



FREEPORT-McMoRAN COPPER & GOLD INC.



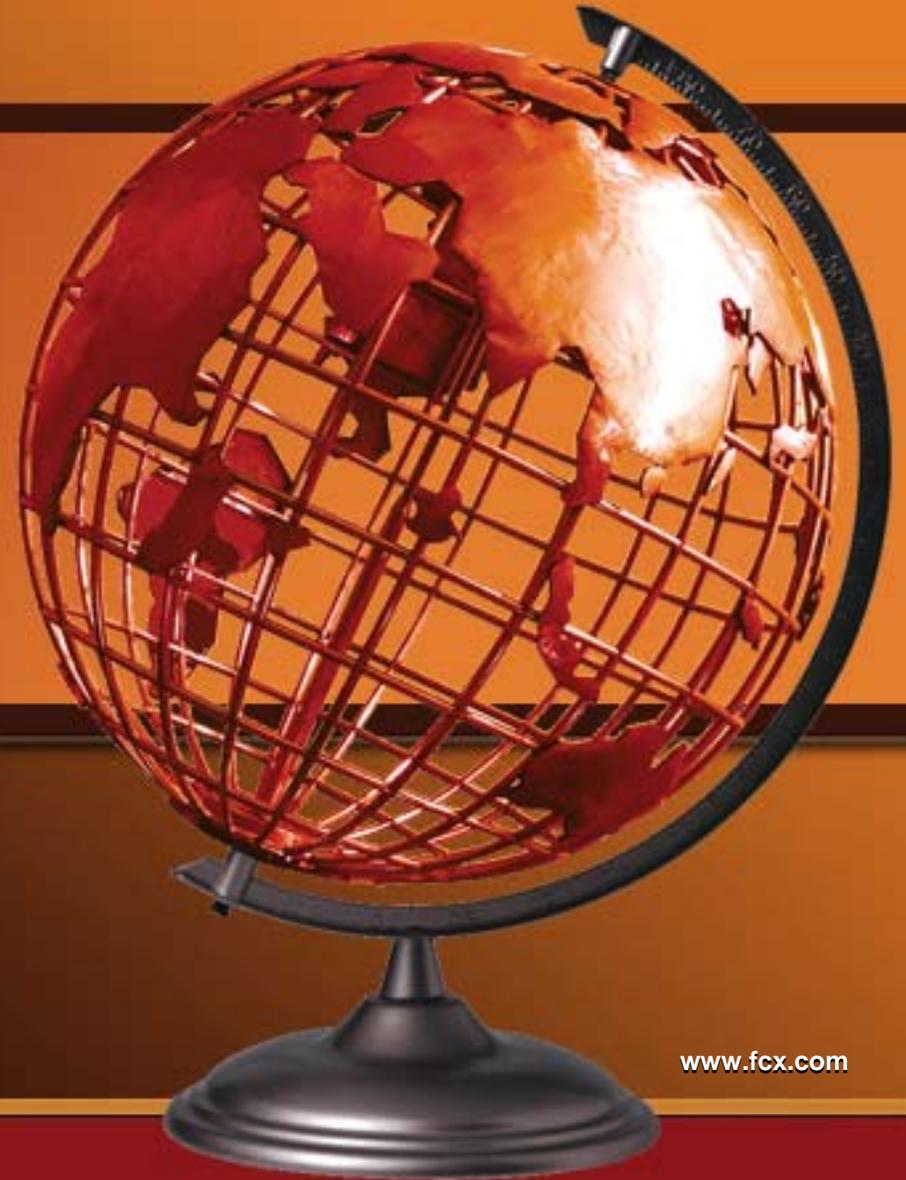
Merrill Lynch

***Global Metals & Mining
Conference***

Richard C. Adkerson

Chief Executive Officer

May 8, 2007



www.fcx.com



Cautionary Statement Regarding Forward-Looking Statements

This document contains certain forward-looking statements about FCX. When used in this document, the words "anticipates", "may", "can", "believes", "expects", "projects", "intends", "likely", "will", "to be" and any similar expressions and any other statements that are not historical facts are intended to identify those assertions as forward-looking statements. In making any of those statements, the person making them believes that its expectations are based on reasonable assumptions. However, any such statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected or anticipated. These forward-looking statements are subject to numerous risks and uncertainties. There are various important factors that could cause actual results to differ materially from those in any such forward-looking statements, many of which are beyond the control of FCX, including macroeconomic conditions and general industry conditions such as the competitive environment of the mining industry, unanticipated mining, milling and other processing problems, accidents that lead to personal injury or property damage, persistent commodity price reductions, changes in political, social or economic circumstances in areas where FCX operates, variances in ore grades, labor relations, adverse weather conditions, the speculative nature of mineral exploration, fluctuations in interest rates and other adverse financial market conditions, regulatory and litigation matters and risks, changes in tax and other laws and other factors described in FCX's Prospectus Supplement dated March 22, 2007, relating to its common stock offering filed with the Securities and Exchange Commission. The actual results or performance by FCX, could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of FCX. Except as required by law, we are under no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

This press release also contains certain financial measures such as unit net cash costs (credits) per pound of copper. As required by SEC Regulation G, reconciliations of these measures to amounts reported in FCX's consolidated financial statements are provided in FCX's press release dated April 25, 2007.



Phelps Dodge Acquisition -- Transaction Highlights



- **Created World's Premier Publicly Traded Copper Company**
- **World Class, Long-lived, Geographically Diverse Operations**
- **Attractive Project Pipeline Supports Growing Production Profile**
- **Significant Exploration Potential**
- **Strong Cash Flows and Financial Strength**

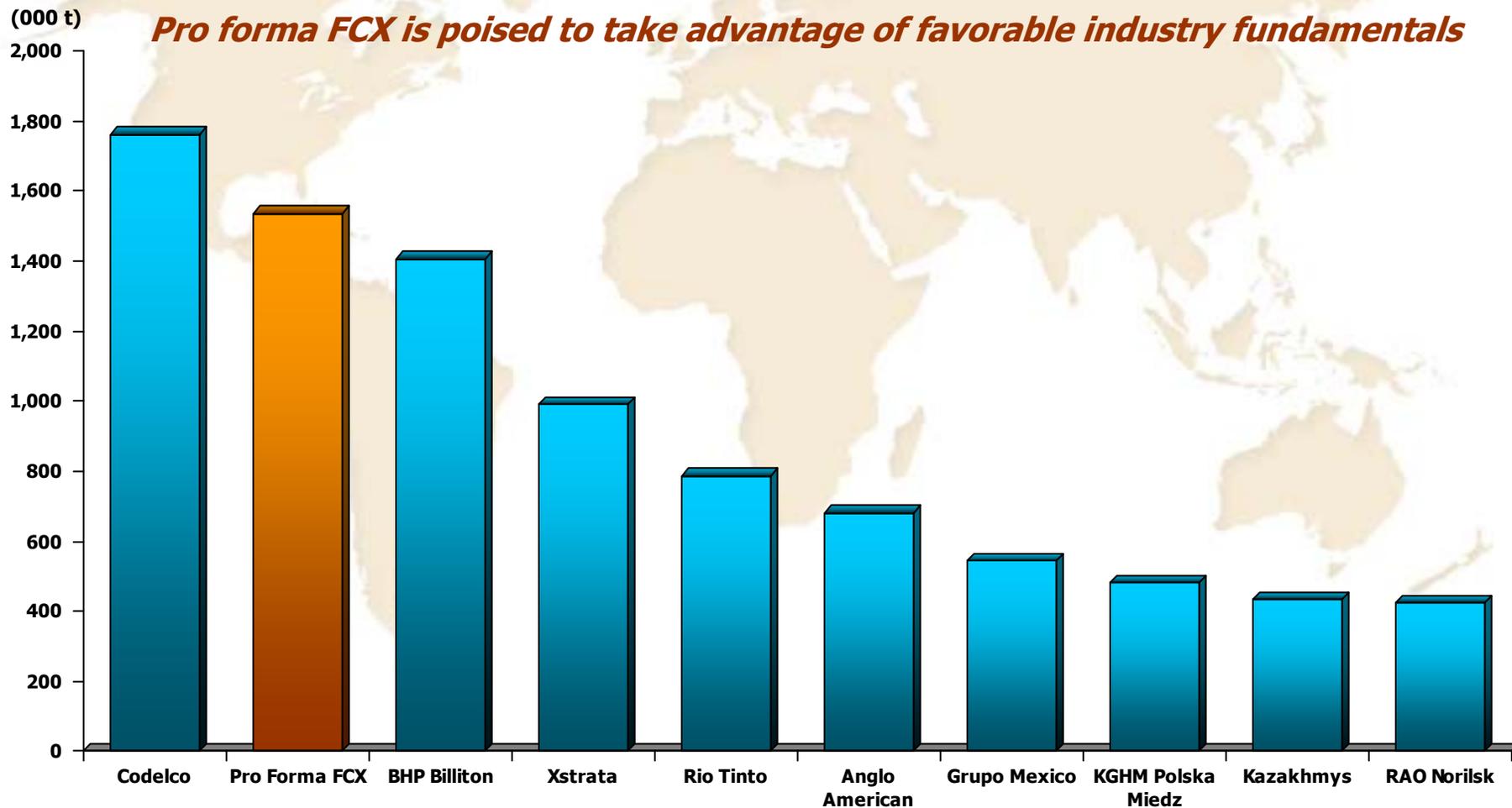
Largest Acquisition in Metals & Mining History



World's Leading Public Copper Company



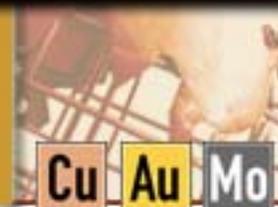
Top 10 Copper Producers (2007E)



Source: Brook Hunt 1Q07 Report. Rankings based on net equity ownership.



Geographically Diverse, Long-Lived Asset Base



Pro forma

	<u>Consolidated</u>	<u>Net Interest</u>
Reserves 12/31/06 ⁽¹⁾		
Copper (billion lbs)	93.6	77.2
Molybdenum (billion lbs)	2.0	1.8
Gold (million ozs)	42.4	38.3
Average Sales Volumes (2007-2009)		
Copper (billion lbs)	4.3	3.6
Molybdenum (million lbs)	76	72
Gold (million ozs)	1.9	1.7
Implied Reserve Life (years)		
Copper	21	21
Molybdenum	25	25
Gold	22	22
Mineralized Material ⁽²⁾		
Ore (million metric tons)	9,972	9,341
Average % copper	0.38	0.37
Average g/t gold	0.06	0.06

(1) 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.

(2) Geologic resources (i.e. Mineralized Material) are not included in reserves. The geologic resources will not qualify as reserves until comprehensive engineering studies establish their economic feasibility. Accordingly, no assurance can be given that the estimated resources and mineralization will become proven and probable reserves.

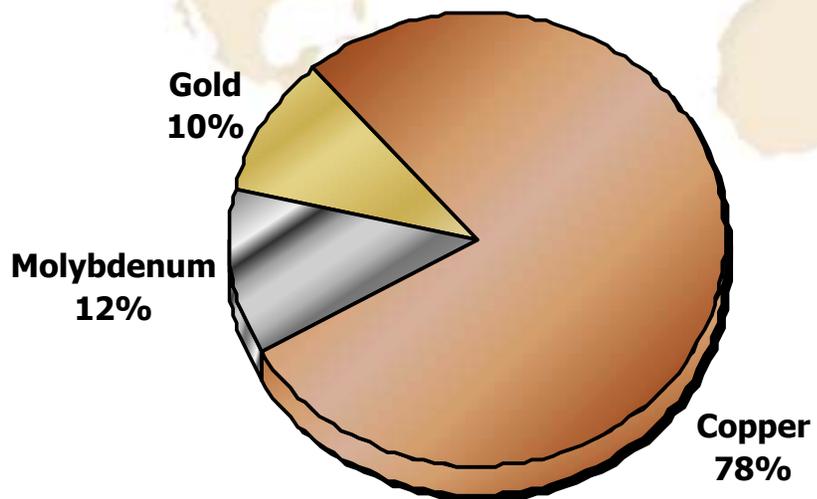


Enhanced Diversification



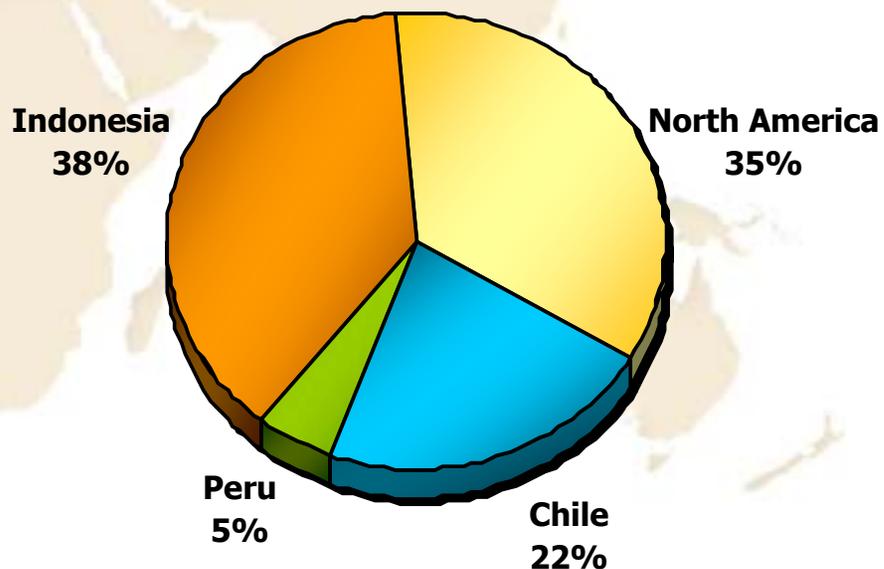
Mining Revenue by Commodity

2006 Pro Forma



Mining Revenue by Geography

2006 Pro Forma



Pro forma for the transaction, approximately 60% of production will come from investment grade countries



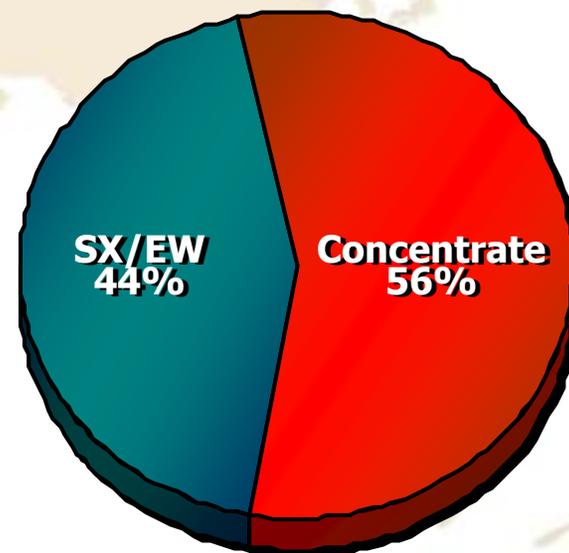
Proven Technical Expertise



Copper Production by Method

FCX is a World Leader

- *Open Pit Mining*
- *SX/EW Production Technology*
- *Block Cave Underground Mining*
- *Copper Concentrate Leaching*



2006 Pro Forma

Leader in Safety & Environmental Excellence



Highly Successful Deal Execution

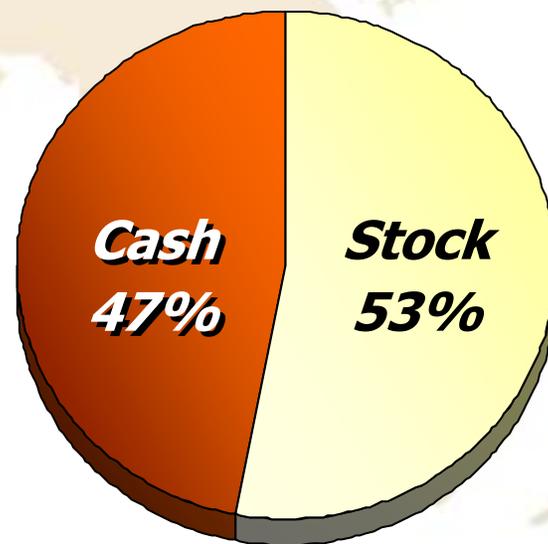


Cash/Stock Mix of \$26 Billion Consideration for Acquisition

At Closing



Pro Forma for Equity Issuances



Total Debt (in billions)

\$17.6

\$12.0

Shares:

Basic

334mm

381mm

Fully Diluted

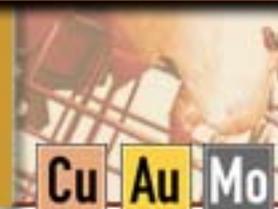
358mm

451mm



1Q07 Highlights

(includes PD results beginning March 20, 2007)



Financial Results	1Q06	1Q07
<i>(in millions, except per share amounts)</i>		
Revenues	\$1,086	\$2,303
Net Income	\$252⁽¹⁾	\$476⁽²⁾
Diluted Earnings Per Share	\$1.23⁽¹⁾	\$2.02⁽²⁾
Operating Cash Flows	\$(124)⁽³⁾	\$669
Capital Expenditures	\$52	\$142

(1) 1Q06 Net income includes \$37 mm (17¢/share) loss on FCX Gold Preferred redemption

(2) 1Q07 Net income includes charges totaling \$177 mm (73¢/share), including \$23 mm (10¢/share) to mark-to-market PD's copper price protection program, \$79 mm (32¢/share) for purchase accounting impacts related to PP&E and inventory charges, and \$75 mm (31¢/share) for early extinguishment of debt related to PD acquisition.

(3) Includes working capital uses of approximately \$500 million



1Q07 Pro Forma Operating Highlights

(full quarter results, includes PD prior to March 20, 2007)



Operating Data	1Q06	1Q07
<u>Copper</u>		
Consolidated Volumes (mm lbs) ⁽¹⁾	834	1,026
Average Realization (per lb) ⁽²⁾	\$1.84	\$2.85
Net Unit Cash Cost (per lb)	\$0.57	\$0.40
<u>Gold</u>		
Consolidated Volumes (000's ozs)	509	978
Realization (per oz)	\$401 ⁽³⁾	\$ 652
<u>Molybdenum</u>		
Consolidated Volumes (mm lbs) ⁽¹⁾	16.9	18.6
Realization (per lb)	\$21.18	\$ 23.00

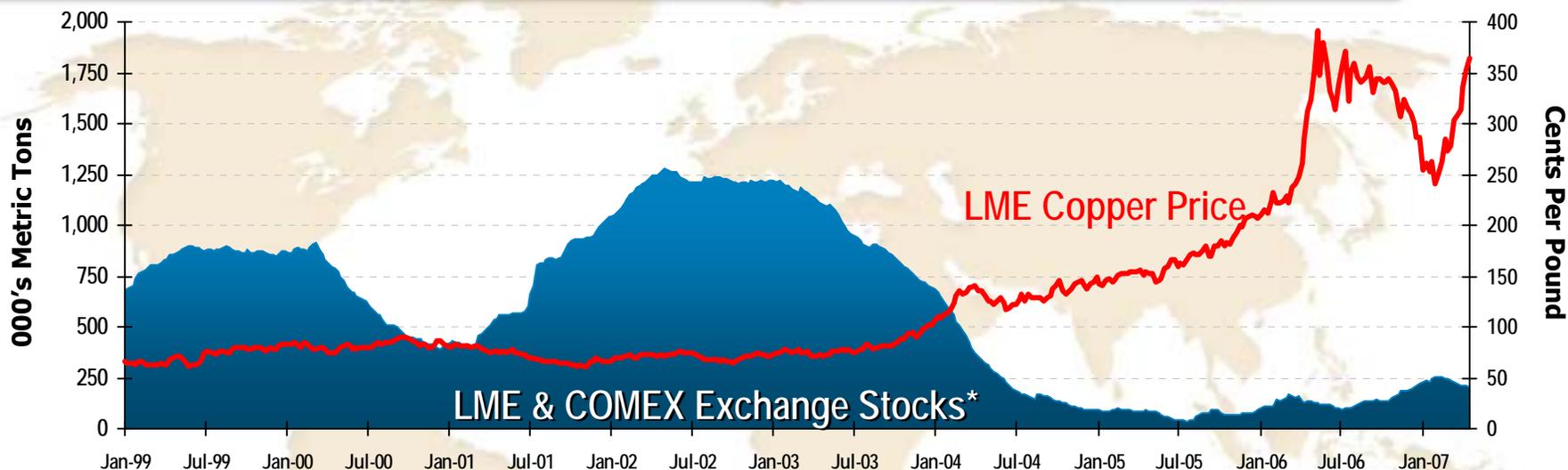
(1) Excludes purchased products

(2) Includes impacts from PD's historical hedging of 53¢/lb in 1Q06 and 5¢/lb in 1Q07

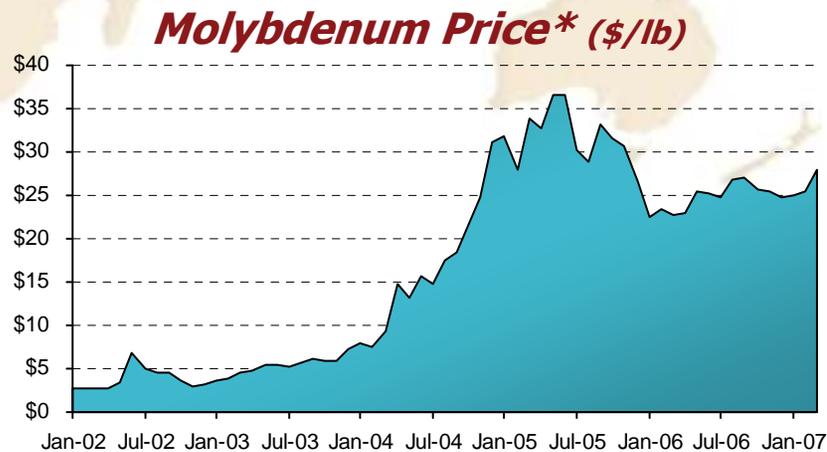
(3) ~\$537/oz after revenue adjustment for FCX Gold Preferred redemption



Markets Overview



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



* Metals Week – Molybdenum Dealers Oxide Price

2007 Outlook



- **Pro Forma Sales Outlook ⁽¹⁾:**
 - **Copper: 3.9 Billion lbs.**
 - **Gold: 1.9 Million ozs.**
 - **Molybdenum: 70 Million lbs.**

- **Modeled Operating Cash Flows ⁽²⁾:**
 - **\$5.3+ Billion for 2007**
 - **\$4.6+ Billion in Last 3 Quarters**

- **Capital Expenditures: ~ \$1.6 Billion for 2007**

- **Year-end Total Debt: ~ \$9 Billion, \$7 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 \$3.00/lb. Copper, \$650/oz. Gold, and \$20/lb. Molybdenum For the Remainder of 2007, each 20¢ change in copper in the last three quarters would impact this estimate by approximately \$400 MM, each \$50/oz change in gold would have an approximate \$30 MM impact, and each \$2.00/lb change in molybdenum would have an approximate \$50 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.

Development Project Update North America



Morenci Mill Restart & Concentrate Leach Plant

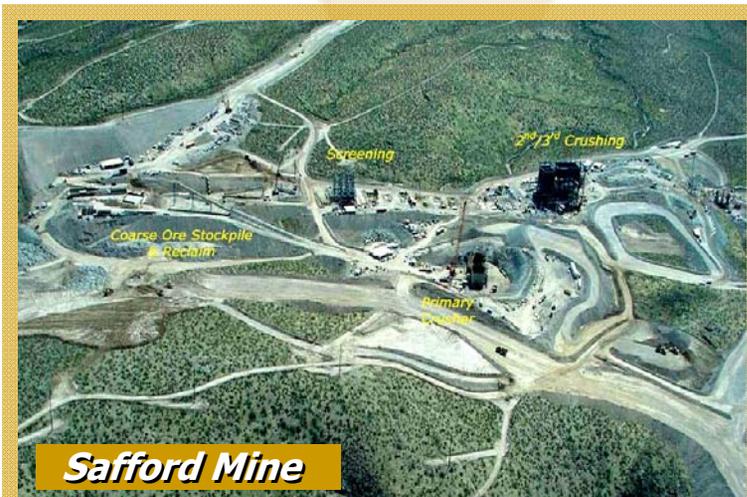
- Completed Mill Tie-ins in 1Q07
- Start-up of Concentrate Leach Plant Expected in 3Q07
- Adds 115mm lbs Cu/Year Aggregate and Enhances Cost Profile
- ~ \$250MM Project



Morenci Mill



Morenci Concentrate Leach Plant



Safford Mine

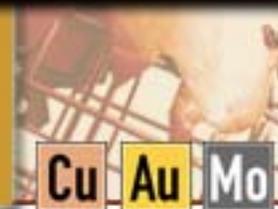
Safford Mine Development

- Major New Mine in Arizona
- Engineering 97% Complete & Construction 36% Complete
- SX/EW Facility Start-up Scheduled by Early 2008
- 240mm lbs Cu/Year
- ~ \$580MM Project

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

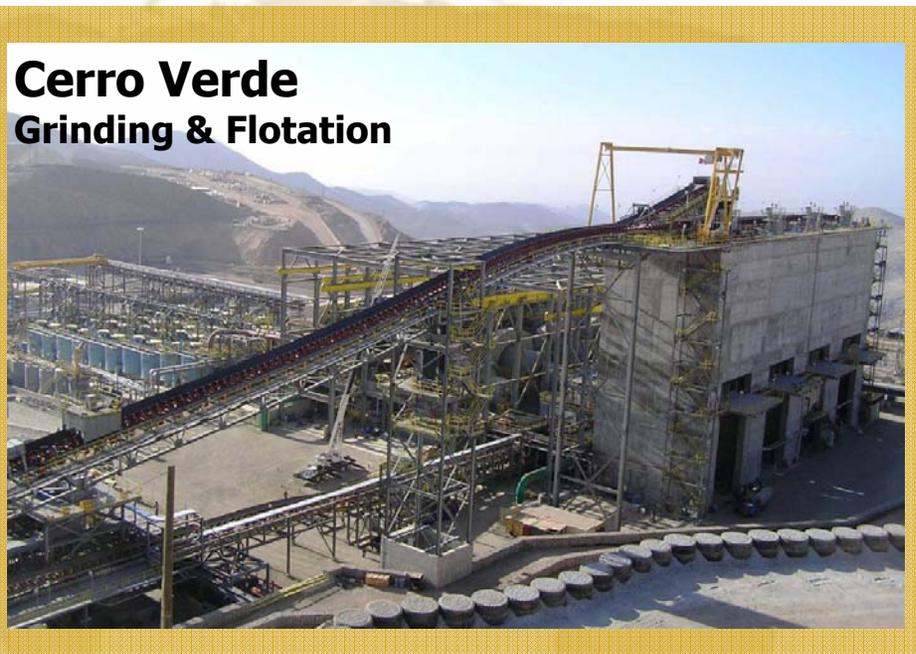


Development Project Update *South America*



Cerro Verde Sulfide Mill Expansion

- ~\$900MM Project Completed in 4Q06
- Working Through Start-up Issues
- Ramping Up in 2Q
- Full Rates Expected in 2H07
- Adds 430MM lbs/Year Aggregate



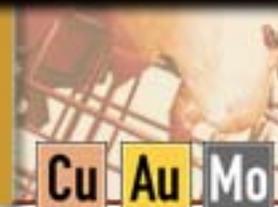
**Cerro Verde
Grinding & Flotation**

El Abra Sulfide

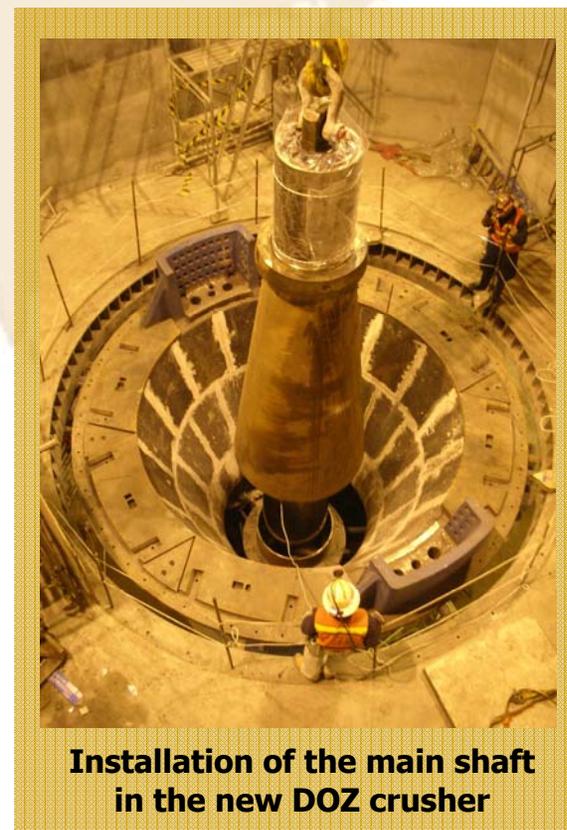
- Large Sulfide Mineral Deposit Underlying Current Oxide Pit
- Environmental Impact Study Submitted to Chilean Government
- Project Extends Mine Life Through 2021
- Adds 325MM lbs Copper/Year Aggregate
- ~ \$350MM Project

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

Development Project Update Indonesia



- **DOZ Expansions**
 - **Complete 50K Expansion in mid-2007**
 - **Further Expansion to 80K**
- **Completed 73% of Common Infrastructure Tunnels**
- **Initiate Mine Development Activities at Grasberg Block Cave in 2H07**
- **Mill Optimizations (HPGRs)**
- **Big Gossan to Reach Full Rates by Year-end 2010**



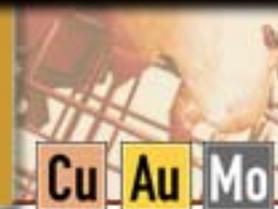
Installation of the main shaft in the new DOZ crusher

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 Include a Camp, Access Roads, and Initial Roadworks**
- **Completed Environmental & Social Impact Assessment**
- **\$650MM Capital Cost (Aggregate)**
- **Initial Production in Early 2009**
- **Aggregate Production of 250MM lbs Copper/Year; 18MM lbs Cobalt/Year in First 10 Years**
- **Reserves at 12/31/06: 100MM Metric Tons – 2.1% Copper and 0.3% Cobalt**



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



Significant Exploration Potential



Papua, Indonesia

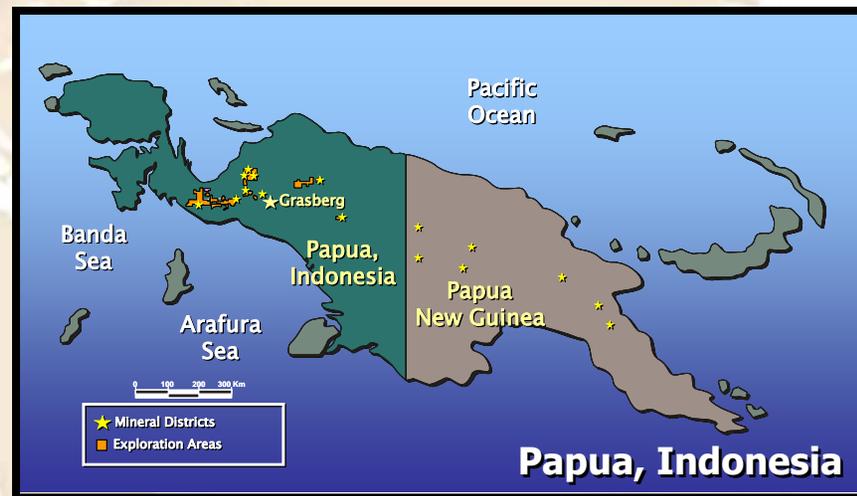
- Rights to 2.2 Million Acres
- Highly Prospective Exploration Areas Provide Opportunities to Continue to Add to our Long-lived Reserves

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

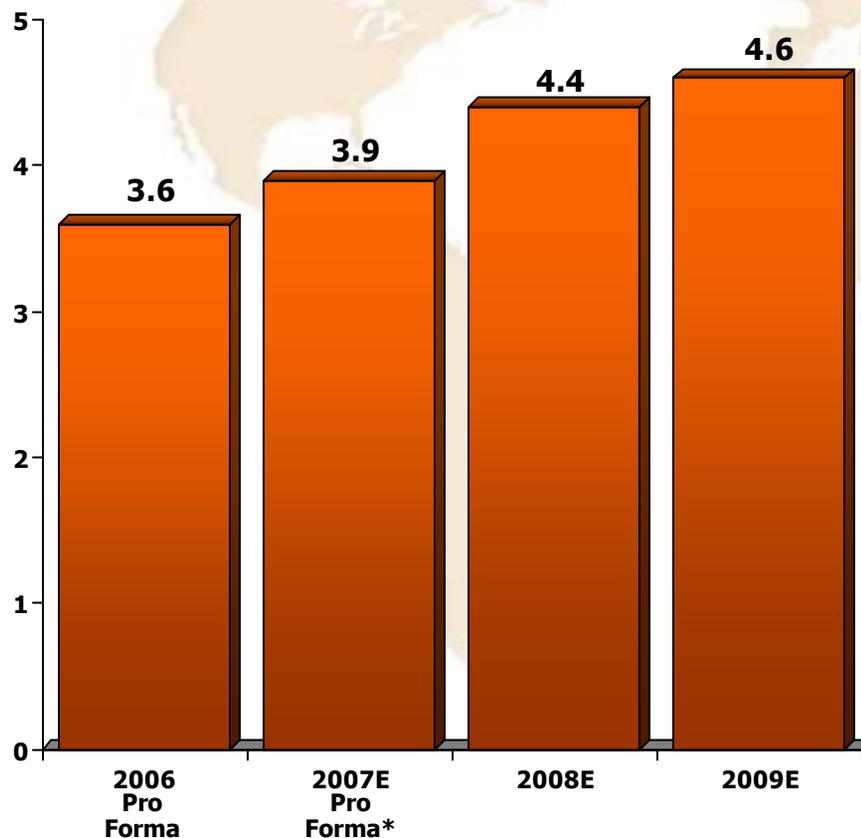




Sales Profile 2007e - 2009e



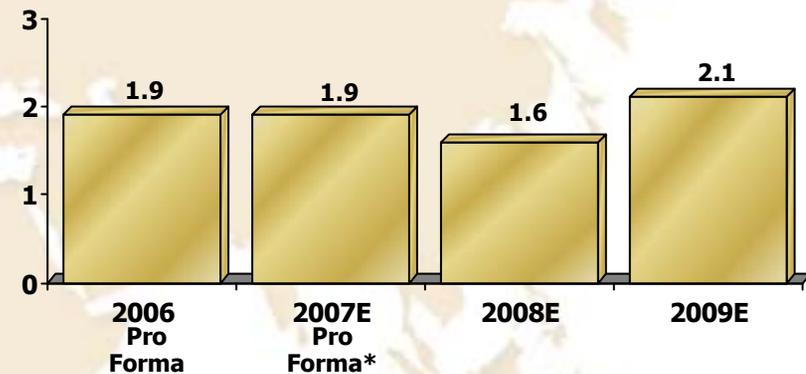
Copper Sales (billion lbs)



Note: Consolidated copper sales include approximately 540 mm lbs in 2006, 700 mm lbs in 2007e, 740 mm lbs in 2008e and 800 mm lbs in 2009e for minority interest; excludes purchased copper.

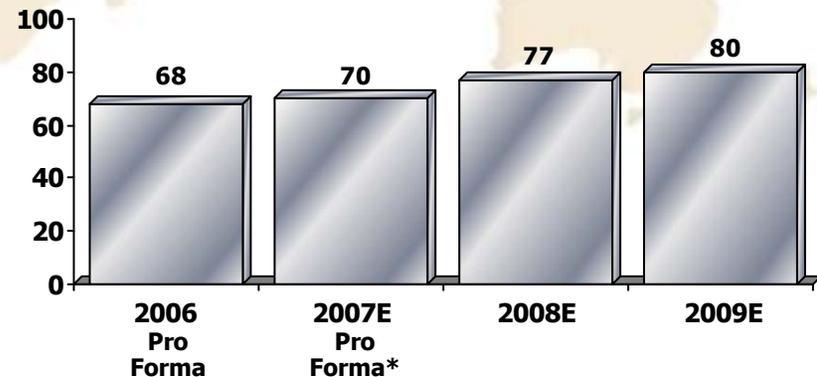
* 2007e includes pre-acquisition sales of 505 mm lbs of copper, 22 k oz of gold and 17 mm lbs of molybdenum

Gold Sales (million ozs)



Note: Consolidated gold sales include approximately 185 k oz in 2006, 195 k oz in 2007e, 160 k oz in 2008e and 210 k oz in 2009e for minority interest

Molybdenum Sales (million lbs)



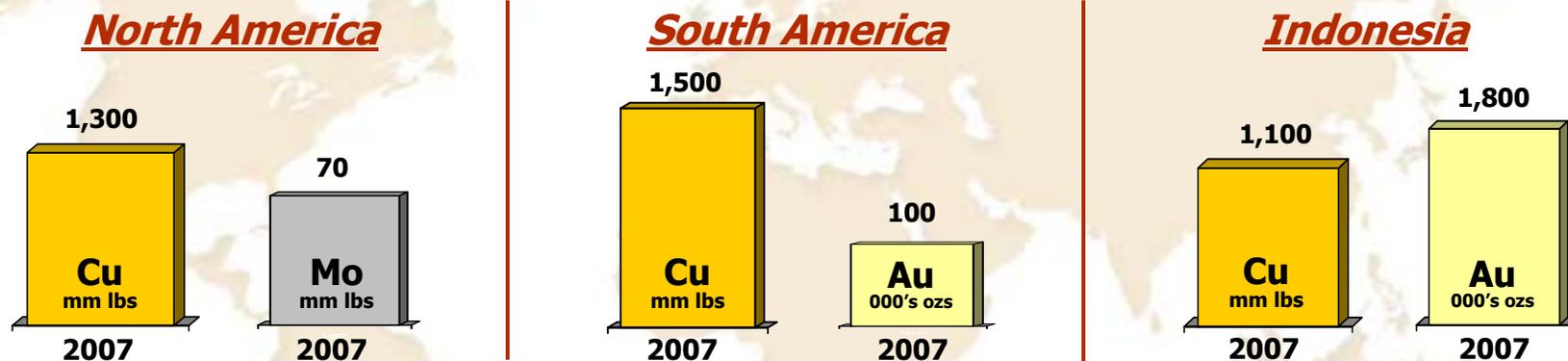
Note: Consolidated molybdenum sales include approximately 2.5 mm lbs in 2007e, 4 mm lbs in 2008e and 4 mm lbs in 2009e for minority interest; excludes purchased molybdenum



Pro Forma 2007e Sales and Unit Production Costs by Region



2007e Pro Forma Sales by Region



	North America	South America	Indonesia	Consolidated
<i>(per pound of copper)</i>				
Cash Unit Costs ⁽¹⁾				
Site Production & Delivery	\$1.28	\$0.81	\$1.22	\$1.08
Royalties ⁽²⁾	-	-	0.10	0.03
Treatment Charges	0.09	0.18	0.34	0.20
By-product Credits	<u>(0.50)</u>	<u>(0.14)</u>	<u>(1.11)</u>	<u>(0.53)</u>
Net Cash Unit Costs	<u>\$0.87</u>	<u>\$0.85</u>	<u>\$0.55</u>	<u>\$0.78</u>

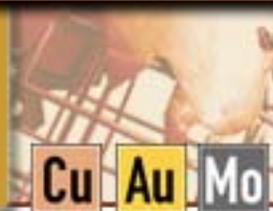
(1) Estimates assume average prices of \$3.00/lb for copper, \$650/oz for gold and \$20/lb for molybdenum for the remainder of 2007. A \$50/oz change in gold prices would impact consolidated net unit cash costs by 1¢/lb. A \$2.00/lb change in molybdenum prices would impact consolidated net unit cash costs by 1¢/lb. Represents full actual first quarter results, including PD's results prior to March 20, 2007. Quarterly unit costs will vary significantly with quarterly metal sales volumes. Excludes non-cash purchase accounting impacts.

(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.

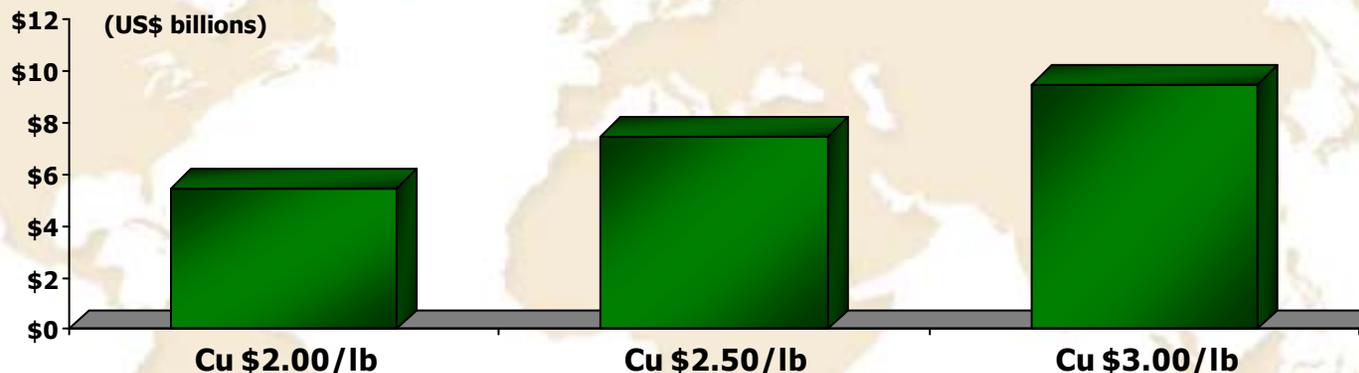


EBITDA and Cash Flow at Various Copper Prices



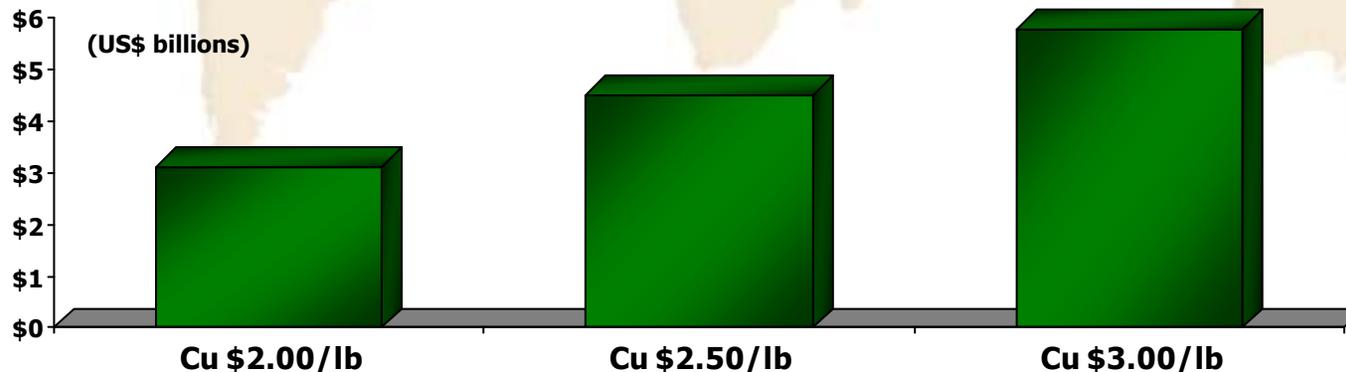
Average Annual EBITDA 2007-2009

(\$500 Gold & \$15 Molybdenum)



Average Annual Operating Cash Flow 2007-2009

(\$500 Gold & \$15 Molybdenum)



Note: 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)

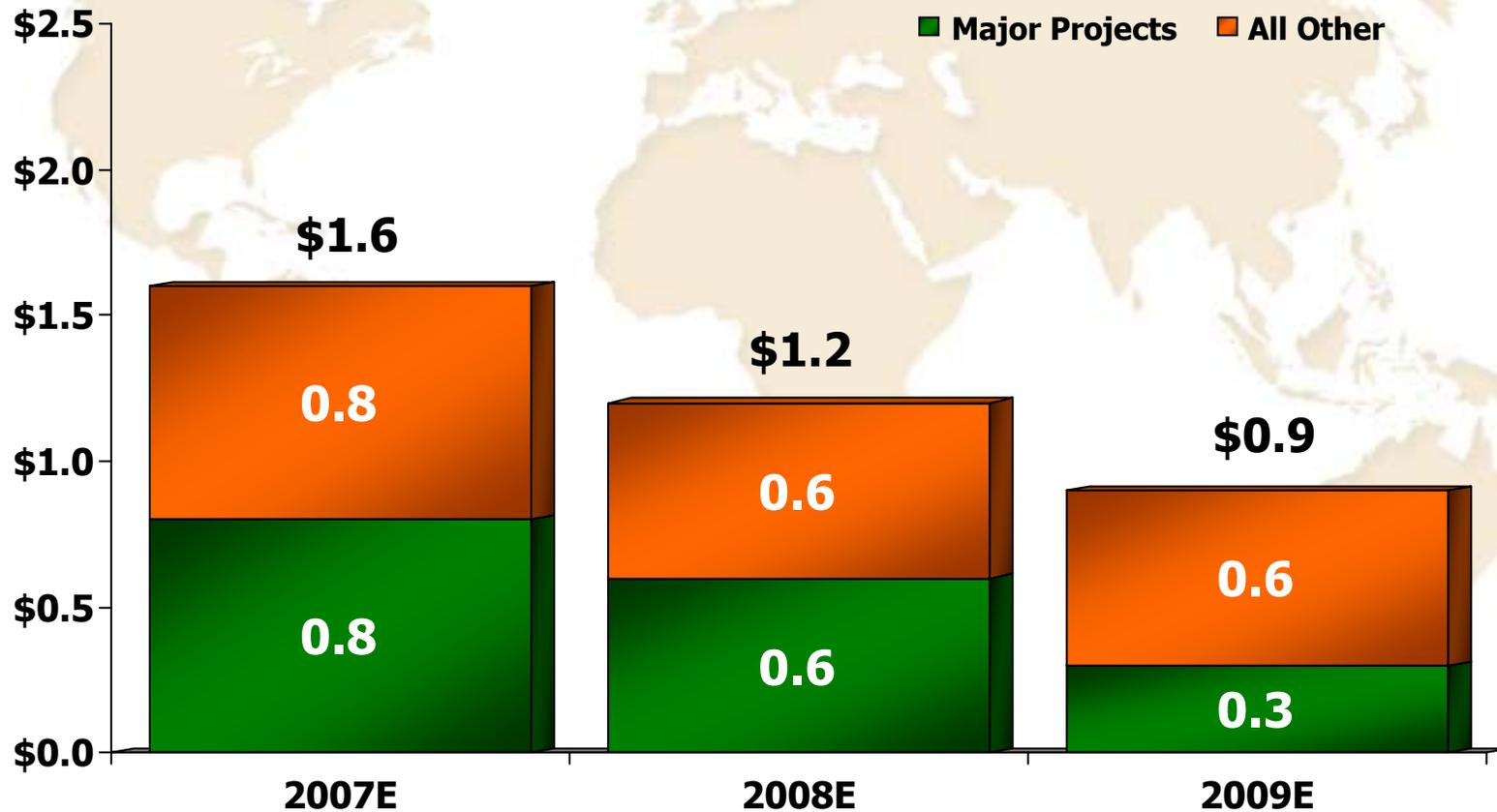
Note: Annual financial impact based on estimated average annual sales for 2007-2009 and exclude purchase accounting impacts.



Capital Expenditures*



(US\$ billions)



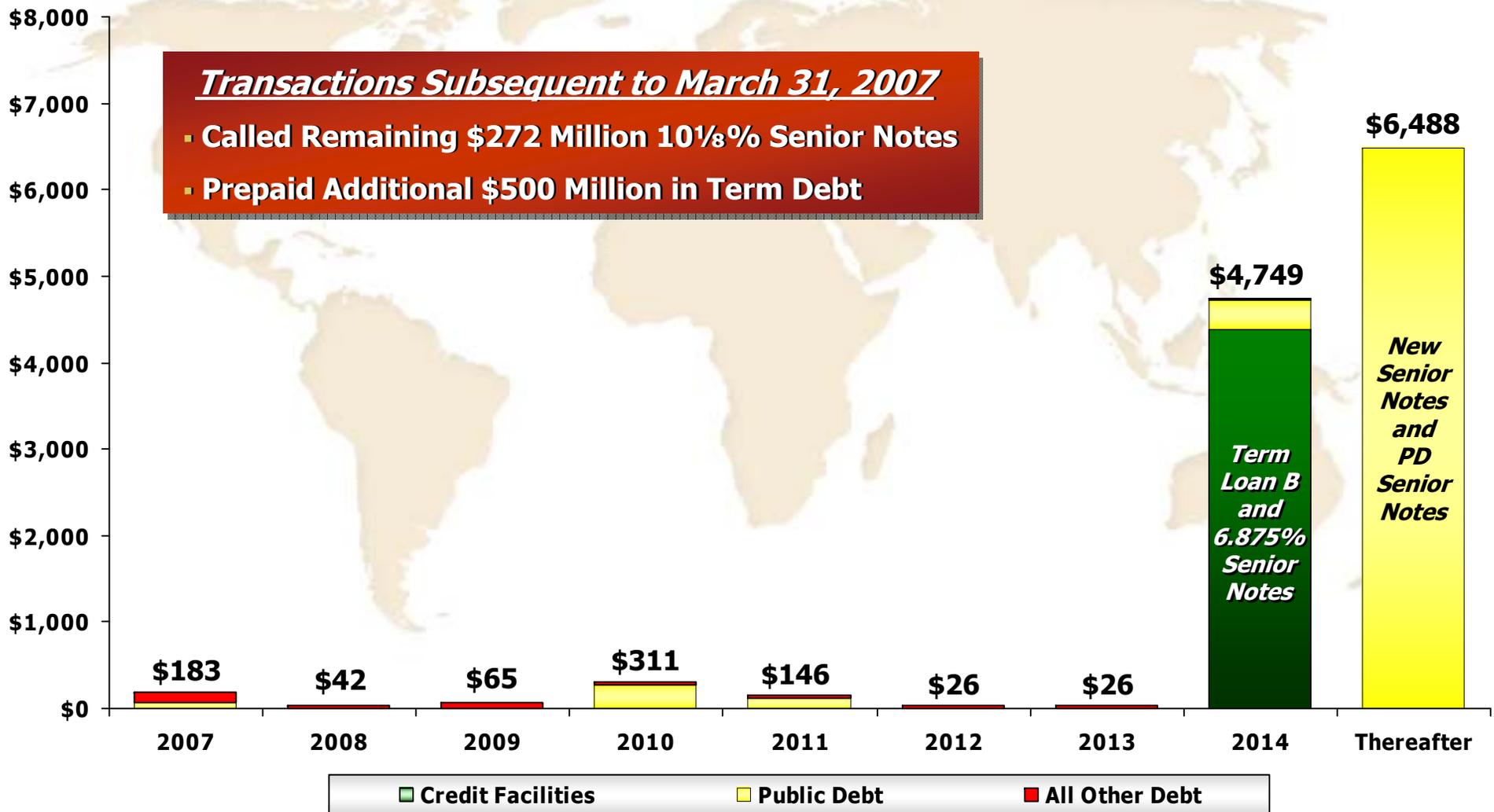
* Includes PD expenditures beginning March 20, 2007



FCX Debt Maturities 3/31/07



(US\$ millions)

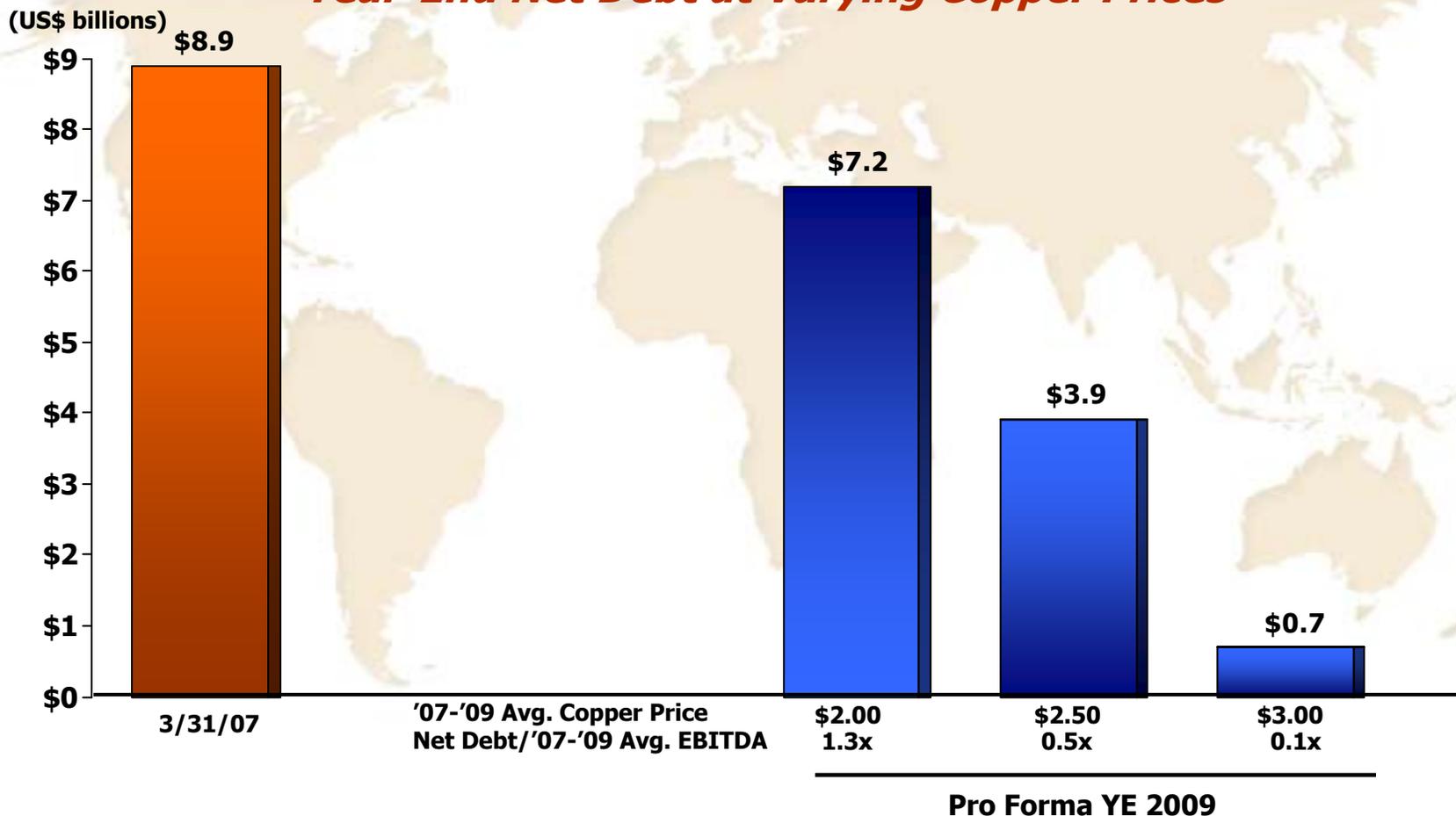




Significant Debt Reduction



Year-End Net Debt at Varying Copper Prices



Note: Sensitivity assumes \$15 Molybdenum and \$500 Gold; EBITDA equals operating income plus depreciation, depletion, and amortization and excludes purchase accounting impacts

Financial Policy



- **FCX is Committed to Maintaining a Strong Financial Position**
 - **Debt Reduction Top Priority**
- **Continuation of Positive Copper Markets is Expected to Provide Substantial Cash Flows**
- **Consideration of Asset Sales**
- **FCX Anticipates Continuing Regular Annual Common Dividend of \$1.25 per Share**
- **Committed to Long-Standing Tradition of Maximizing Value for Shareholders**