



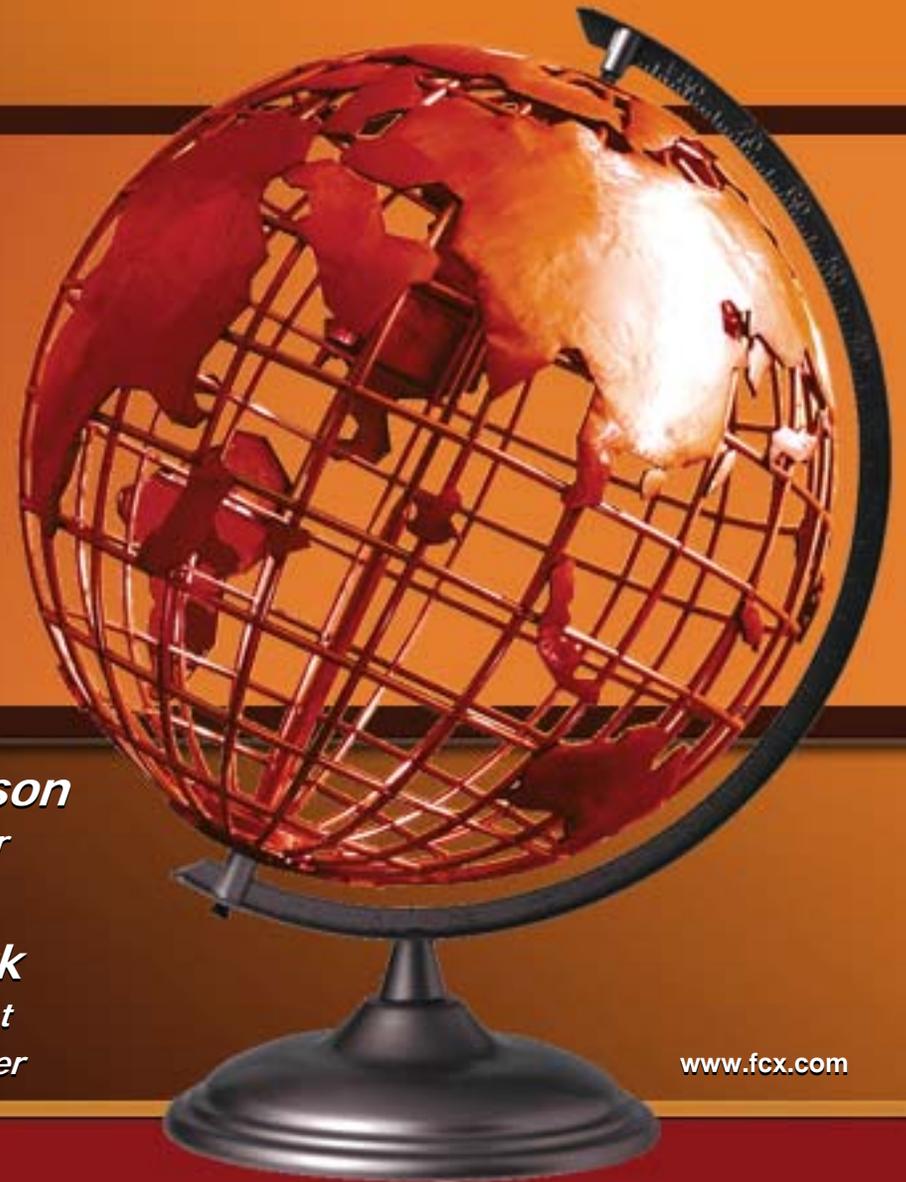
***2nd Quarter 2007
Earnings Conference Call***

James R. Moffett
Chairman of the Board

Richard C. Adkerson
Chief Executive Officer

Timothy R. Snider
*President and Chief
Operating Officer*

Kathleen L. Quirk
*Executive Vice President
and Chief Financial Officer*





Cautionary Statement Regarding Forward-Looking Statements

This presentation contains forward-looking statements in which we discuss factors we believe may affect our performance in the future. Forward-looking statements are all statements other than historical facts, such as statements regarding projected ore grades and milling rates, projected sales volumes, projected unit net cash costs, projected operating cash flows, projected capital expenditures, the impact of copper, gold and molybdenum price changes, the impact of changes in deferred intercompany profits on earnings, projected debt and cash balances, and the impact of purchase accounting, including on production costs and depreciation, depletion and amortization expenses. Accuracy of the forward-looking statements depends on assumptions about events that change over time and is thus susceptible to periodic change based on actual experience and new developments. FCX cautions readers that it assumes no obligation to update or publicly release any revisions to the forward-looking statements in this presentation and, except to the extent required by applicable law, does not intend to update or otherwise revise the forward-looking statements more frequently than quarterly. This presentation includes forward looking statements regarding geologic resources not included in reserves. The geologic resources described in this presentation will not qualify as reserves until comprehensive engineering studies establish their economic feasibility. Accordingly, no assurance can be given that the estimated geologic resources not included in reserves will become proven and probable reserves. Additionally, important factors that might cause future results to differ from these projections include mine sequencing, production rates, industry risks, commodity prices, political risks, weather-related risks, labor relations, currency translation risks and other factors described in FCX's Quarterly Report on Form 10-Q for the three months ended March 31, 2007, filed with the Securities and Exchange Commission (SEC).

This presentation also contains certain financial measures such as unit net cash costs (credits) per pound of copper and unit net cash costs per pound of molybdenum. As required by SEC Regulation G, reconciliations of these measures to amounts reported in FCX's consolidated financial statements are available in our internet web site www.fcx.com.



2Q07 Highlights



<i>Sales Data</i>	<i>2Q06</i>	<i>2Q07</i>
<u><i>Copper</i></u>		
Consolidated Volumes (mm lbs)	220	1,010 ⁽¹⁾
Average Realization (per lb)	\$3.33	\$3.33 ⁽²⁾
<u><i>Gold</i></u>		
Consolidated Volumes (000's ozs)	278	913
Realization (per oz)	\$614	\$658
<u><i>Molybdenum</i></u>		
Consolidated Volumes (mm lbs)	N/A	15 ⁽¹⁾
Realization (per lb)	N/A	\$24.83
<i>Financial Results (in millions, except per share amounts)</i>		
Revenues	\$1,426	\$5,807
Net Income	\$367	\$1,104 ⁽³⁾
Diluted Earnings Per Share	\$1.74	\$2.62 ⁽³⁾
Operating Cash Flows	\$500	\$2,081
Capital Expenditures ⁽⁴⁾	\$58	\$530

(1) Excludes purchased products

(2) Includes impacts from PD's historical hedging of 13¢/lb

(3) Includes net charges totaling \$377 mm (85¢/share), including charges of \$80 mm (18¢/share) to mark-to-market PD's copper price protection program, \$168 mm (38¢/share) for purchase accounting impacts related to inventory charges, \$117 mm (26¢/share) for purchase accounting impacts related to PP&E, \$35 mm (8¢/share) for early extinguishment of debt, and a gain of \$23 mm (5¢/share) on the sale of marketable equity securities.

(4) Includes capitalized interest



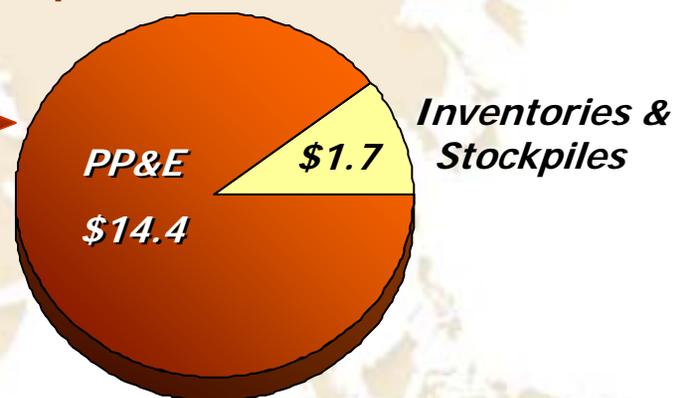
Preliminary Purchase Accounting Allocation ⁽¹⁾



(\$ in billions)

Step-up in Assets Breakdown

Historical Book Value	\$ 8.2
Step-up in Assets	16.1
Deferred Tax on Step-up	(5.5)
Goodwill	<u>7.0</u>
Purchase Price	<u><u>\$25.8</u></u>



Purchase Accounting Impacts ⁽²⁾

(\$ in millions)	1Q07	2Q07	3Q07e	4Q07e	2007e
Incremental Production Costs (Inventory Impact)	\$ 96	\$268	\$100	\$ 40	\$ 504
Incremental DD&A	<u>28</u>	<u>186</u>	<u>200</u>	<u>210</u>	<u>624</u>
Total	<u><u>\$124</u></u>	<u><u>\$454</u></u>	<u><u>\$300</u></u>	<u><u>\$250</u></u>	<u><u>\$1,128</u></u>
Impact to Net Income	<u><u>\$ 79</u></u>	<u><u>\$285</u></u>	<u><u>\$189</u></u>	<u><u>\$158</u></u>	<u><u>\$ 711</u></u>

(1) The final valuation of assets acquired and liabilities assumed is not complete and the net adjustments to those values will result in changes to goodwill and other carrying amounts assigned to assets and liabilities based on the preliminary analyses.

(2) These amounts do not affect cash flows and are based on the preliminary purchase price allocations and projected annual sales volumes. Changes to fair value estimates of PP&E and development costs, inventories and mill and leach stockpiles could result in significantly different amounts from those shown below. Additionally, inventories and mill and leach stockpiles are subject to lower of cost or market assessments, and significant declines in metals market prices could result in future impairment charges.

e = estimate. Please see cautionary statement.



2Q07 Operating Highlights



Operating Data

2Q06 Pro Forma

2Q07

Copper

Consolidated Volumes (mm lbs) ⁽¹⁾	843	1,010
Average Realization (per lb) ⁽²⁾	\$2.44	\$3.33
Net Unit Cash Cost (per lb)	\$0.74	\$0.53

Gold

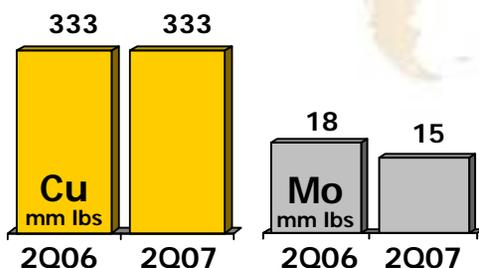
Consolidated Volumes (000's ozs)	311	913
Realization (per oz)	\$612	\$658

Molybdenum

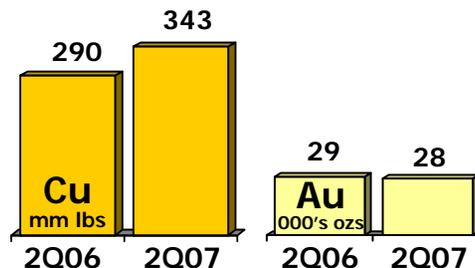
Consolidated Volumes (mm lbs) ⁽¹⁾	18	15
Realization (per lb)	\$21.04	\$24.83

Sales From Mines for 2Q by Region

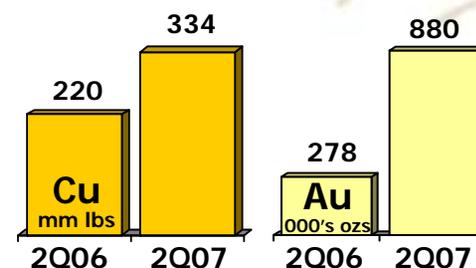
North America



South America



Indonesia



Note: 2Q06 numbers are pro forma

(1) Excludes purchased products

(2) Includes impacts from PD's historical hedging of 80¢/lb in 2Q06 and 13¢/lb in 2Q07



2Q07 Unit Production Costs



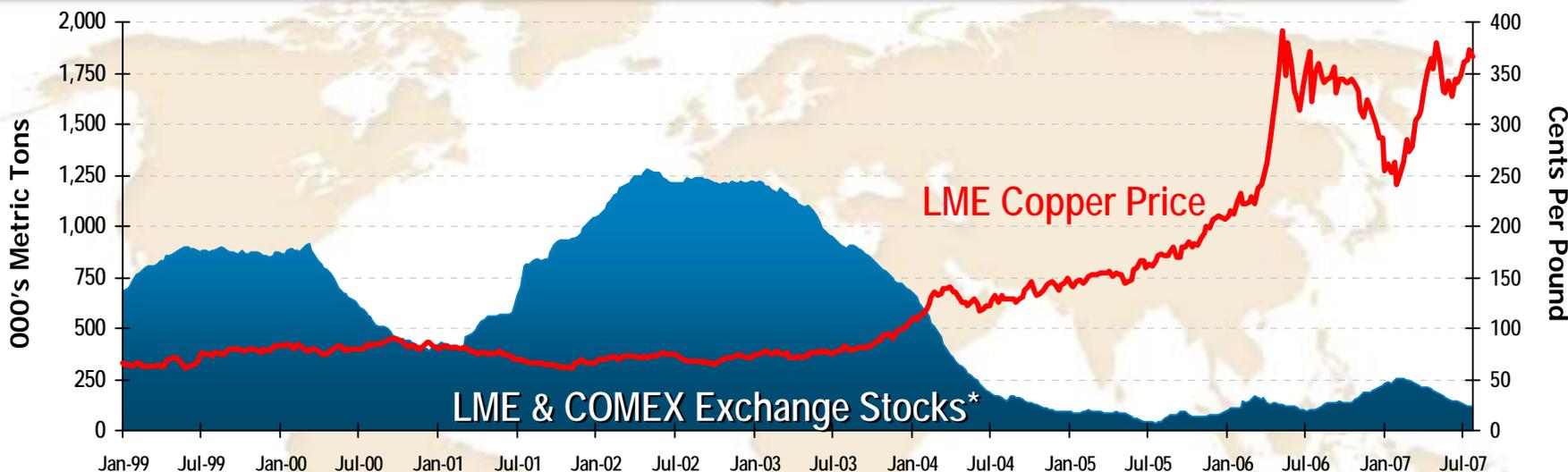
(per pound of copper)

	North America	South America	Indonesia	Consolidated
Cash Unit Costs				
Site Production & Delivery ⁽¹⁾	\$1.46	\$0.82	\$1.14	\$1.13
Royalties ⁽¹⁾	0.00	0.00	0.14	0.05
Treatment Charges	0.09	0.21	0.33	0.21
By-product Credits	<u>(0.74)</u>	<u>(0.07)</u>	<u>(1.79)</u>	<u>(0.86)</u>
Net Cash Unit Costs	<u><u>\$0.81</u></u>	<u><u>\$0.96</u></u>	<u><u>\$(0.18)</u></u>	<u><u>\$0.53</u></u>

(1) Profit sharing in South America included in production costs; severance taxes in North America included in production costs

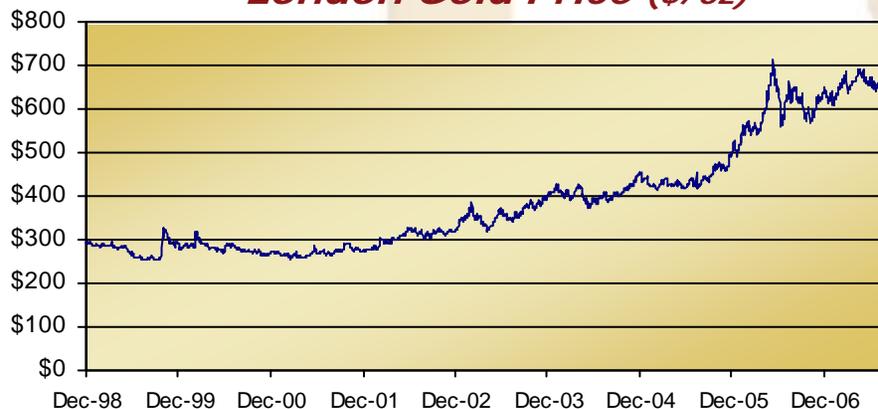


Markets Overview



*LME and Comex, excluding Shanghai stocks, producer, consumer and merchant stocks.

London Gold Price (\$/oz)



Molybdenum Price* (\$/lb)



* Metals Week – Molybdenum Dealers Oxide Price

2007 Outlook



- **Pro Forma Sales Outlook ⁽¹⁾:**
 - *Copper: 3.9 Billion lbs.*
 - *Gold: 2.1 Million ozs.*
 - *Molybdenum: 68 Million lbs.*

- **Modeled Operating Cash Flows ⁽²⁾:**
 - *\$6+ Billion for 2007*
 - *\$3.2+ Billion in 2H07*

- **Capital Expenditures: ~ \$1.8 Billion for 2007**

- **Year-end Total Debt: ~ \$8.2 Billion, \$6.5 Billion Net of Cash ⁽³⁾**

(1) 2007e includes pre-acquisition sales of 505 mm lbs of copper, 22 k oz of gold and 17 mm lbs of molybdenum

(2) Assumes prices of \$3.25/lb. Copper, \$650/oz. Gold, and \$25/lb. Molybdenum for the second half of 2007, each 20¢ change in copper in the second half would impact this estimate by approximately \$300 MM, each \$50/oz change in gold would have an approximate \$10 MM impact, and each \$2.00/lb change in molybdenum would have an approximate \$30 MM impact.

(3) Assumes excess cash flows (above capital expenditures, minority interest distributions, common and preferred dividends and other cash requirements) are applied to debt reduction.

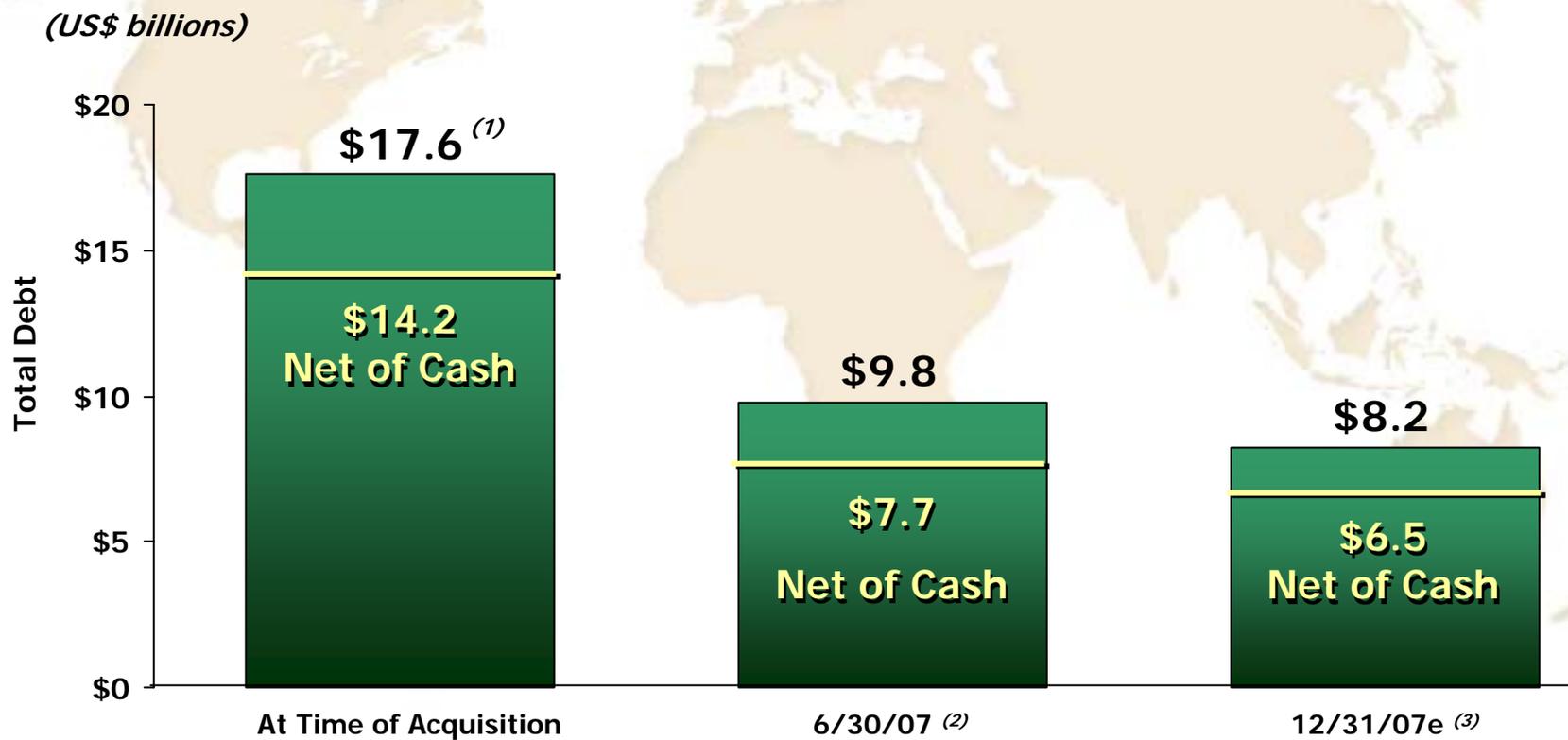
Note: Amounts are projections; see cautionary statement.



Modeled Year-end Total Debt



Aggressive Debt Repayment



(1) Pro Forma year-end 2006 total debt of \$1.6 billion plus \$16 billion in acquisition debt

(2) Includes \$5.6 billion in paydown from proceeds associated with equity/convertible stock issuances in March 2007

(3) Based on modeled results. Assumes prices of \$3.25/lb. Copper, \$650/oz. Gold, and \$25/lb. Molybdenum in second half of 2007. Assumes excess cash flows (above capital expenditures, minority interest distributions, common and preferred dividends and other cash requirements) are applied to debt reduction.

e = estimates. Please see cautionary statement.

Development Project Update North America



Morenci
Concentrate Leach Plant



Morenci Mill Restart & Concentrate Leach Plant

- Mill is ramping up and expected to reach 54,000 t/d* capacity in 3Q07
- Start-up of Concentrate Leach Plant expected in 3Q07
- Adds 115MM lbs Cu/year aggregate and enhances cost profile
- ~ \$250MM project

Safford Mine Development

- Major new mine in Arizona
- Engineering and procurement complete with construction well advanced and 66% complete
- SX/EW facility start-up scheduled by early 2008; ramp-up in 1H08
- 240MM lbs Cu/year
- ~ \$580MM project

Safford
Crushing & Screening Plant Construction

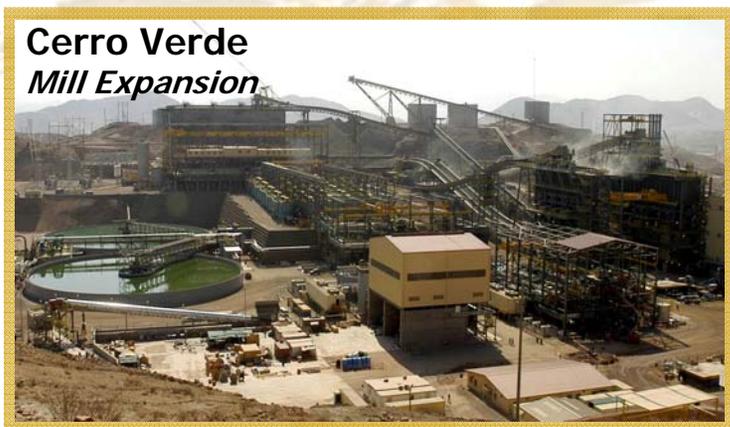
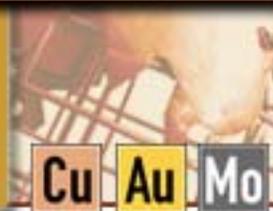


NOTE: FCX has an 85% ownership interest in Morenci and a 100% interest in Safford

* short tons



Development Project Update South America



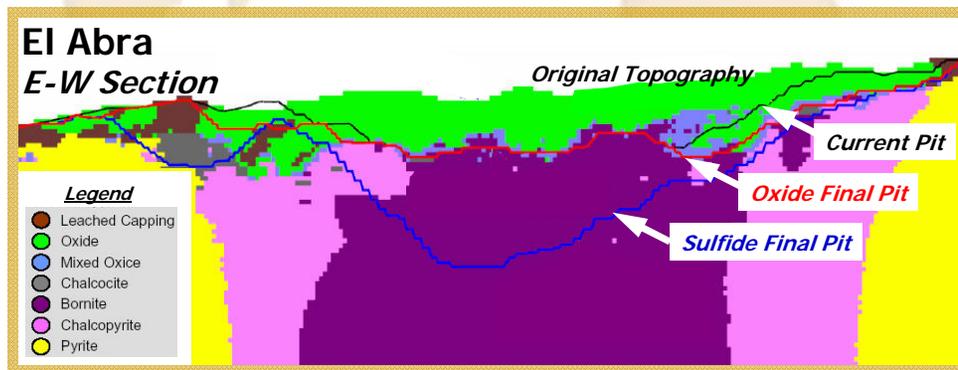
**Cerro Verde
Mill Expansion**

Cerro Verde Sulfide Mill Expansion

- ~\$900MM project completed in 4Q06
- Rates ramped up in 2Q; reached capacity of 108K t/d in June
- Full rates expected in 2H07
- Adds 430MM lbs/year aggregate

El Abra Sulfide

- Large sulfide mineral deposit underlying current oxide pit
- Environmental impact study submitted to Chilean Government
- Extends mine life thru 2021
- Adds 325MM lbs copper/year aggregate
- ~ \$350MM project



NOTE: FCX has a 53.6% ownership interest in Cerro Verde and a 51% interest in El Abra

Development Project Update Indonesia

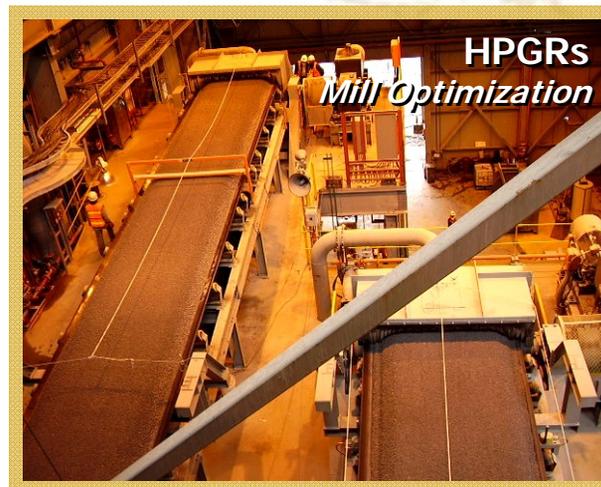


Underground Mine Development

- **DOZ Expansions**
 - Completed 50K Expansion in mid-2007; averaged 51K t/d in June
 - Further expansion to 80K
- Completed 80% of tunneling (Common Infrastructure) required to reach Grasberg Block Cave
- Initiate mine development activities at Grasberg Block Cave in 1H08
- Big Gossan to reach full rates by year-end 2010 (aggregate copper of 135MM lbs/year and gold of 65K ozs/year)



DOZ 50K Expansion
Second Crusher



HPGRs
Mill Optimization

Mill Optimization

- **HPGRs** – start-up completed; recovery enhancements
- **Crusher Master Plan** – target completion 1Q08; throughput enhancement

NOTE: FCX has a 90.64% ownership interest in Grasberg

Development Project Update Democratic Republic of Congo



Tenke Fungurume Mine Development

- Final Feasibility Study completed in 4Q06
- Construction activities are ramping up and excavation completed for crushing, mill, lime, acid plant and workshop facilities
- Completed agreement for electric power



Plant Site Earthworks



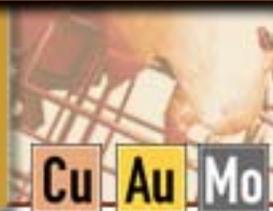
Construction Camp

- \$650MM capital cost (aggregate)
- Initial production target 2009
- Aggregate annual production of 250MM lbs copper and 18MM lbs cobalt in first 10 years
- Reserves at 12/31/06: 103MM metric tons – 2.1% copper and 0.3% cobalt

NOTE: FCX has a 57.75% ownership interest in the Tenke Fungurume project



Copper Reserves & Mineralized Material



Reserves*

(billion lbs of recoverable copper)

Mineralized Material**

(billion lbs of contained copper)

Sensitivity to Copper Price



94 billion lbs

**Potential for additional
69 to 146 billion lbs**

* Consolidated copper reserves: 77.2 billion pounds net to FCX's interest. PT-FI's estimated recoverable reserves in 2006 were assessed using a copper price of \$1.00 per pound and a gold price of \$400 per ounce. PD's estimated recoverable reserves in 2006 were assessed using a long-term copper price of \$1.05 per pound and a long-term molybdenum price of \$5.00 per pound.

** Consolidated copper resources: Net to FCX's interest, copper resources total 61 billion pounds of copper at \$1.20 copper price, 94 billion pounds at \$1.50 copper, and 130 billion pounds at \$2.00 copper and \$10 per pound molybdenum. **Geologic resources (i.e. Mineralized Material) are not included in reserves. The geologic resources will not qualify as reserves until comprehensive studies establish their legal and economic feasibility. Accordingly, no assurance can be given that the estimated resources and mineralization will become proven and probable reserves.**



Significant Exploration Potential

Papua, Indonesia

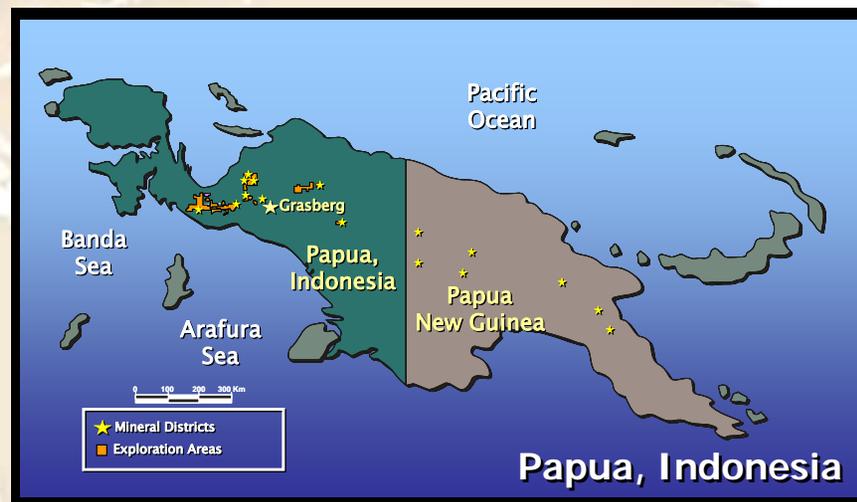
- Rights to 2.2 million acres
- Highly prospective exploration areas provide opportunities to continue to add to our long-lived reserves

Tenke Fungurume, Democratic Republic of Congo

- Believed to be largest undeveloped, high grade copper/cobalt project in the world today
- Less than half of 600-square-mile concession explored; cumulative strike length greater than 80 kilometers

Other

- Brownfield opportunities – existing operations
- Greenfield – global exploration activities

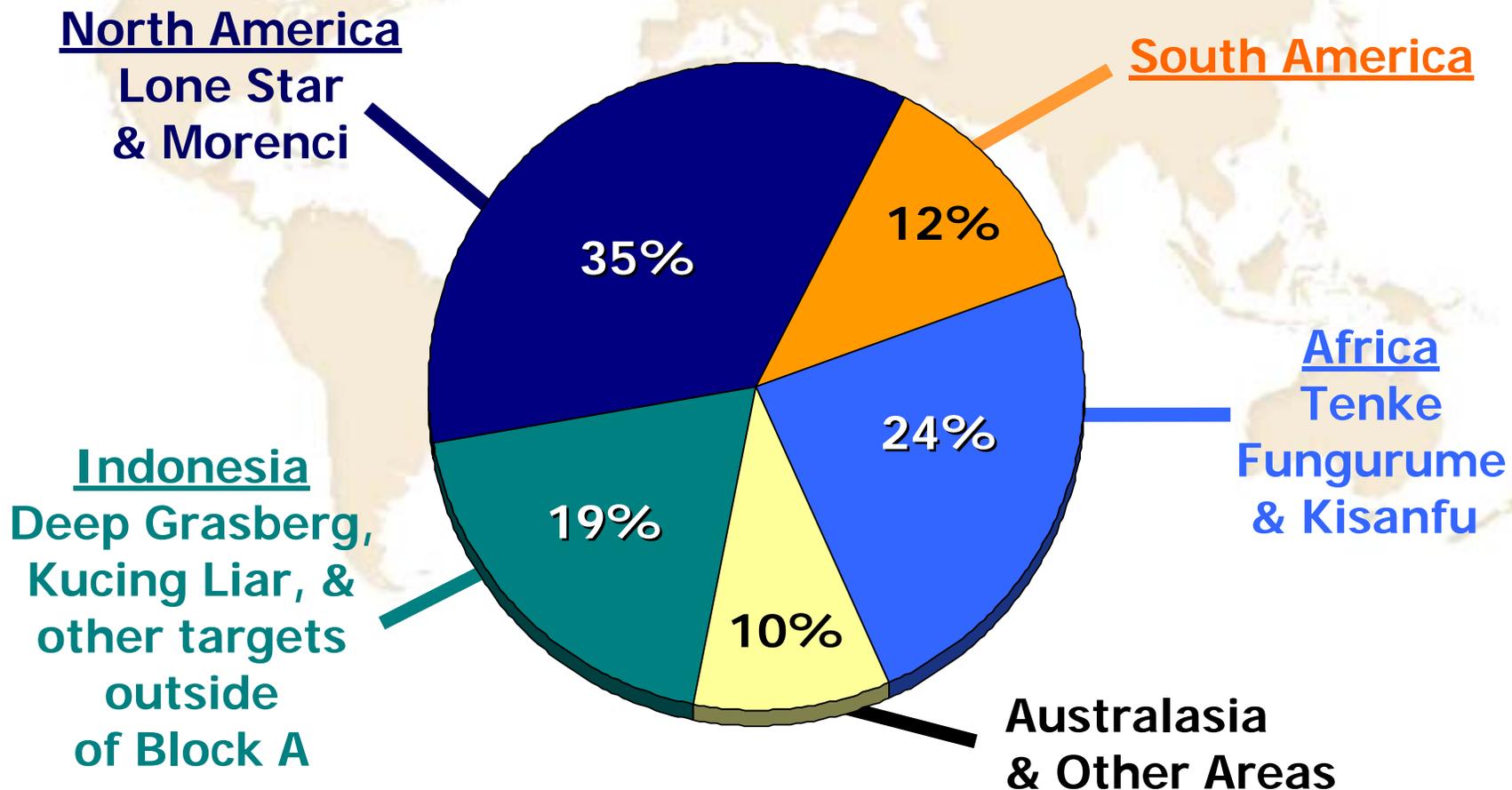




Exploration Drives the Mine Plan



Aggregate 2007e Exploration: ~\$125 million



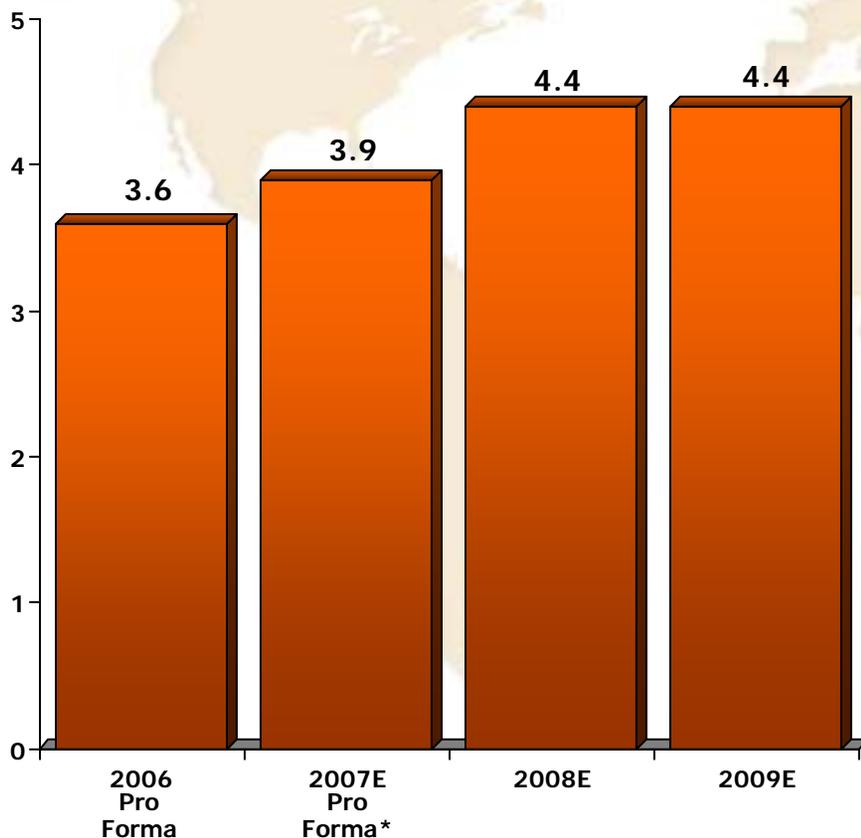
e = estimate. Please see cautionary statement.



Sales Profile 2007e - 2009e



Copper Sales (billion lbs)



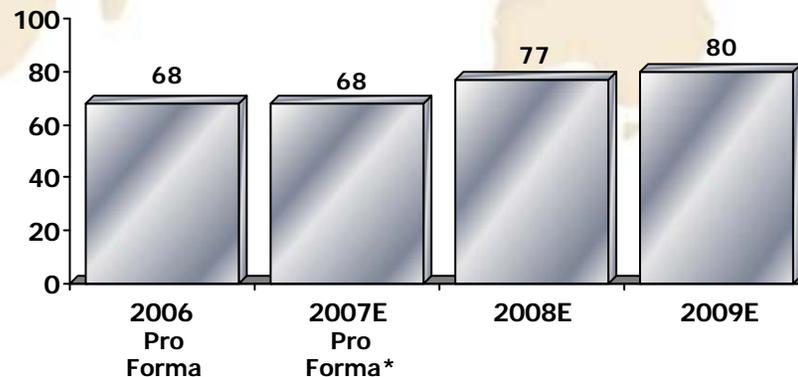
Note: Consolidated copper sales include approximately 540 mm lbs in 2006, 675 mm lbs in 2007e, 740 mm lbs in 2008e and 800 mm lbs in 2009e for minority interest; excludes purchased copper.
 * 2007e includes pre-acquisition sales of 505 mm lbs of copper, 22 k oz of gold and 17 mm lbs of molybdenum

Gold Sales (million ozs)



Note: Consolidated gold sales include approximately 185 k oz in 2006, 215 k oz in 2007e, 160 k oz in 2008e and 185 k oz in 2009e for minority interest

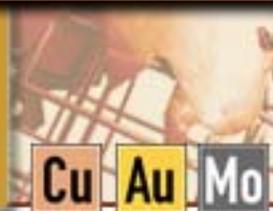
Molybdenum Sales (million lbs)



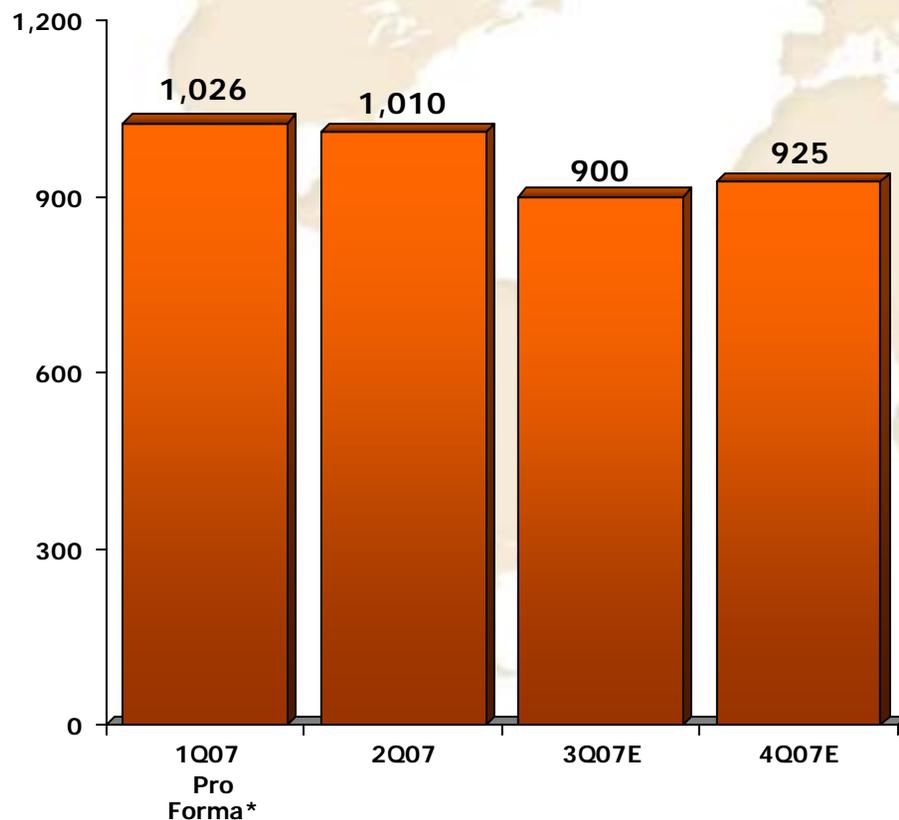
Note: Consolidated molybdenum sales include approximately 1.5 mm lbs in 2007e, 4 mm lbs in 2008e and 4 mm lbs in 2009e for minority interest; excludes purchased molybdenum
 e = estimate. Please see cautionary statement.



2007 Quarterly Payable Metal Sales



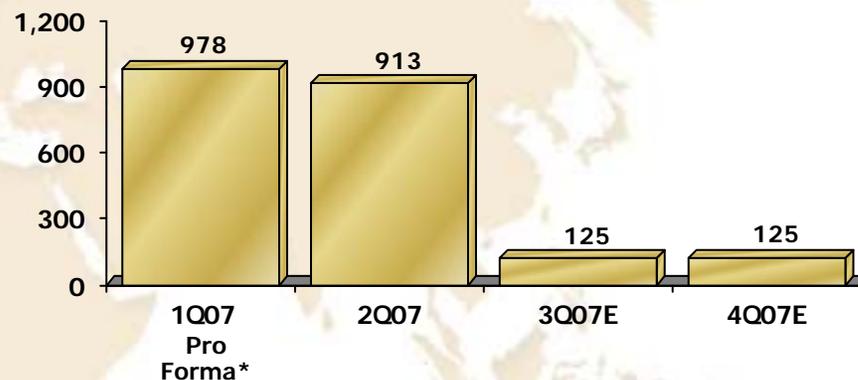
Copper Sales (million lbs)



Note: Consolidated copper sales include approximately 154 mm lbs in 1Q07, 164 mm lbs in 2Q07, 170 mm lbs in 3Q07e and 175 mm lbs in 4Q07e for minority interest; excludes purchased copper

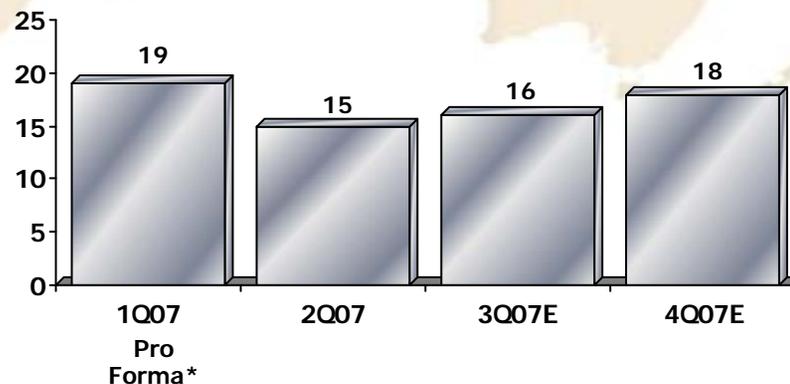
* 1Q07 includes pre-acquisition sales of 505 mm lbs of copper, 22 k oz of gold and 17 mm lbs of molybdenum

Gold Sales (thousand ozs)



Note: Consolidated gold sales include approximately 94 k oz in 1Q07, 88 k oz in 2Q07, 20 k oz in 3Q07e and 20 k oz in 4Q07e for minority interest

Molybdenum Sales (million lbs)



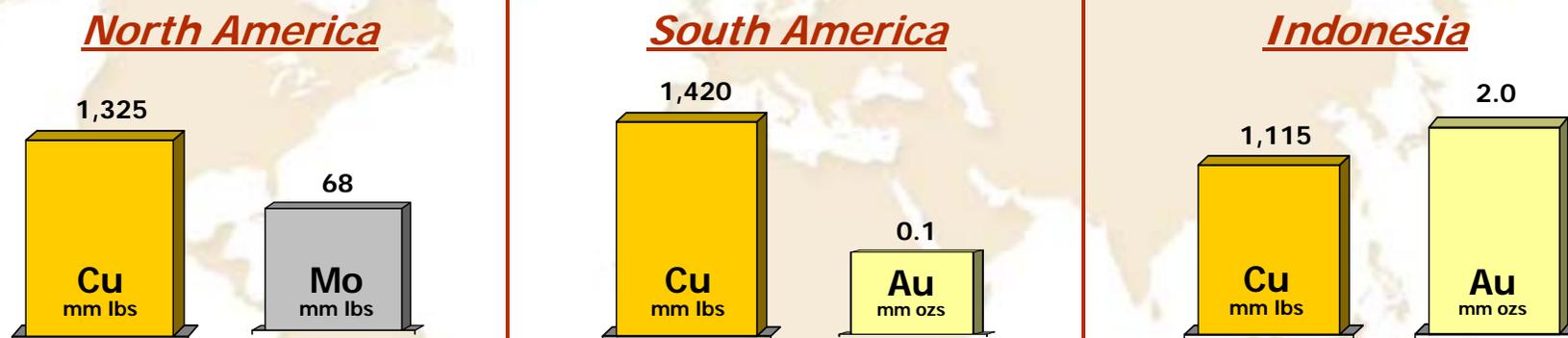
e = estimate. Please see cautionary statement.



Pro Forma 2007e Sales and Unit Production Costs by Region



2007e Pro Forma Sales by Region



(per pound of copper) Cash Unit Costs ⁽¹⁾	North America	South America	Indonesia	Consolidated
Site Production & Delivery ⁽²⁾	\$1.39	\$0.85	\$1.22	\$1.15
Royalties ⁽²⁾	-	-	0.11	0.03
Treatment Charges	0.09	0.19	0.35	0.20
By-product Credits	<u>(0.64)</u>	<u>(0.14)</u>	<u>(1.24)</u>	<u>(0.63)</u>
Net Cash Unit Costs	<u>\$0.84</u>	<u>\$0.90</u>	<u>\$0.44</u>	<u>\$0.75</u>

(1) Estimates assume average prices of \$3.25/lb for copper, \$650/oz for gold and \$25/lb for molybdenum for the remainder of 2007. A \$50/oz change in gold prices would impact consolidated net unit cash costs by less than 1¢/lb. A \$2.00/lb change in molybdenum prices would impact consolidated net unit cash costs by approximately 1¢/lb.

Represents full actual first half results, including PD's results prior to March 20, 2007. Quarterly unit costs will vary significantly with quarterly metal sales volumes.

(2) Profit sharing in South America included in production costs; severance taxes in North America included in production costs.

Note: Amounts for 2007 above are projections. See Cautionary Statement.

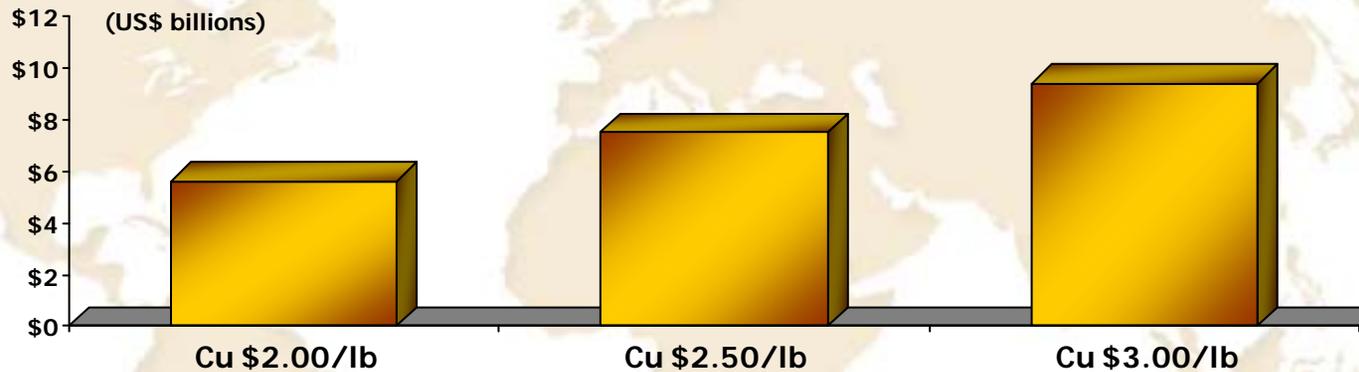


EBITDA and Cash Flow at Various Copper Prices



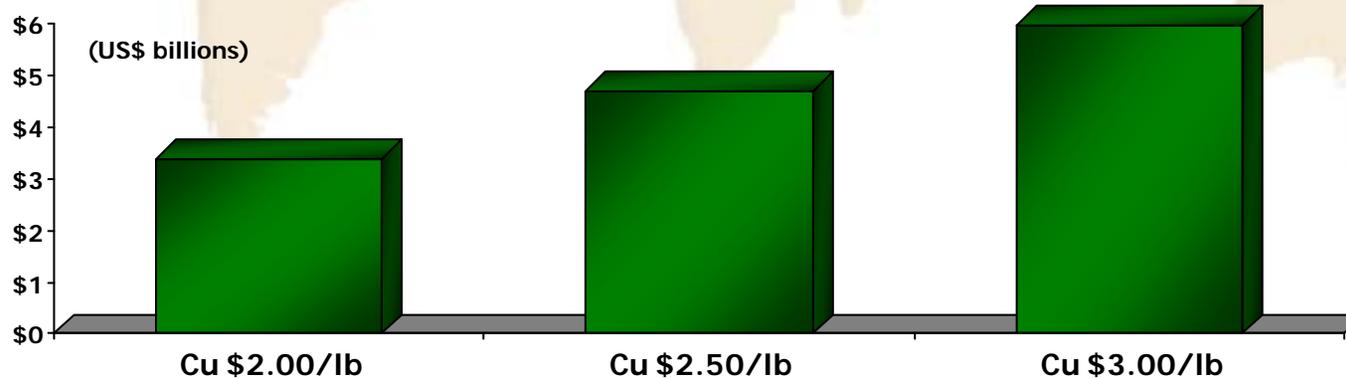
Average Annual EBITDA 2007-2009

(\$500 Gold & \$15 Molybdenum)



Average Annual Operating Cash Flow 2007-2009

(\$500 Gold & \$15 Molybdenum)



Note: Results include 1H07 actuals with prices as noted for 2H07 – 2009. On an annual basis, each \$50/oz change in gold approximates \$90 million to EBITDA and \$50 million to operating cash flow; each \$2.00/lb of molybdenum equates to \$100 million to EBITDA and \$80 million to operating cash flow. EBITDA equals operating income plus depreciation, depletion, and amortization, and exclude purchase accounting impacts.



Sensitivity to Commodity Prices



Change	Annual Financial Impact		
	EBITDA	Net Income	Operating Cash Flow
Copper: -/+ \$0.20/lb	\$800	\$425	\$500
Molybdenum: -/+ \$2.00/lb	\$100	\$70	\$80
Gold: -/+ \$50/ounce	\$90	\$45	\$50

(US\$ millions)

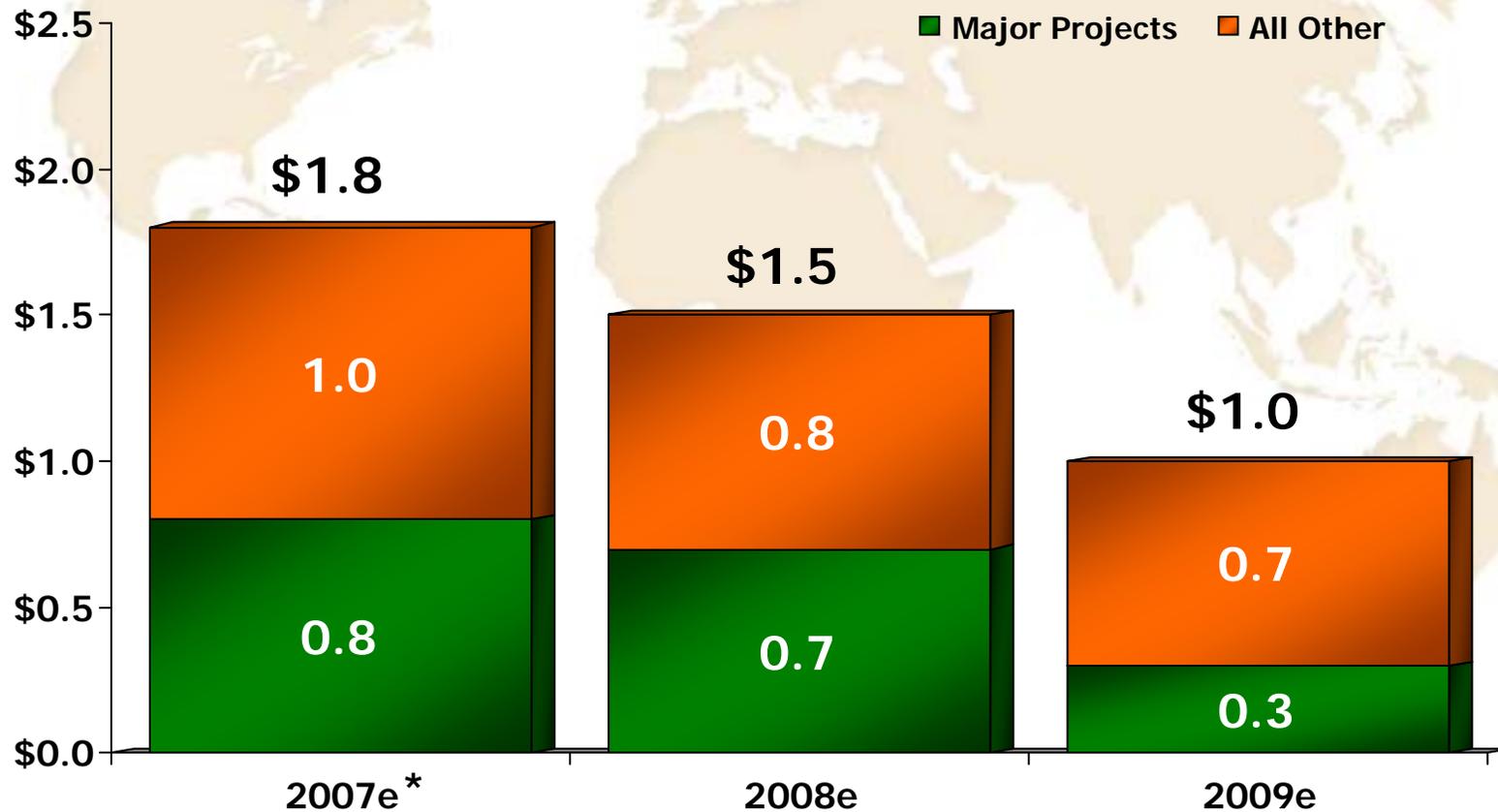
Note: Annual financial impact based on estimated average annual sales for 2007-2009 and exclude purchase accounting impacts.



Capital Expenditures



(US\$ billions)



* Includes PD expenditures beginning March 20, 2007

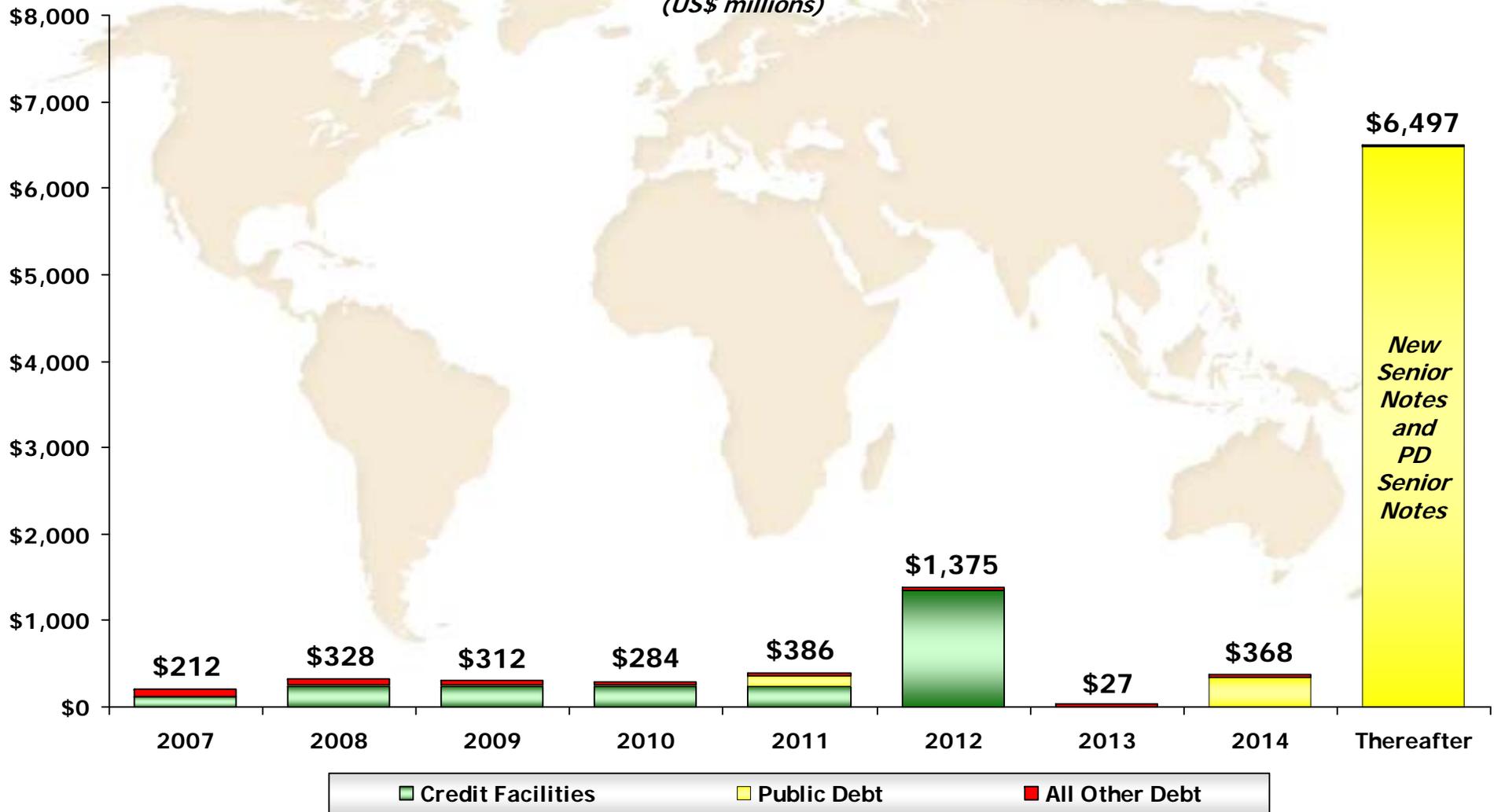
Note: Includes capitalized interest. e = estimate. Please see cautionary statement.



Debt Maturities Pro Forma 6/30/07*



(US\$ millions)



New Senior Notes and PD Senior Notes

* In July 2007, FCX established a new \$2.45 billion Term Loan A and used the proceeds to repay fully amounts borrowed under its Term Loan B.

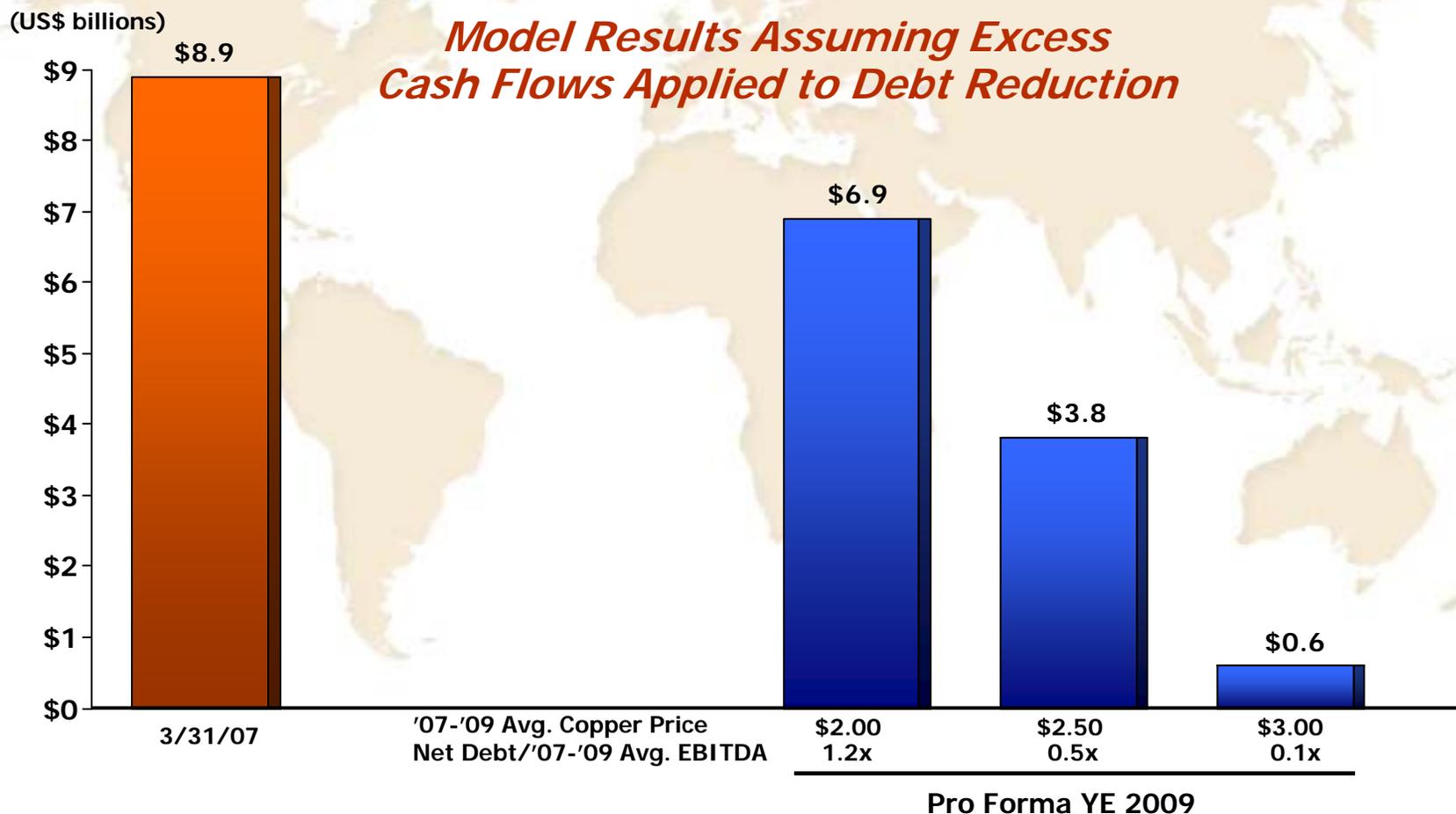


Significant Debt Reduction



Year-End Net Debt at Varying Copper Prices

Model Results Assuming Excess Cash Flows Applied to Debt Reduction



Note: Results include 1H07 actuals with prices as noted for 2H07 – 2009. Sensitivity assumes \$15 Molybdenum and \$500 Gold; EBITDA equals operating income plus depreciation, depletion, and amortization and excludes purchase accounting impacts. For illustrative purposes only. Excludes potential asset sale proceeds or potential additional shareholder returns beyond existing regular dividend payment.

Financial Policy



- **FCX is Committed to Maintaining a Strong Financial Position**
- **Continuation of Positive Copper Markets is Expected to Provide Substantial Cash Flows**
 - **Investments in Projects With Attractive Returns**
 - **Debt Reduction**
 - **Shareholder Returns**
- **Committed to Long-Standing Tradition of Maximizing Value for Shareholders**
- **Financial Policy Reviewed on Ongoing Basis**

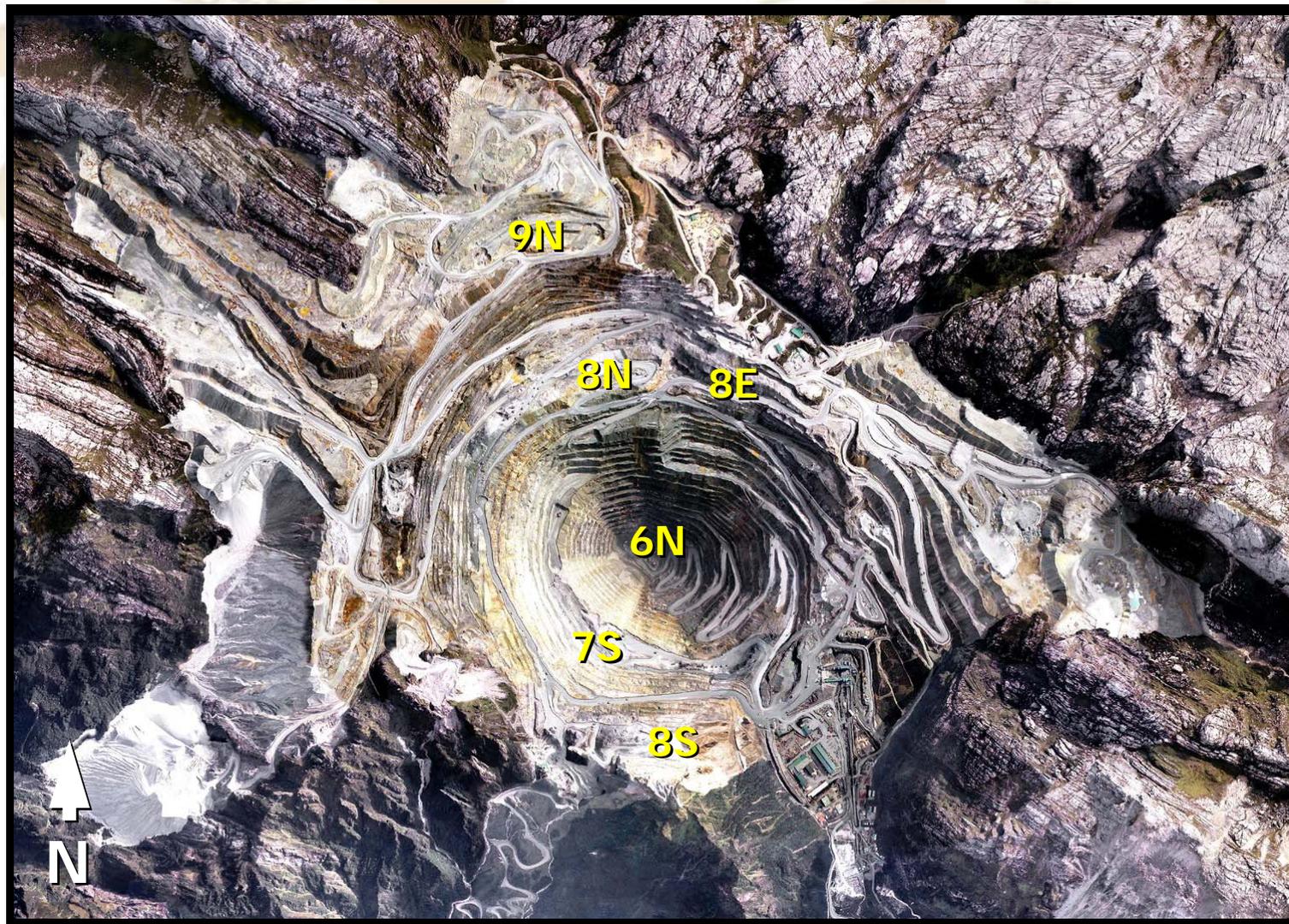
Reference Slides





Grasberg Open Pit

July 2007





PT-FI Mine Plan

PT-FI's Share of Metal Sales, 2007e-2011e

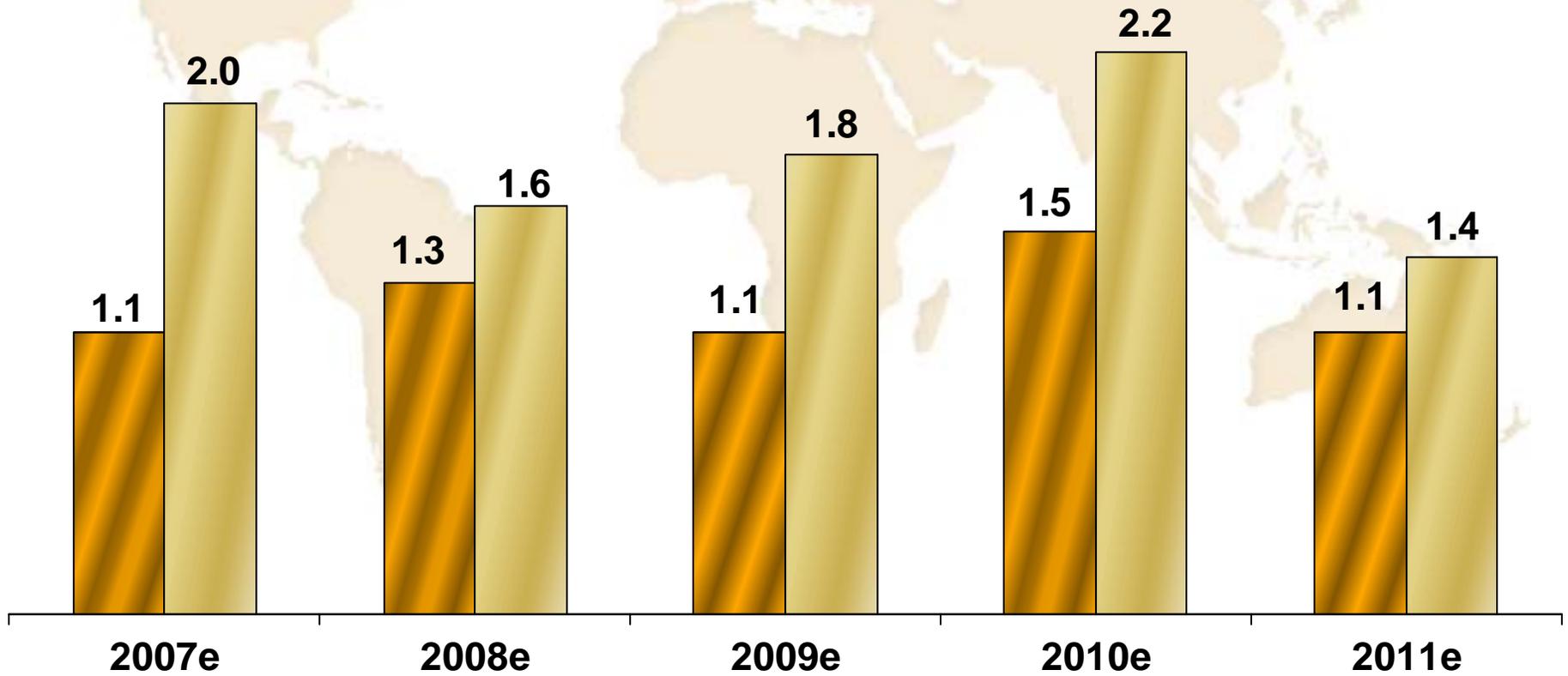


 **Copper, billion lbs**

 **Gold, million ozs**

**2007e – 2011e PT-FI Share
Total: 6.1 billion lbs
Annual Average: 1.22 billion lbs**

**2007e – 2011e PT-FI Share
Total: 9.0 million ozs
Annual Average: 1.8 million ozs**



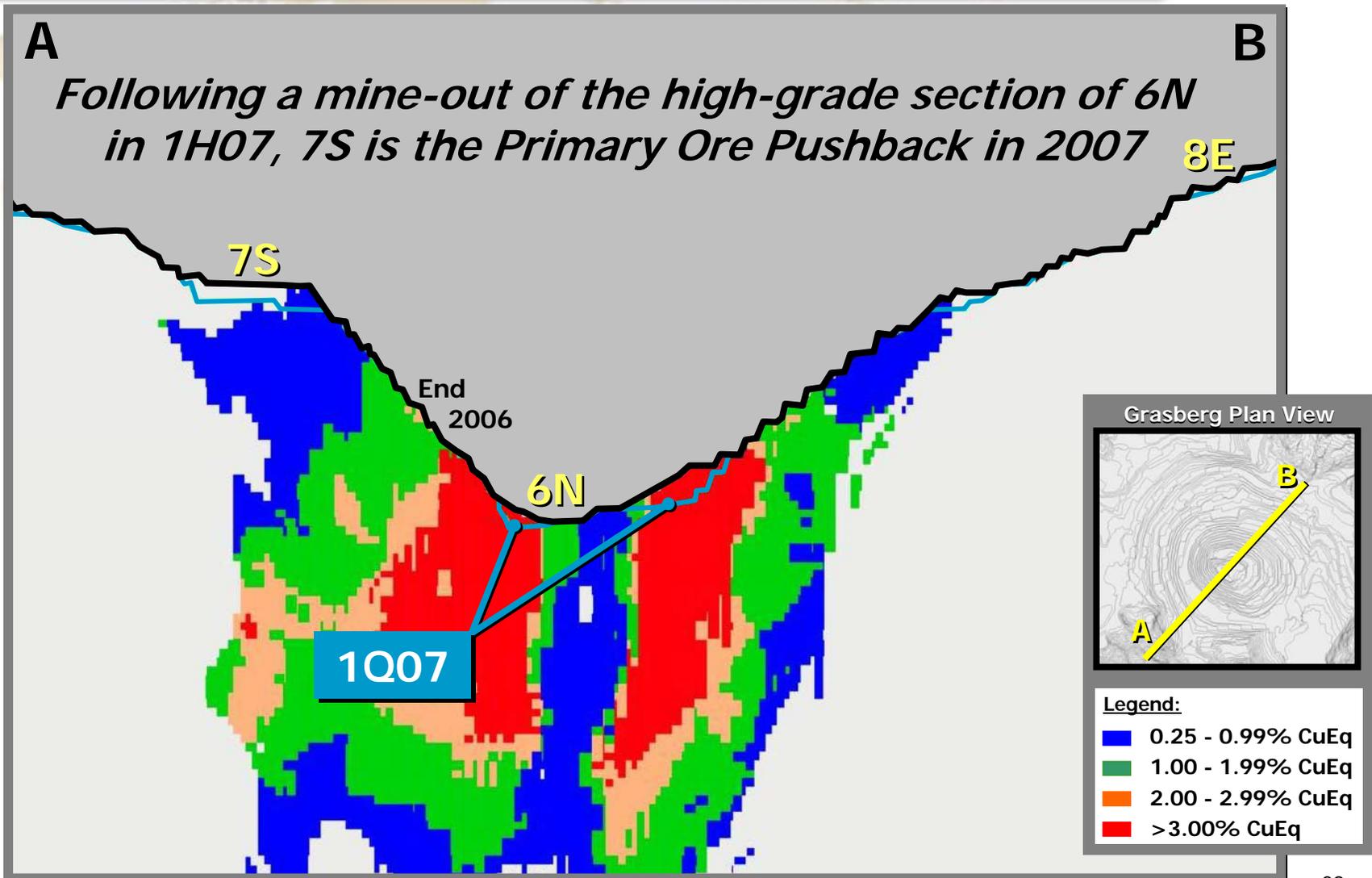
e = estimate. Amounts are projections; see cautionary statement.

Note: Timing of annual sales will depend upon mine sequencing, shipping schedules and other factors.



Mining Sequence in 2007

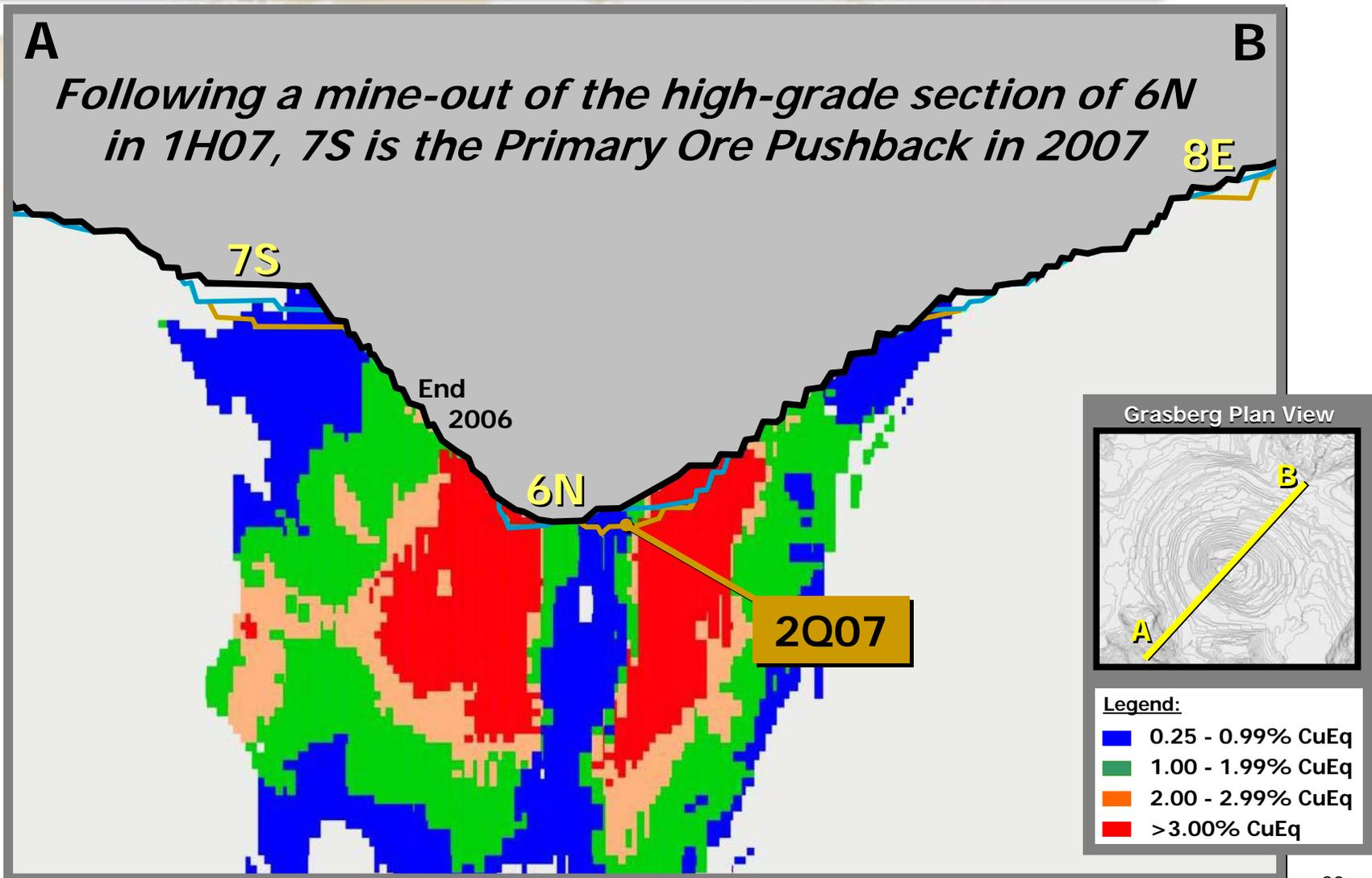
Copper Equivalent Cross Section





Mining Sequence in 2007

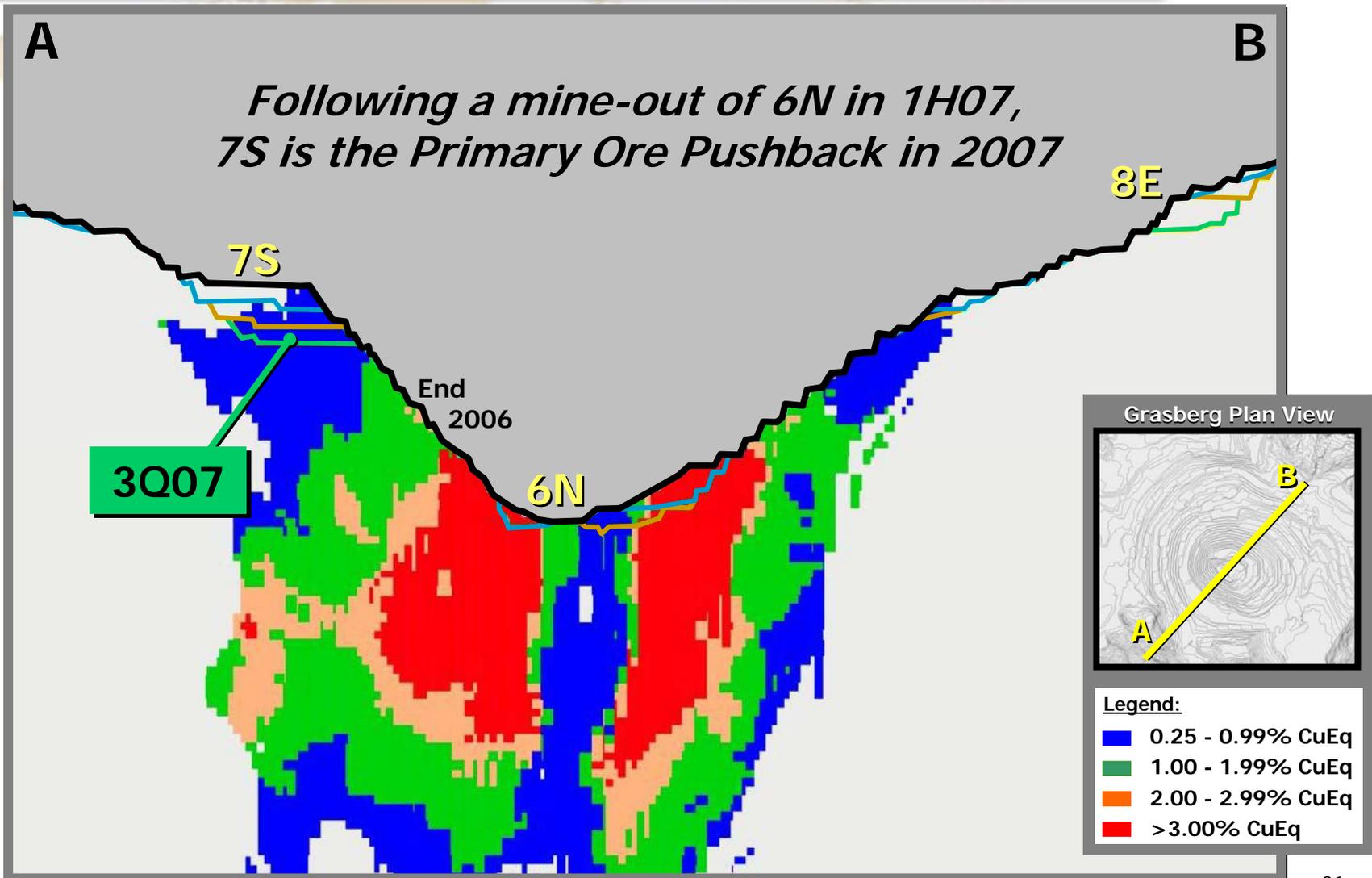
Copper Equivalent Cross Section





Mining Sequence in 2007

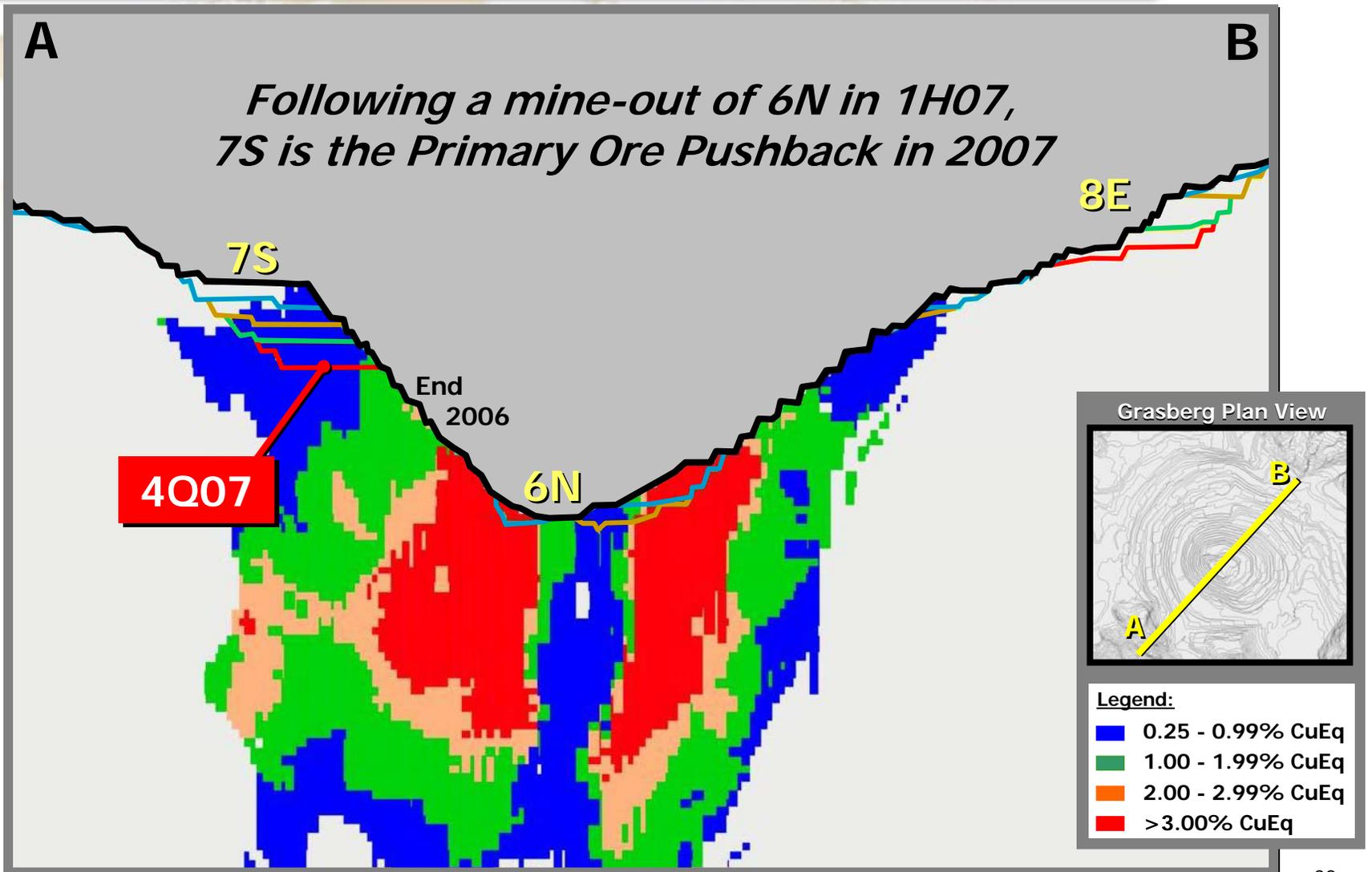
Copper Equivalent Cross Section





Mining Sequence in 2007

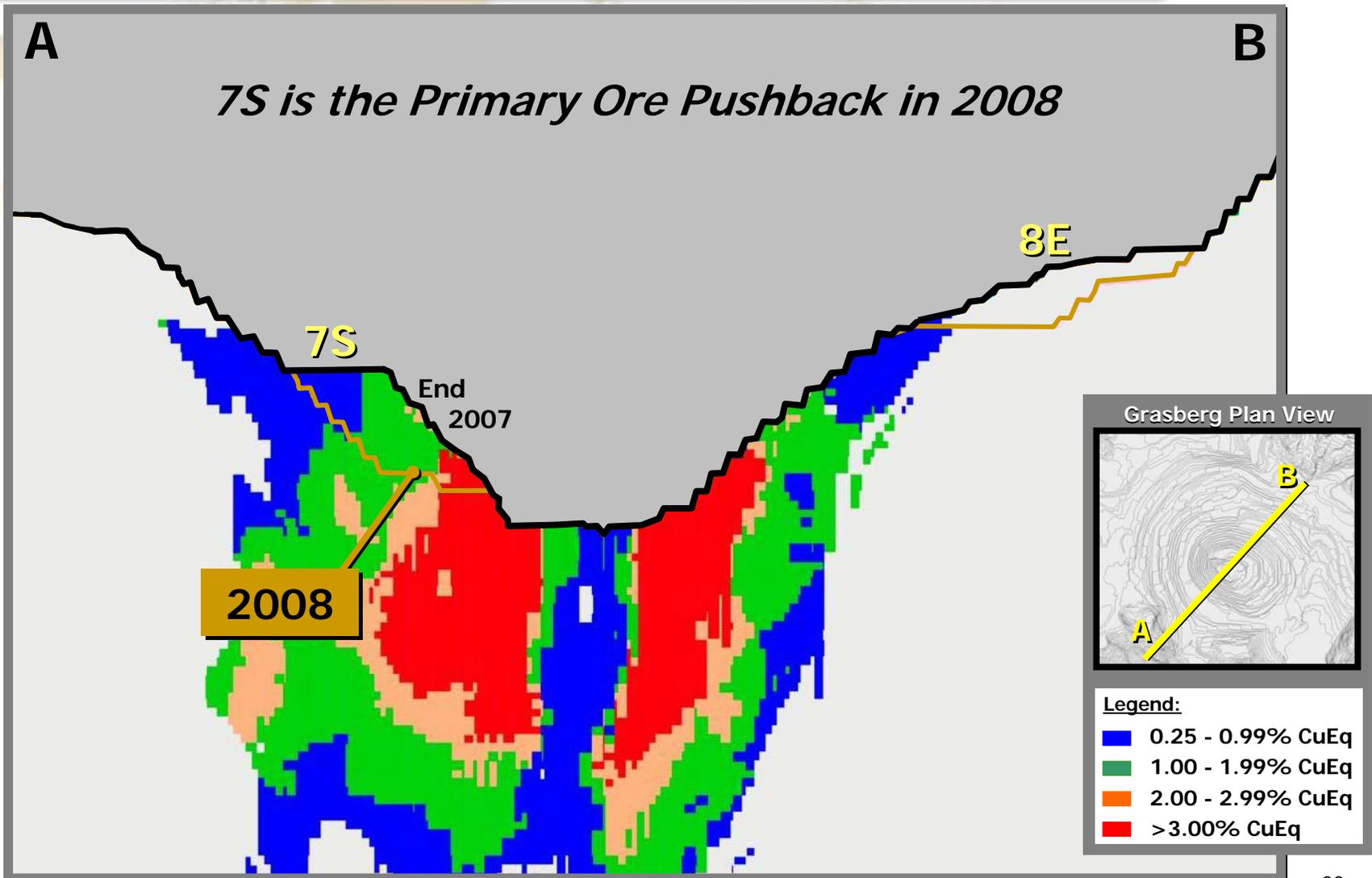
Copper Equivalent Cross Section





Mining Sequence in 2008

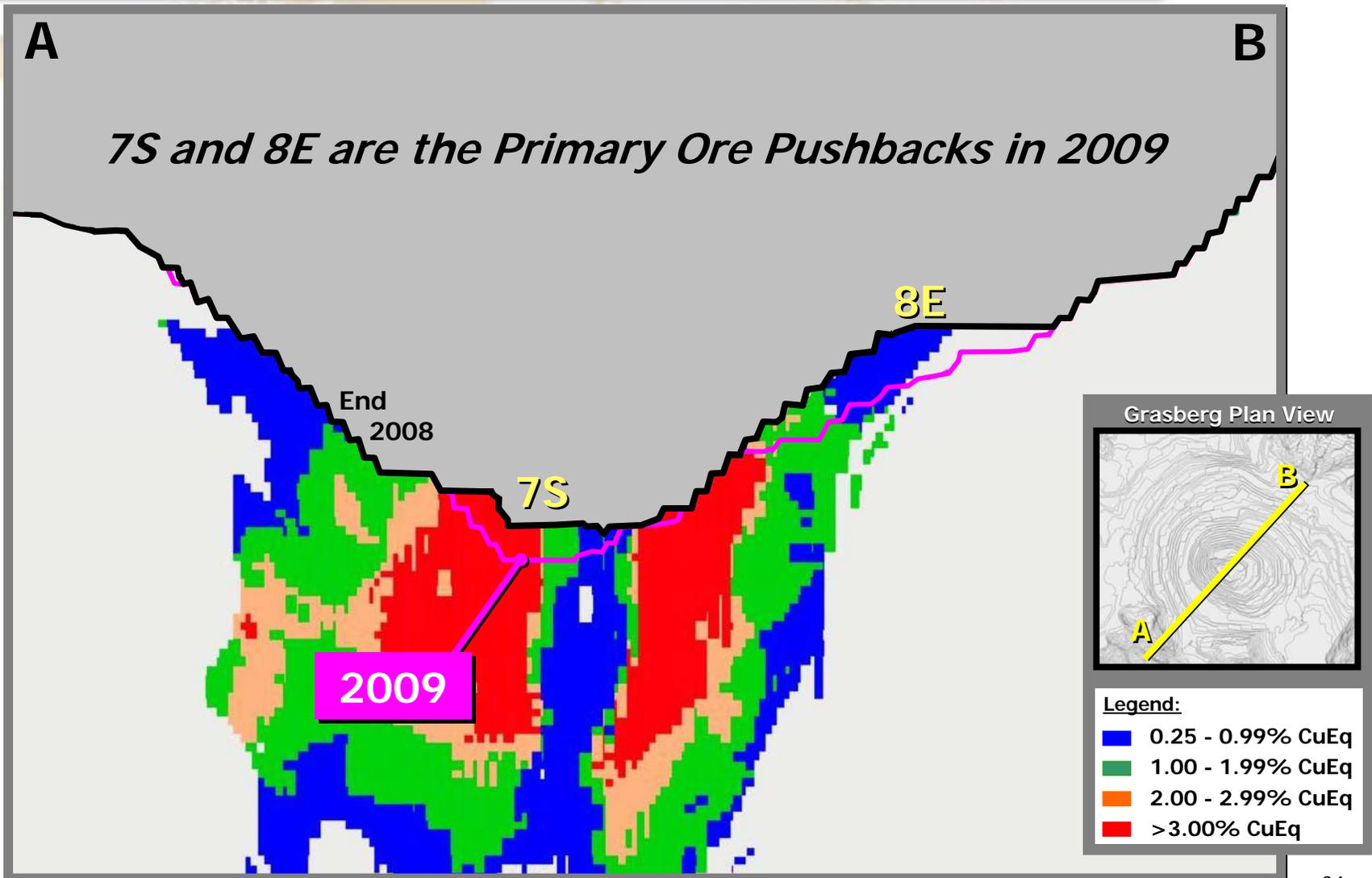
Copper Equivalent Cross Section





Mining Sequence in 2009

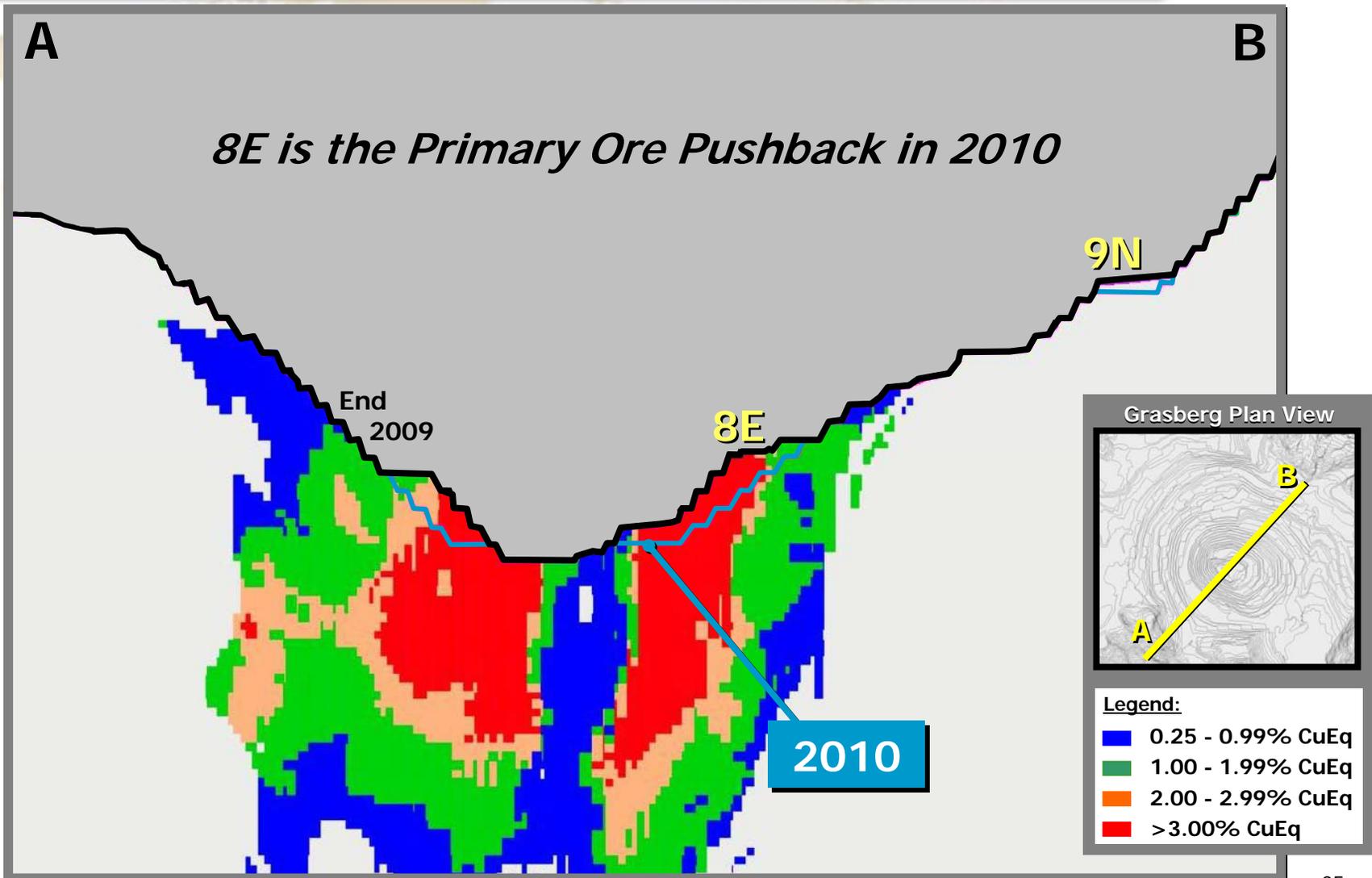
Copper Equivalent Cross Section





Mining Sequence in 2010

Copper Equivalent Cross Section





Mining Sequence in 2011

Copper Equivalent Cross Section

