020
3.875% Senior Notes ⁽³⁾	\$2.0 Billion	Due March 15, 2023
5.450% Senior Notes ⁽⁴⁾	\$2.0 Billion	Due March 15, 2043

(1) Priced at 99.990% to yield 2.377%

(2) Priced at 99.962% to yield 3.106%

(3) Priced at 99.941% to yield 3.882%

(4) Priced at 99.544% to yield 5.481%

James R. Moffett, Chairman of the Board and Richard C. Adkerson, President and Chief Executive Officer said, "We are pleased to complete the financing requirements for our pending acquisitions of Plains Exploration & Production Company and McMoRan Exploration Co. on attractive terms. The combined bank and bond financings totaling \$10.5 billion have a weighted average current interest cost of 3.1% and will enable us to fund the approximate \$5.6 billion cash portion of the acquisitions and repay higher-cost debt of the targets upon completion of the transactions. We look forward to completing the pending acquisitions in the second quarter of 2013, and to pursuing our strategy of generating values for shareholders from our large mining and oil and gas resource position."

If the PXP acquisition does not close, FCX will be required to redeem all of the outstanding 7-year, 10-year and 30-year notes at 101% plus accrued and unpaid interest. As previously announced, PXP and MMR stockholder meetings to approve the acquisitions will be held after the U.S. Securities and Exchange Commission has declared effective the respective registration statements on Form S-4 filed in connection with the acquisitions. The transactions are expected to close in second-quarter 2013.

FCX expects to record a charge of approximately \$62 million (\$55 million to net income attributable to common stock, \$0.06 per share) in the first quarter of 2013 for costs of the \$9.5 billion acquisition bridge facilities which have been terminated, and for accrued interest costs associated with the March 7, 2013 issuance of the \$6.5 billion in senior notes.

This press release is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any securities of FCX. The senior notes have not been registered under the Securities Act, or any applicable state securities laws, and have been offered only to qualified institutional buyers pursuant to Rule 144A promulgated under the Securities Act and outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act. Unless so registered, the senior notes may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and any applicable state securities laws.

J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, BNP Paribas Securities Corp., and Citigroup Global Markets Inc. were joint book-running managers for the senior notes offering.

FCX is a leading international mining company with headquarters in Phoenix, Arizona. FCX operates large, long-lived, geographically diverse assets with significant proven and probable reserves of copper, gold and molybdenum. FCX has a dynamic portfolio of operating, expansion and growth projects in the copper industry and is the world's largest producer of molybdenum.

The company's portfolio of assets includes the Grasberg minerals district, one of the world's largest copper and gold mines in terms of recoverable reserves; significant mining operations in the Americas, including the large scale Morenci and Safford minerals districts in North America and the Cerro Verde and El Abra operations in South America; and the Tenke Fungurume minerals district in the Democratic Republic of Congo. Additional information about FCX is available on FCX's website at "www.fcx.com."

Cautionary Statement: *This press release contains forward-looking statements, which are all statements other than statements of historical facts, such as those statements regarding completion of the pending acquisitions. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "intends," "likely," "will," "should," "to be," and any similar expressions are intended to identify those assertions as forward-looking statements.*

FCX cautions readers that forward-looking statements are not guarantees of future performance and its actual results may differ materially from those anticipated, projected or assumed in the forward-looking statements. Important factors that can cause FCX's actual results to differ materially from those anticipated in the forward-looking statements include risks associated with the pending acquisitions, and other factors described in more detail under the heading "Risk Factors" in FCX's Annual Report on Form 10-K for the year ended December 31, 2012, filed with the U.S. Securities and Exchange Commission (SEC), as updated by our subsequent filings with the SEC.

Investors are cautioned that many of the assumptions on which FCX's forward-looking statements are based are likely to change after its forward-looking statements are made, including for example commodity prices, which FCX cannot control, and production volumes and costs, some aspects of which FCX may or may not be able to control. Further, FCX may make changes to its business plans that could or will affect its results. FCX cautions investors that it does not intend to update forward-looking statements more frequently than quarterly notwithstanding any changes in FCX's assumptions, changes in business plans, actual experience or other changes, and FCX undertakes no obligation to update any forward-looking statements.

ADDITIONAL INFORMATION ABOUT THE PROPOSED PXP AND MMR TRANSACTIONS AND WHERE TO FIND IT

PXP Transaction

In connection with the proposed transaction, FCX has filed with the SEC a registration statement on Form S-4 that includes a preliminary proxy statement of PXP that also constitutes a prospectus of FCX. FCX and PXP also plan to file other relevant documents with the SEC regarding the proposed transaction. INVESTORS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC IF AND WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. You may obtain a free copy of the definitive proxy statement/prospectus (if and when it becomes available) and other relevant documents filed by FCX and PXP with the SEC at the SEC's website at www.sec.gov. You may also obtain these documents by contacting FCX's Investor Relations department at (602) 366-8400, or via e-mail at IR@fmi.com; or by contacting PXP's Investor Relations department at (713) 579-6291, or via email at investor@pxp.com.

FCX and PXP and their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about FCX's directors and executive officers is available in FCX's proxy statement dated April 27, 2012, for its 2012 Annual Meeting of Stockholders. Information about PXP's directors and

executive officers is available in PXP's proxy statement dated April 13, 2012, for its 2012 Annual Meeting of Stockholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the definitive proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the merger when they become available. Investors should read the definitive proxy statement/prospectus carefully when it becomes available. You may obtain free copies of these documents from FCX or PXP using the sources indicated above.

This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

MMR Transaction

In connection with the proposed transaction, the royalty trust formed in connection with the transaction has filed with the SEC a registration statement on Form S-4 that includes a preliminary proxy statement of MMR that also constitutes a prospectus of the royalty trust. FCX, the royalty trust and MMR also plan to file other relevant documents with the SEC regarding the proposed transaction. **INVESTORS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC IF AND WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** You may obtain a free copy of the proxy statement/prospectus (if and when it becomes available) and other relevant documents filed by FCX, the royalty trust and MMR with the SEC at the SEC's website at www.sec.gov. You may also obtain these documents by contacting FCX's Investor Relations department at (602) 366-8400, or via e-mail at IR@fmi.com; or by contacting MMR's Investor Relations department at (504) 582-4000, or via email at IR@fmi.com.

FCX and MMR and their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about FCX's directors and executive officers is available in FCX's proxy statement dated April 27, 2012, for its 2012 Annual Meeting of Stockholders. Information about MMR's directors and executive officers is available in MMR's proxy statement dated April 27, 2012, for its 2012 Annual Meeting of Stockholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the definitive proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the merger when they become available. Investors should read the definitive proxy statement/prospectus carefully when it becomes available. You may obtain free copies of these documents from FCX or MMR using the sources indicated above.

This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

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