

# NEWS RELEASE

NYSE:FCX

  
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## ***Freeport-McMoRan Copper & Gold Inc. and Plains Exploration & Production Company Announce Final Allocation of Merger Consideration***

PHOENIX, AZ, and HOUSTON, TX, May 23, 2013 – Freeport-McMoRan Copper & Gold Inc. (NYSE: FCX) and Plains Exploration & Production Company (NYSE: PXP) today announced the final allocation of the merger consideration to be paid in connection with FCX's pending acquisition of PXP, which was approved by PXP stockholders on May 20, 2013 and is currently expected to be completed on May 31, 2013. This allocation has been determined based on an FCX stock price of \$32.17 per share, which is the average of the closing prices of FCX common stock for the ten trading days immediately preceding the date which is five trading days immediately prior to the completion of the merger.

Under the terms of the merger agreement between FCX and PXP, PXP stockholders were entitled to elect to receive, for each share of PXP common stock held, either cash or shares of FCX common stock with a value equal to the sum of 0.6531 shares of FCX common stock and \$25.00, subject to proration in the event cash is oversubscribed or undersubscribed. As previously announced, as of the election deadline, approximately 29.1 percent of the outstanding shares of PXP common stock and equity awards entitled to receive the merger consideration elected to receive cash, approximately 45.5 percent elected to receive FCX common stock, and the remaining approximately 25.4 percent did not make a valid election or did not deliver a valid election form prior to the election deadline.

Based on an expected closing date of May 31, 2013 and pursuant to the proration formula set forth in the merger agreement:

- **PXP stockholders electing to receive FCX common stock** will receive shares of FCX common stock at an exchange ratio of approximately 1.4302 shares of FCX common stock for each share of PXP common stock.
- **PXP stockholders electing to receive cash** will receive \$46.01 in cash for each share of PXP common stock.
- **PXP stockholders who did not make a valid election or did not deliver a valid election form prior to the election deadline** will receive approximately 99.5 percent of their merger consideration in cash equal to \$46.01 for each share of PXP common stock and the remainder of their merger consideration in shares of FCX common stock at an exchange ratio of approximately 1.4302 shares of FCX common stock for each share of PXP common stock.

No fractional shares of FCX common stock will be issued, and PXP stockholders will receive cash in lieu of fractional shares.

PXP's registered stockholders will receive information from Computershare Trust Company, N.A., the exchange agent for the merger, regarding the exchange of their shares of PXP stock and equity awards. PXP's

stockholders holding their interests through a broker or bank should receive information regarding the exchange of their securities from the broker or bank.

Upon closing of the merger, FCX will be a premier U.S.-based natural resource company with an industry leading global portfolio of mineral assets, significant oil and gas resources and a growing production profile. FCX is the world's largest publicly traded copper producer.

**ABOUT FREEPORT-McMoRAN COPPER & GOLD INC.**

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](http://www.fcx.com).

**ABOUT PLAINS EXPLORATION & PRODUCTION COMPANY**

PXP is an independent oil and gas company primarily engaged in the activities of acquiring, developing, exploring and producing oil and gas in California, Texas, Louisiana, and the Deepwater Gulf of Mexico. PXP is headquartered in Houston, Texas. Additional information about PXP is available on PXP's website at [www.pxp.com](http://www.pxp.com).

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**Cautionary Statement Regarding Forward Looking Statements:** *This press release contains forward-looking statements concerning the proposed transaction, the expected timetable for completing the proposed transaction, and other matters. Forward-looking statements are all statements other than statements of historical facts. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "intends," "likely," "will," "should," "to be," and any similar expressions or other words of similar meaning are intended to identify those assertions as forward-looking statements. It is uncertain whether the events anticipated will transpire, or if they do occur what impact they will have on the results of operations and financial condition of FCX, PXP or of the combined company. These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those anticipated, including but not limited to the ability of the parties to satisfy the conditions precedent and consummate the proposed transaction and the timing of consummation of the proposed transaction. Other important economic, political, regulatory, legal, technological, competitive and other uncertainties are identified in the documents filed with the Securities and Exchange Commission (the "SEC") by FCX and PXP from time to time, including their respective Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. The forward-looking statements included in this press release are made only as of the date hereof. Neither FCX nor PXP undertakes any obligation to update the forward-looking statements included in this press release to reflect subsequent events or circumstances.*

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