

Harvard Business Club

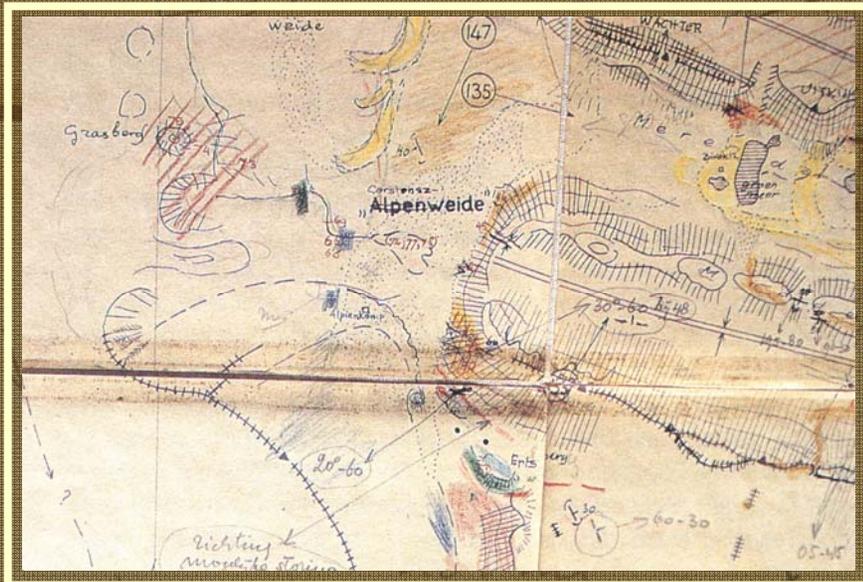
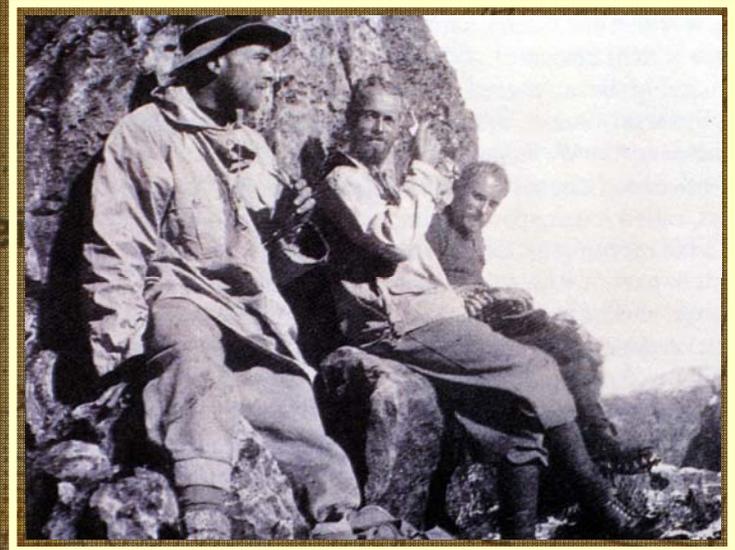
*Richard C. Adkerson
Chief Executive Officer*

*Phoenix, Arizona
January 17, 2008*



Ertsberg

In 1936, high in the mountains of the island of New Guinea, a young Dutch geologist, Jean Jacques Dozy, made a remarkable discovery: **Ertsberg**, a glistening black outcropping of high-grade copper ore.



Ertsberg, the largest above-ground deposit the world had ever seen, had initial reserves of 33 million metric tons.

Grasberg

Freeport geologists led an expedition to Ertsberg in 1960. Rights to the mine were negotiated.

After pioneering a near-impossible road through swamps and mountains, Freeport first produced copper from Ertsberg in 1972.



About 15 years later,
Freeport found **Grasberg**.

Grasberg, though always looming just across the broad alpine swamp, was in those days nothing more than part of the scenery.

Grasberg



Exploration Drives the Mine Plan



“GRS-4 was really the hole that turned the tide of the project.

Grasberg warranted full support of our resources.”

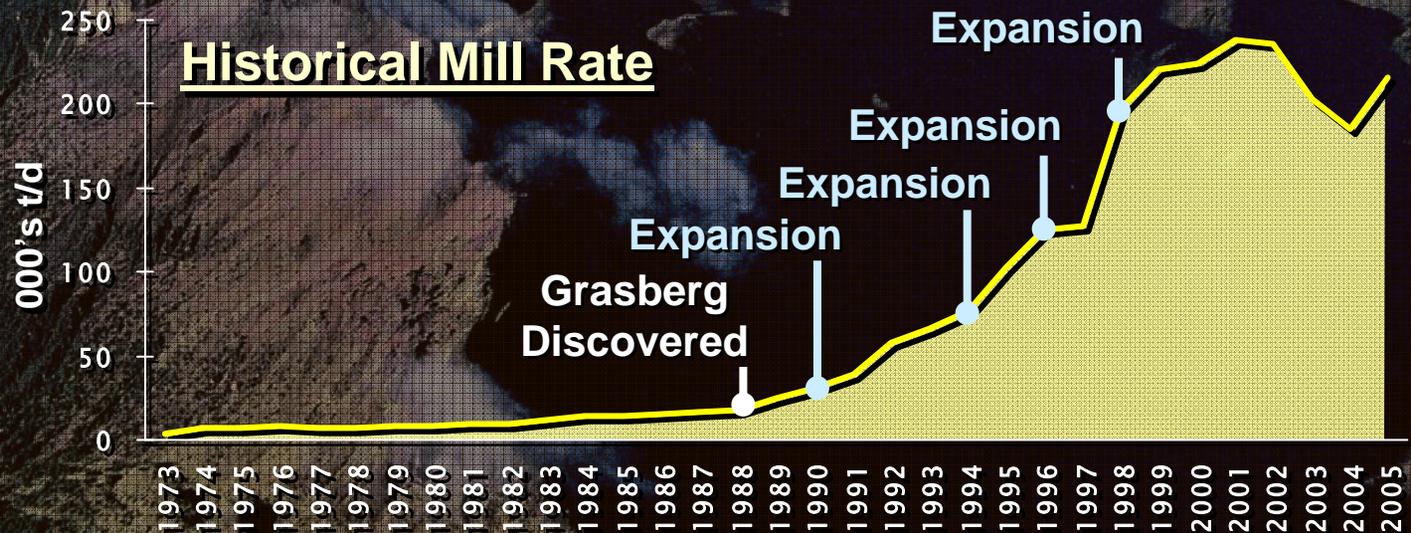
Hole GRS-4 intercepted 591 meters of ore at 1.7% copper & 1.8 g/t gold.

May 1988

Development & Expansion

“We quickly developed a pit plan. ... We also began studying the possibility for further expansions, so that we would be prepared if our geologists found more reserves – as we fully expected they would.”

We did.



Grasberg

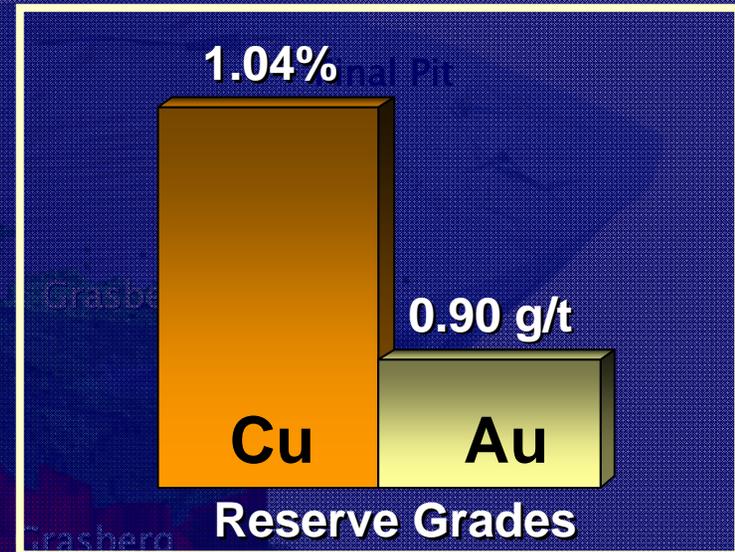
The Grasberg is expected to yield over 2.2 billion metric tons of ore from the pit and block cave when we complete mining the reserve and exploration continues.

Grasberg is an incredible mineral find, a Cu-Au porphyry so large and rich that it will take at least a half century to mine.



Grasberg Reserves

**Complex contains
the world's largest
copper & gold
reserves
in the world.**



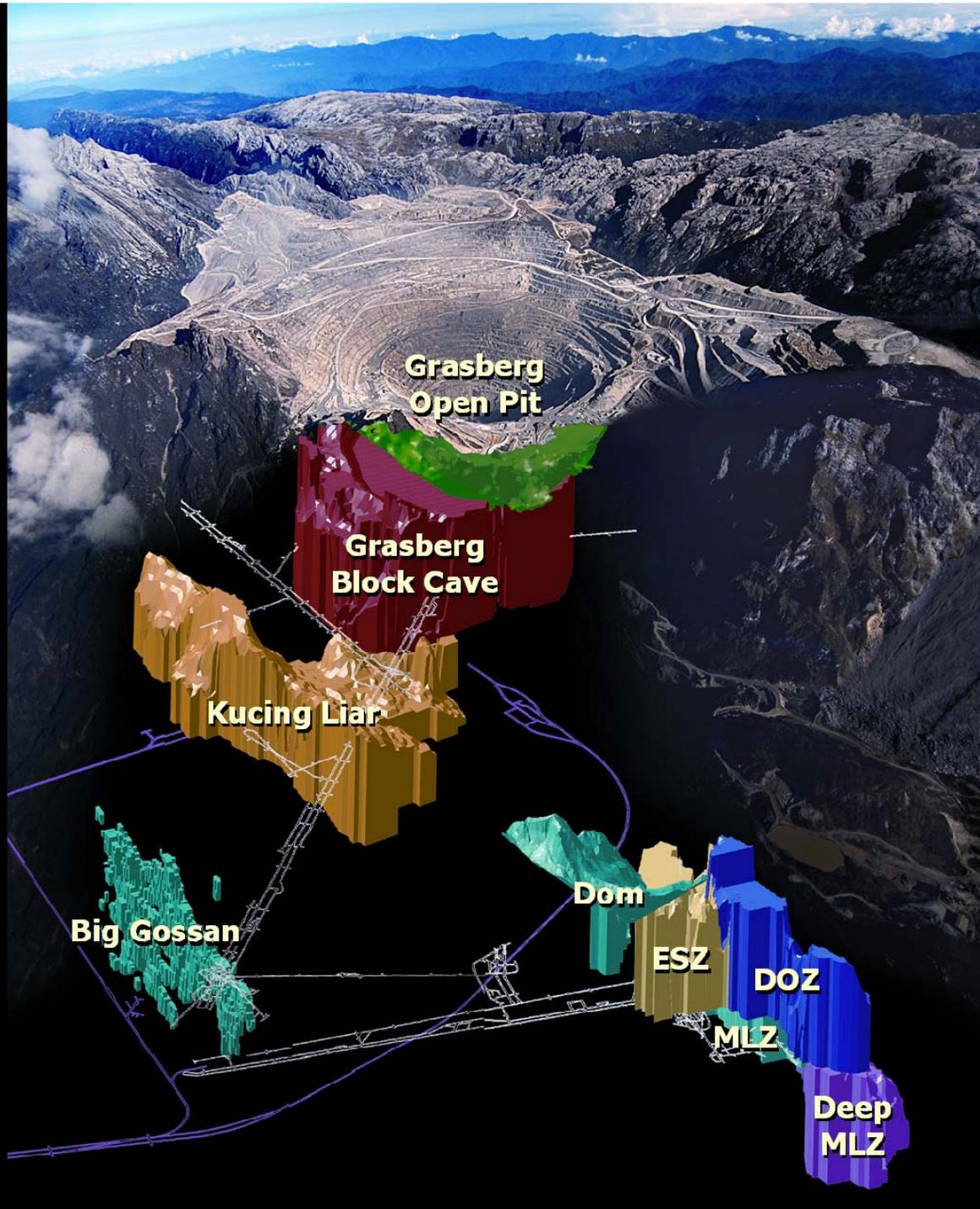
Aggregate Reserves

**3 billion metric tons
1.66% Cu Equiv.**

**55 billion pounds Cu
54 million ounces Au**

***Cu-Au porphyry so large and
rich that it will take at least a
half century to mine.***

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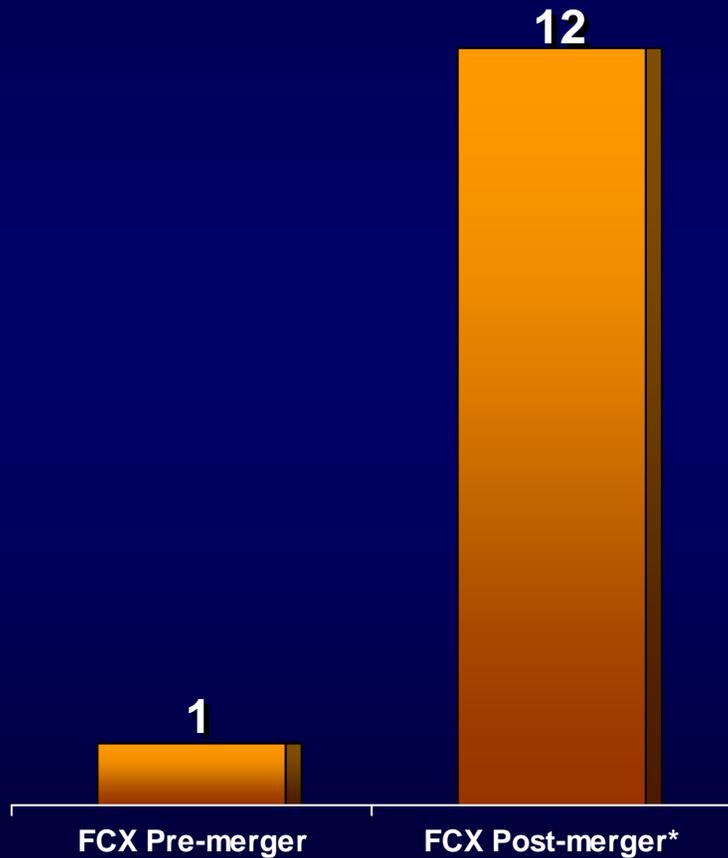


\$26 Billion Acquisition of Phelps Dodge

- ***Completed in March 2007***
- ***Created the World's Largest Publicly Traded Copper Company***
- ***Completed \$17.5 Billion in Financing for Acquisition***
- ***Largest Transaction in the History of the Metals & Mining Industry***
- ***Fortune 125 Company based on Pro Forma 2006 Revenues***

Significant Increase in Scale

Mines Operated



* Company is also developing a new copper mine in the Democratic Republic of Congo. Operations are targeted to commence in 2009.

FCX Cash Flow Comparison

(\$ in billions)

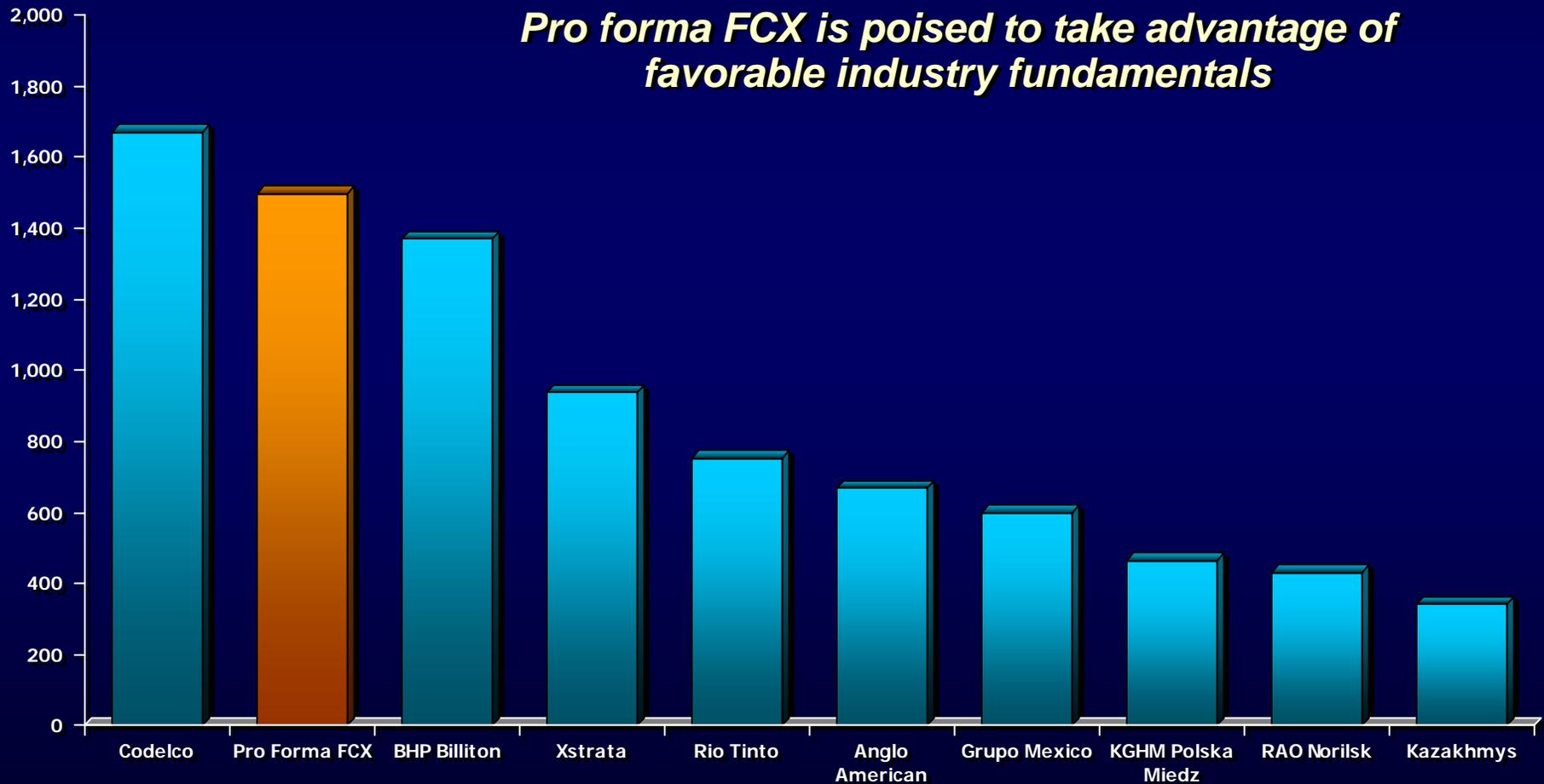


* Based on actual results for first nine months and assumes prices of \$3.50/lb for copper, \$750/oz for gold and \$30/lb for molybdenum in the fourth quarter of 2007

World's Leading Public Copper Company

Top 10 Copper Producers (2007E)

(000 t)

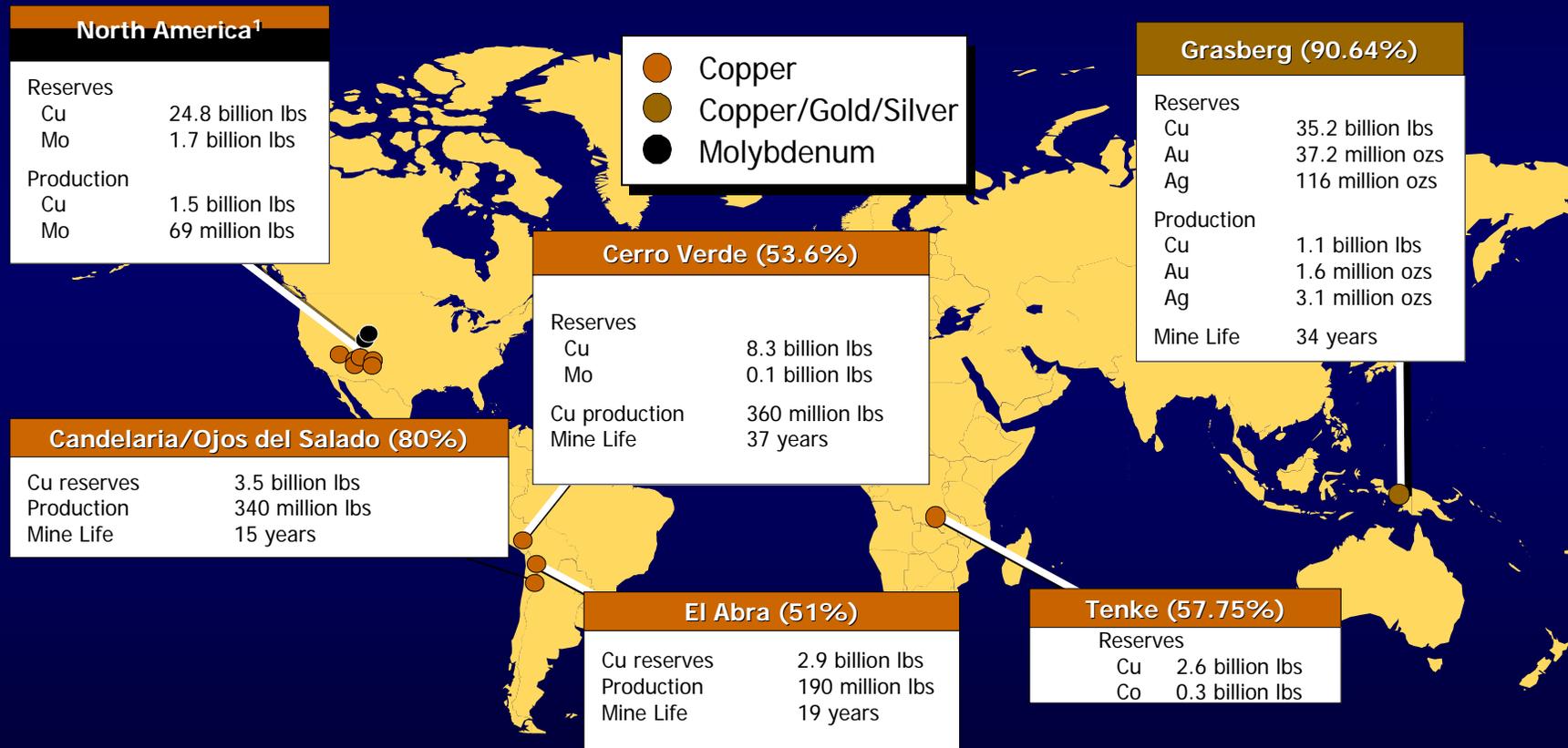


Source: Brook Hunt 4Q07 Report. Rankings based on net equity ownership.

Geographically Diverse, Long-Lived Asset Base

Major Mine Operations & Development Projects

All major assets majority-controlled and operated



Note: Reserves and annual production net to pro forma FCX; Reserves as of December 31, 2006. Production figures are based on average annual estimates for 2007-2009.

¹ Cu operations: Morenci (85%), Sierrita (100%), Bagdad (100%), Chino/Cobre (100%), Tyrone (100%), and Miami (100%) Cu development: Safford (100%)

Primary Mo: Henderson (100%) and Climax (100%) with feasibility study expected on Climax in 2007



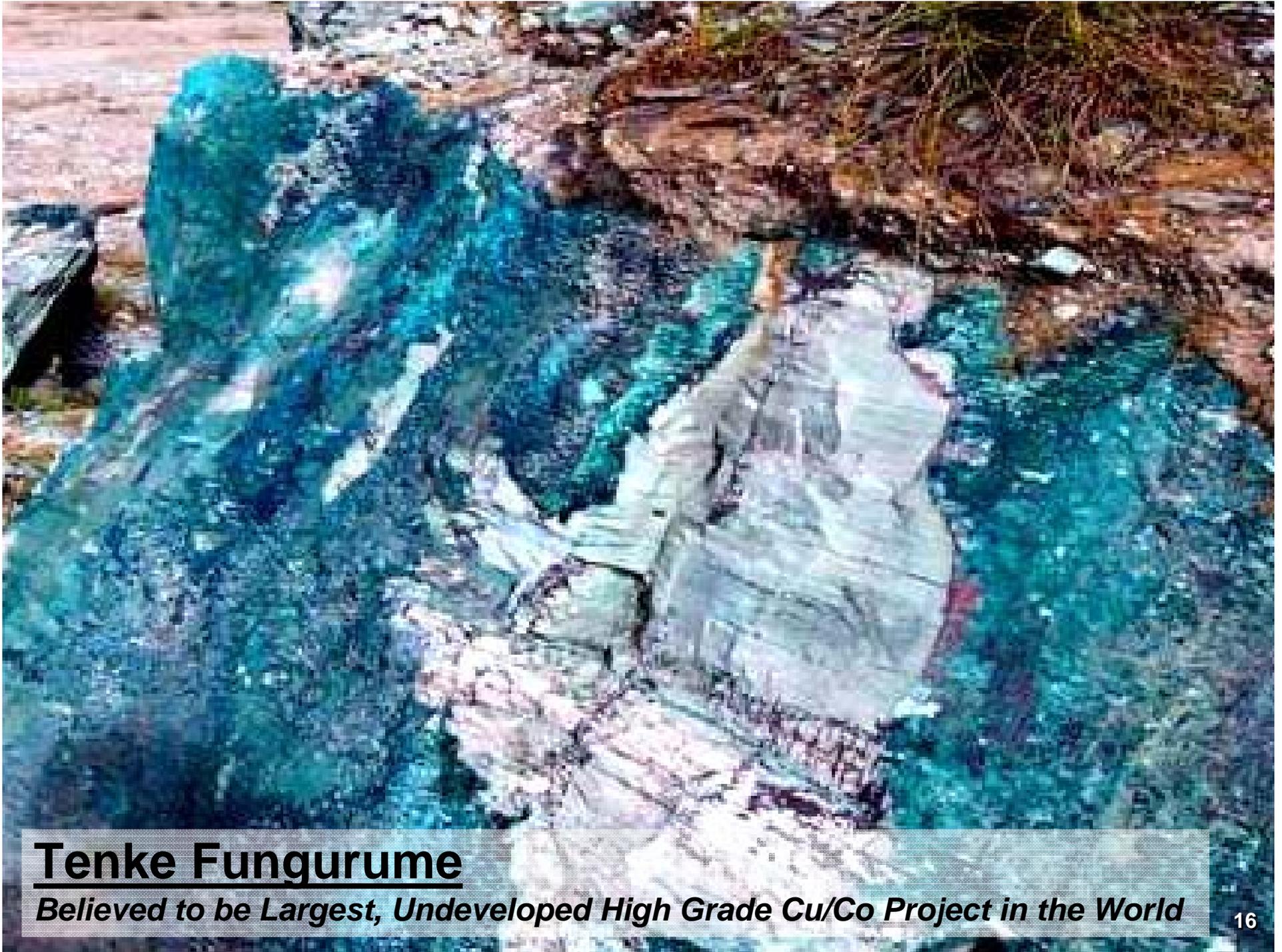
Morenci

North America's largest single producer of copper

Cerro Verde

Recently Completed Major Sulfide Mill Expansion





Tenke Fungurume

Believed to be Largest, Undeveloped High Grade Cu/Co Project in the World

Molybdenum

*FCX is the World's Largest Molybdenum Producer,
including primary production from Henderson*



Henderson

Climax

*World's Largest, Highest Grade Undeveloped Moly Resource
Proceeding with Restart, Targeting First Production in 2010*



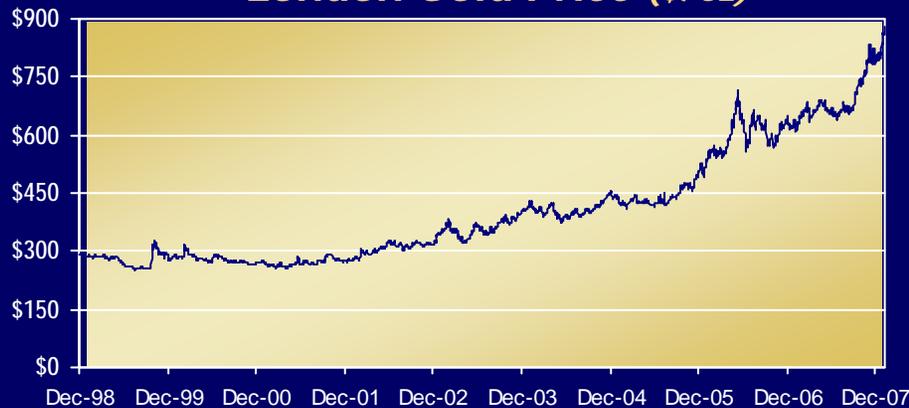
Strong Markets

Copper Price (\$/lb)

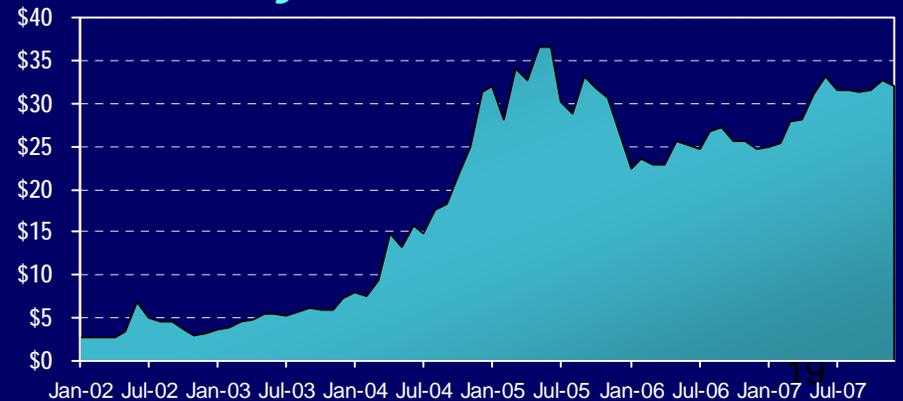


*LME and Comex, excluding Shanghai stocks, producer, consumer and merchant stocks.

London Gold Price (\$/oz)



Molybdenum Price* (\$/lb)



* Metals Week – Molybdenum Dealers Oxide Price

Strong Financial Profile

Capitalization, Net of Cash

(\$ in billions)

\$12.1
12/31/2006 ⁽¹⁾



\$36.2
At Closing of PD
Acquisition ⁽²⁾



\$49.3
Current ⁽³⁾



(1) Based on December 31, 2006 stock price of \$55.73 and 221 million fully diluted shares; net cash approximated \$0.2 billion.

(2) Based on March 19, 2007 stock price of \$61.59 per share and 358 million fully diluted shares.

(3) Based on closing stock price of \$96.86 per share on January 9, 2008 and 444 million fully diluted shares. Net Debt as of September 30, 2007.

FCX Investment Summary

- ***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***