



**FREEPORT-McMoRAN
COPPER & GOLD**



2009 Global Steel and Mining Conference

***Kathleen L. Quirk
Executive Vice President & CFO***

Core Assets

FCX
LISTED
NYSE

www.fcx.com

London

September 23, 2009



Cautionary Statement Regarding Forward-Looking Statements



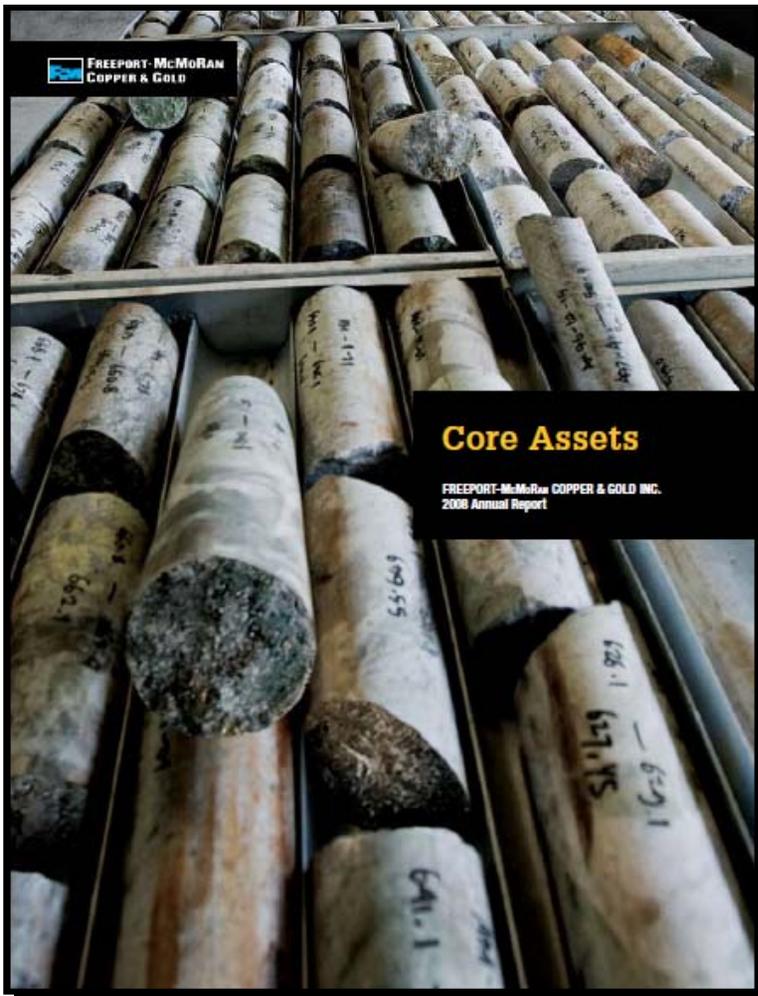
Core Assets

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, molybdenum and cobalt price changes, potential prepayments of debt and projected EBITDA. 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 the forward-looking statements in this presentation and does not intend to update the forward-looking statements more frequently than quarterly. Additionally, important factors that might cause future results to differ from these projections include mine sequencing, production rates, industry risks, commodity prices, political risks, potential effects of the recent violence in Indonesia, weather-related risks, labor relations, currency translation risks and other factors described in FCX's Annual Report on Form 10-K for the year ended December 31, 2008, filed with the Securities and Exchange Commission (SEC), as updated by our subsequent filings with the SEC.

This presentation also contains certain financial measures such as unit net cash costs 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 in the supplemental schedule, "Product Revenues and Production Costs," which is available on our internet web site www.fcx.com.

Core Assets

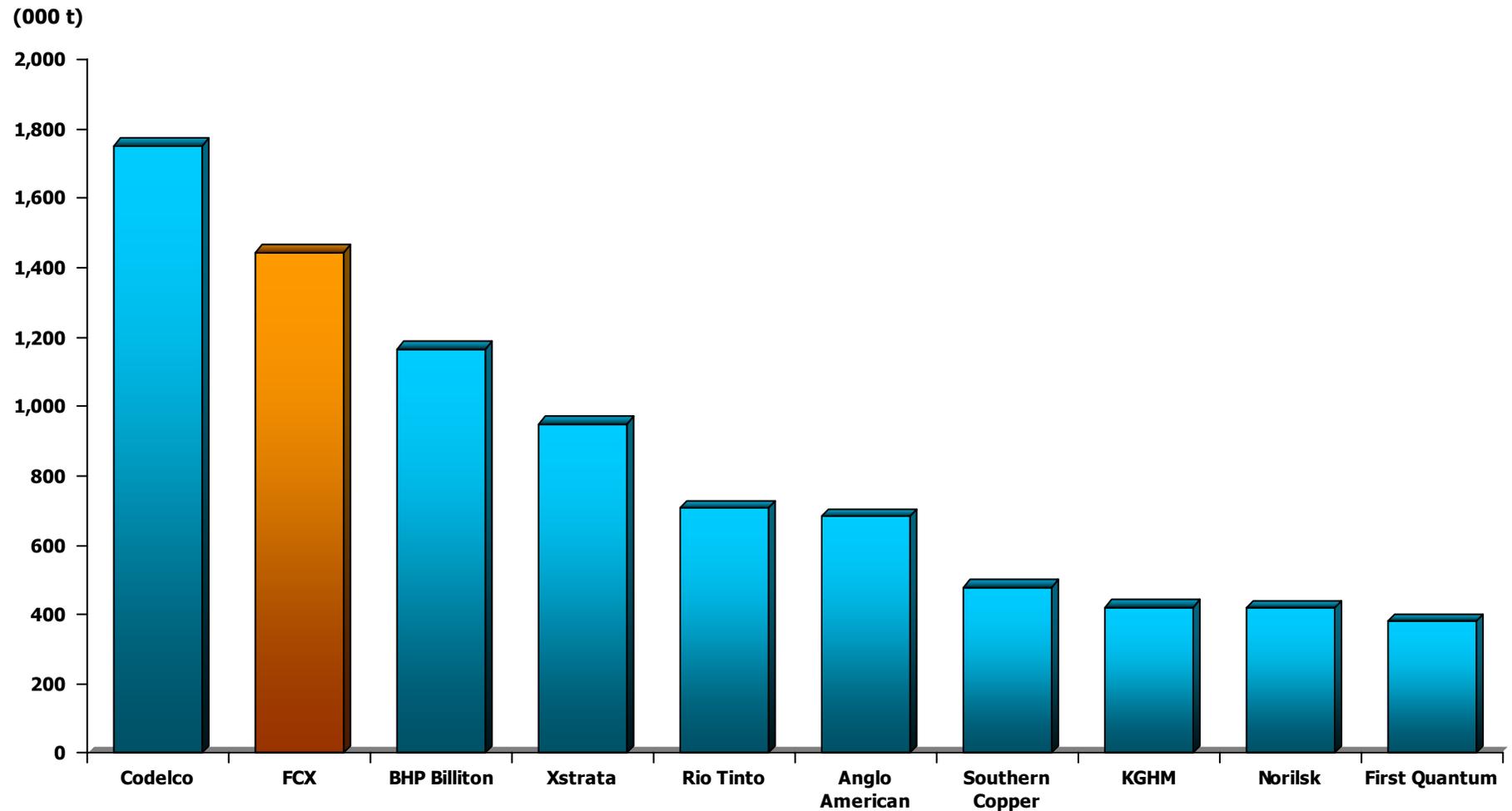
Core Assets



- **Long-Lived Reserves with Growth Potential**
- **Geographically Diverse Operations**
- **Financially Strong**
- **Flexible Operating Structure**
- **Experienced Team**
- **Focused Strategy**

World's Leading Copper Producers

Top 10 Copper Producers (2009E)

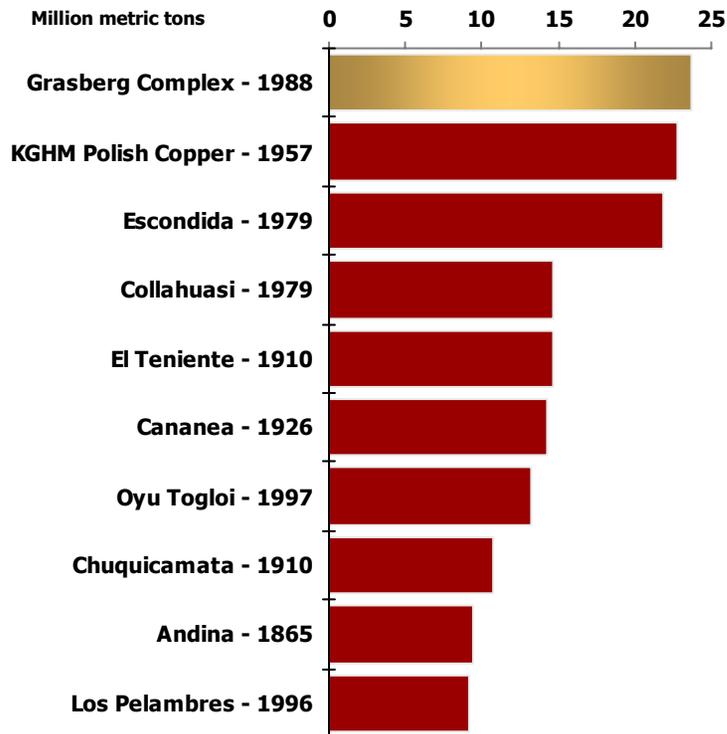


Source: Brook Hunt 2Q09 Report. Rankings based on net equity ownership.

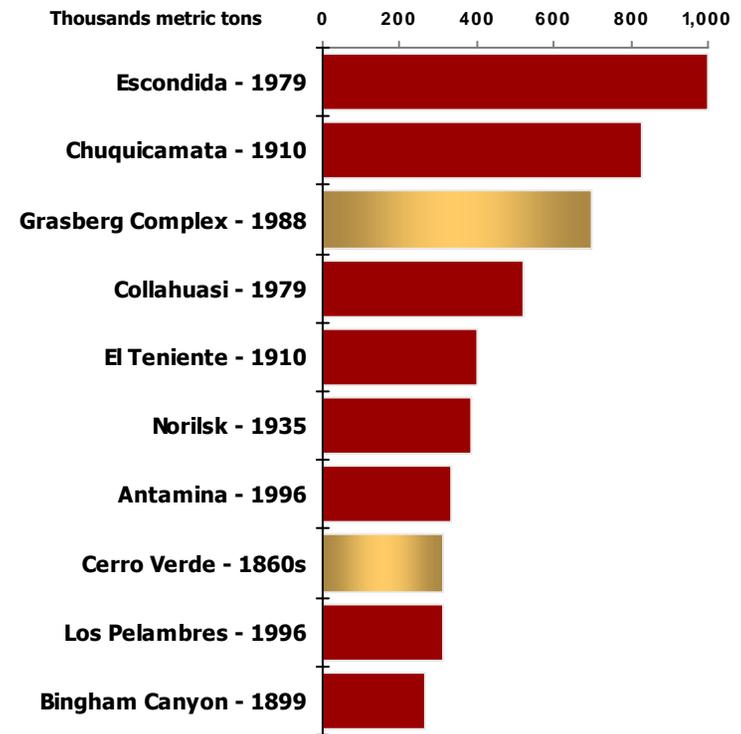
World Class Copper Discoveries Are Extremely Rare

Core Assets

Recoverable Copper Reserves



2009E Copper Production



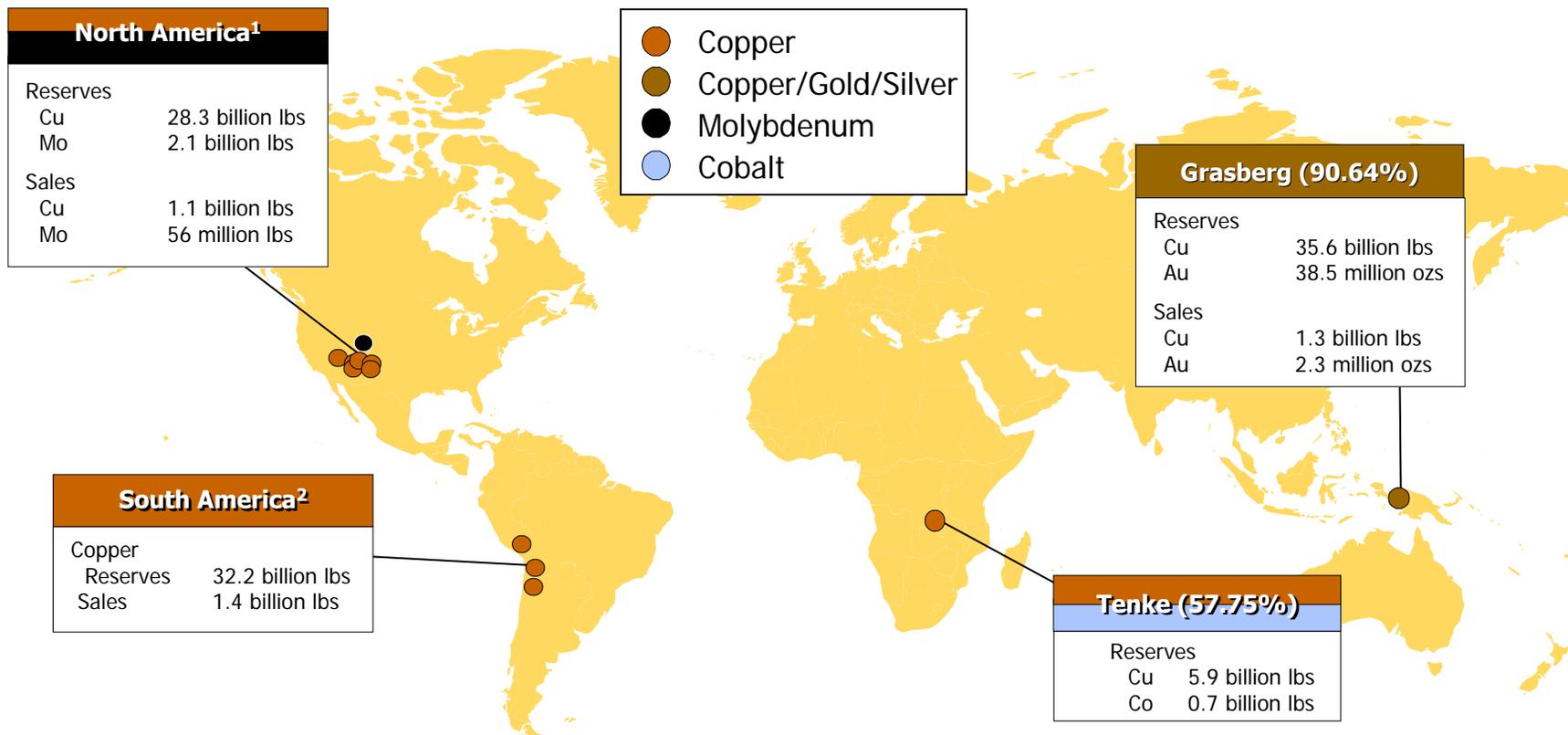
Source: Brook Hunt

Geographically Diverse

Core Assets

Major Mine Operations & Development Projects

All major assets majority-controlled and operated



Note: FCX consolidated reserves and annual sales; reserves as of December 31, 2008. Sales figures are based on 2009e.

¹ Cu operations: Morenci (85%), Sierrita (100%), Bagdad (100%), Chino/Cobre (100%), Tyrone (100%) and Safford (100%).
Primary Mo: Henderson (100%)

² Copper operations Candelaria/Ojos del Salado (80%), Cerro Verde (53.6%) and El Abra (51%)

Consolidated Proven & Probable Reserve Growth



	Copper billion lbs	Molybdenum billion lbs	Gold million ozs
Reserves @ 12/31/07	93.2	2.04	41.0
Additions/revisions*	12.8	0.51	0.3
Production	(4.0)	(0.07)	(1.3)
Net change	8.8	0.44	(1.0)
Reserves @ 12/31/08	102.0	2.48	40.0
* as % of 2008 production	320%	706%	23%

Long-term prices of \$1.60 Cu, \$8 Mo, and \$550 Au for 12/31/08
 Long-term prices of \$1.20 Cu, \$6.50 Mo, and \$450 Au for 12/31/07



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COPPER & GOLD

A World of Opportunities

Exploration Targets in Major Mineral Districts

Core Assets

Safford/Lone Star/Morenci District



Cerro Verde



Tenke Fungurume/Africa



Grasberg/Indonesia



SW US

**South
America**

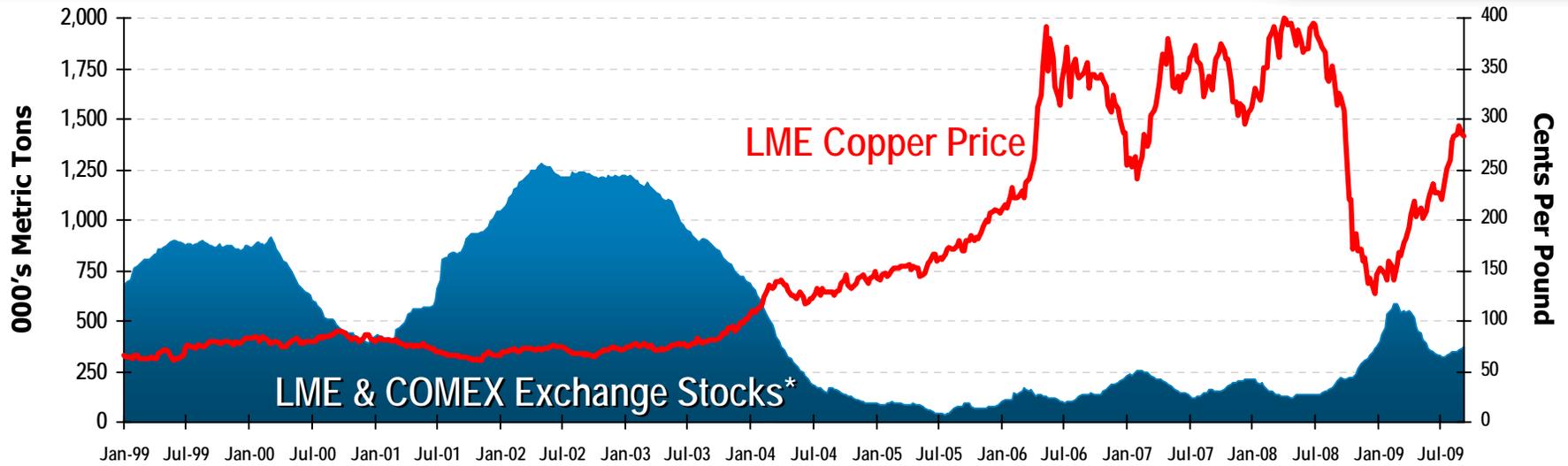
Africa

Indonesia



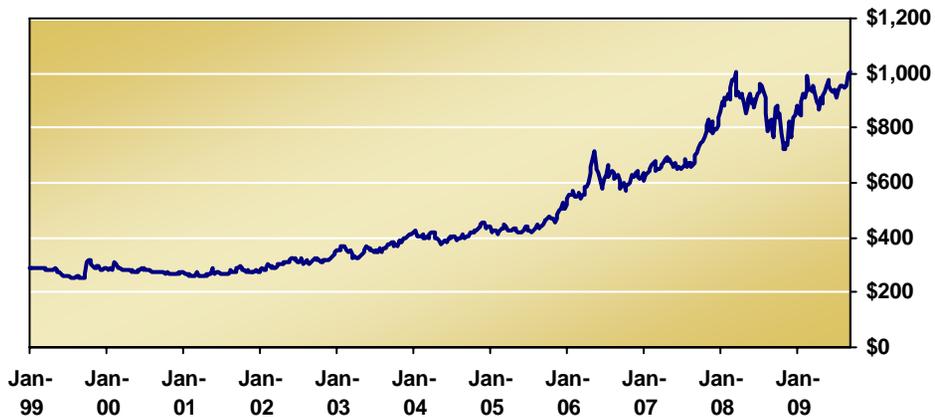
Markets

Core Assets



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

London Gold Price (\$/oz)



Molybdenum Price* (\$/lb)



* Metals Week – Molybdenum Dealers Oxide Price

Twelve Months in Review

Core Assets

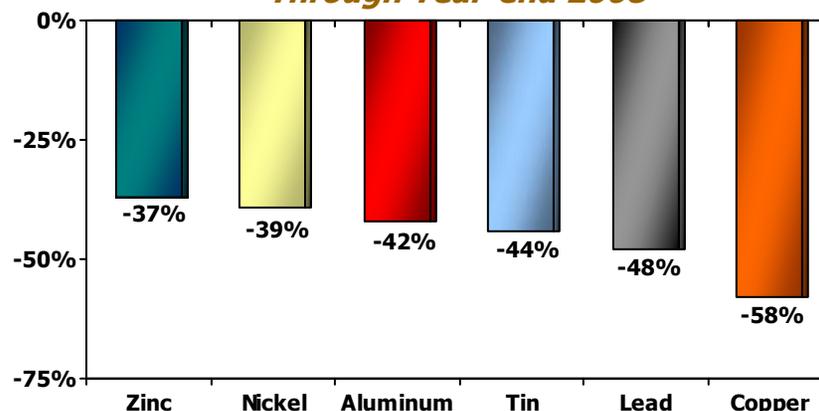
4Q08

- Financial Market Turmoil
- Sharp & Severe Economic Downturn
- Concerns About China
- All Asset Classes Affected

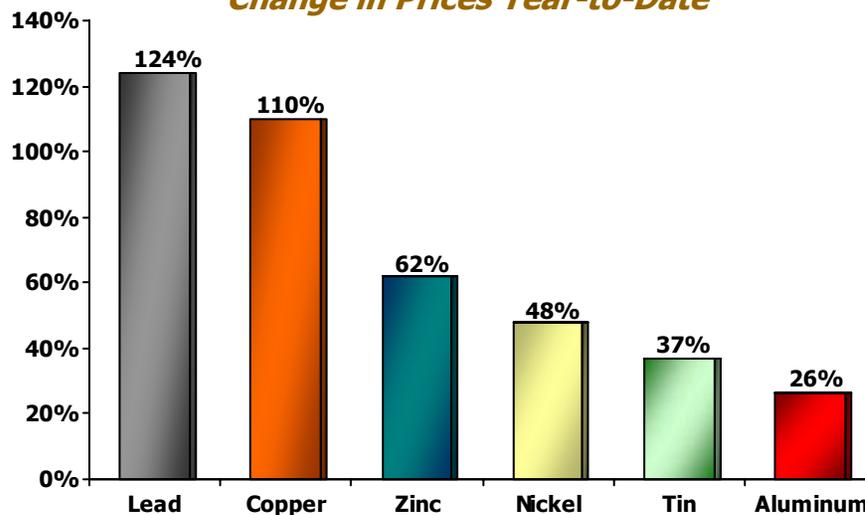
2009

- China Has Been Primary Driver YTD 2009
- Weak Demand in the U.S., Europe and Japan
- Demand Growth Expected with Economic Recovery
- Supply Limitations
- Mine Curtailments
- LME Inventories Currently ~ 320 kt
 - Down ~ 17 kt YTD
 - Peaked at 548 kt in Late February
 - Down ~ 228 kt From 2009 High

Base Metal Performance Mid-September Through Year-end 2008



Change in Prices Year-to-Date



Responding to Changing Conditions

- **Revised Operating Plans**
- **Aggressive Reduction in Costs & Capital Spending**
- **Adjustments to Financial Policy**
- **Protect Liquidity**
- **Preserve Assets & Future Growth Options**
- **Strongly Positioned Operationally and Financially to Respond to Improved Conditions – Disciplined Approach**

Strong Operating & Cost Performance in 1H09

Core Assets

- **Strong Operating Performance**

- Access to high-grade section of the Grasberg Open Pit
- Solid Results in the Americas
- Tenke start-up

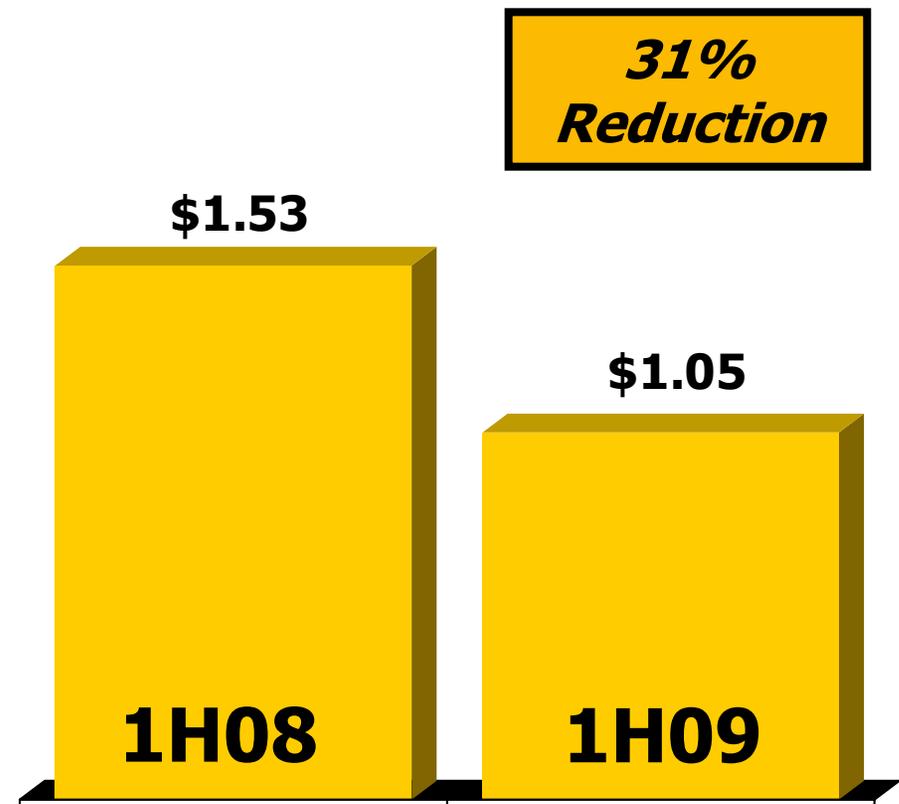
- **Achieving Cost Reductions**

- Revised Operating Plans
- Grasberg Ore Grades
- Aggressive Cost Management/Lower Input Costs
- Consolidated Unit Net Cash Costs of \$0.54/lb in 1st Six-Months

Consolidated Site Production & Delivery

(excludes Africa)

\$ per pound of copper



1H09 Highlights



<i>Sales Data</i>	<i>1H09</i>	<i>1H08</i>
<u>Copper</u>		
Consolidated Volumes (<i>mm lbs</i>)	2,122	1,853
Average Realization (<i>per lb</i>)	\$2.03	\$3.77
Site Production & Delivery Unit Costs (<i>per lb</i>)	\$1.05	\$1.53
Unit Net Cash Costs (<i>per lb</i>)	\$0.54	\$1.16
<u>Gold</u>		
Consolidated Volumes (<i>000's ozs</i>)	1,382	545
Average Realization (<i>per oz</i>)	\$919	\$917
<u>Molybdenum</u>		
Consolidated Volumes (<i>mm lbs</i>)	26	40
Average Realization (<i>per lb</i>)	\$10.65	\$31.63

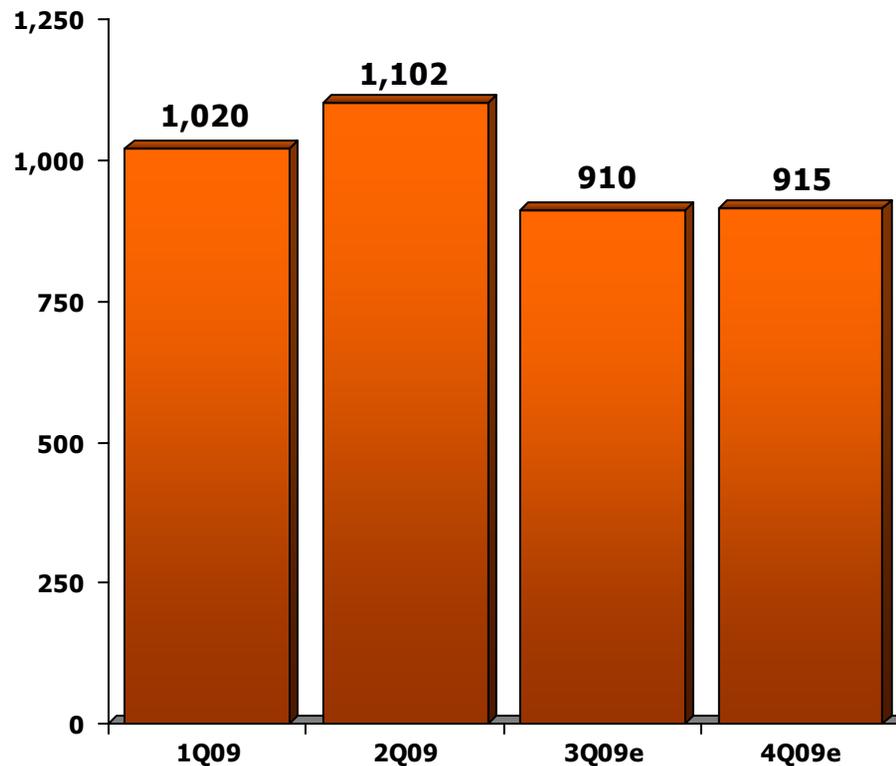
<i>Financial Results (in millions, except per share amounts)</i>		
Revenues	\$6,286	\$11,113
Net Income Attributable to Common Stock	\$631	\$2,069
Diluted Earnings Per Share	\$1.54	\$4.89
Operating Cash Flows ⁽¹⁾	\$896	\$1,624
Capital Expenditures	\$894	\$1,163

(1) Includes working capital uses of \$973mm in 1H09 and \$2.1 bn in 1H08.

2009e Quarterly Payable Metal Sales

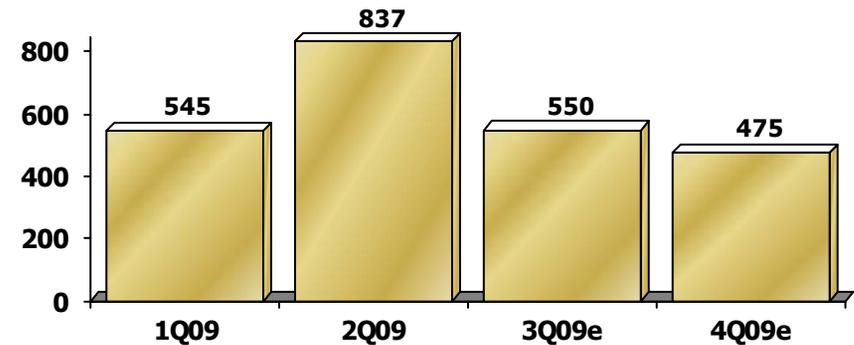
Core Assets

Copper Sales (million lbs)



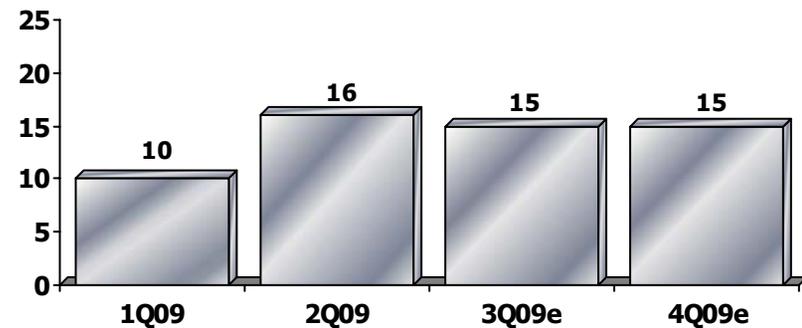
Note: Consolidated copper sales include approximately 174 mm lbs in 1Q09, 196 mm lbs in 2Q09, 180 mm lbs in 3Q09e and 190 mm lbs in 4Q09e for noncontrolling interest; excludes purchased copper

Gold Sales (thousand ozs)



Note: Consolidated gold sales include approximately 53 k oz in 1Q09, 81 k oz in 2Q09, 56 k oz in 3Q09e and 50 k oz in 4Q09e for noncontrolling interest

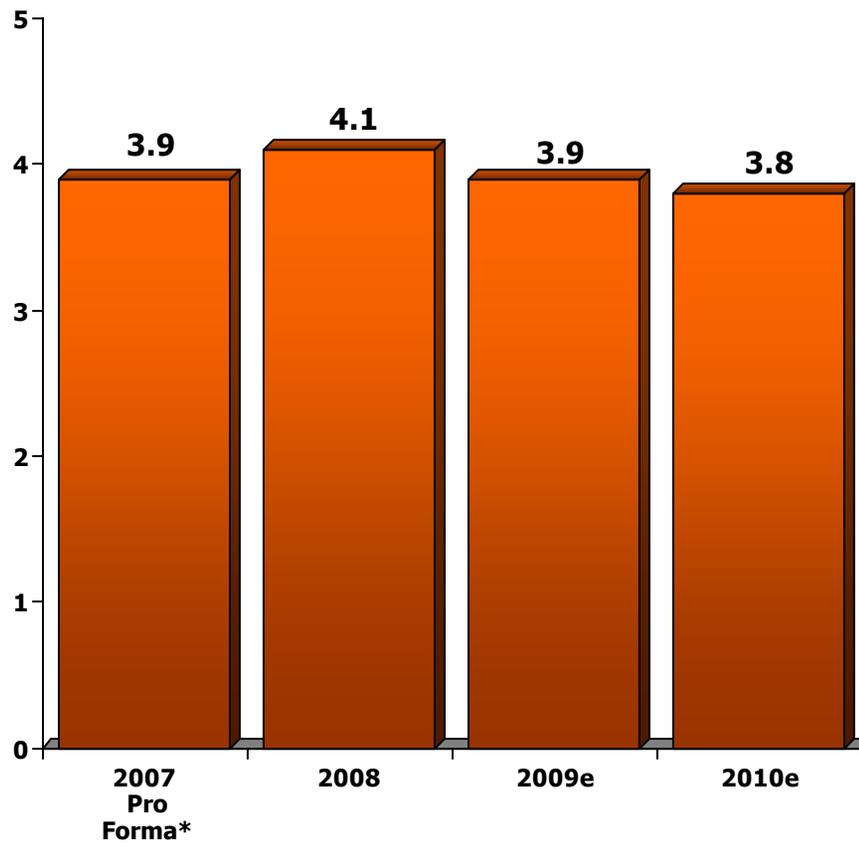
Molybdenum Sales (million lbs)



e = estimate. Please see Cautionary Statement.

Sales Profile 2007 - 2010e

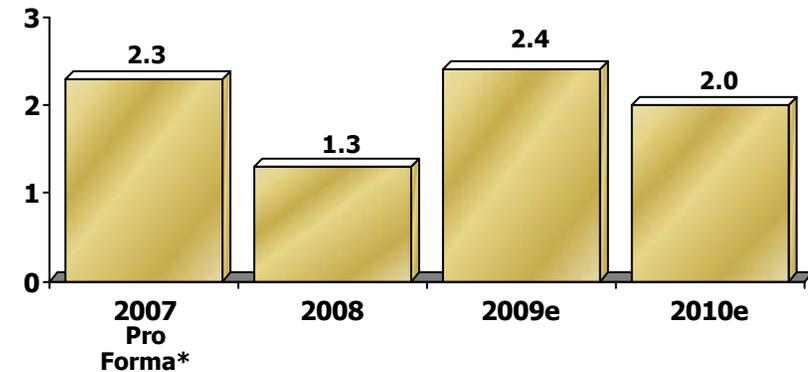
Copper Sales (billion lbs)



Note: Consolidated copper sales include approximately 647 mm lbs in 2007, 699 mm lbs in 2008, 740 mm lbs in 2009e, and 740 mm lbs in 2010e for noncontrolling interest; excludes purchased copper

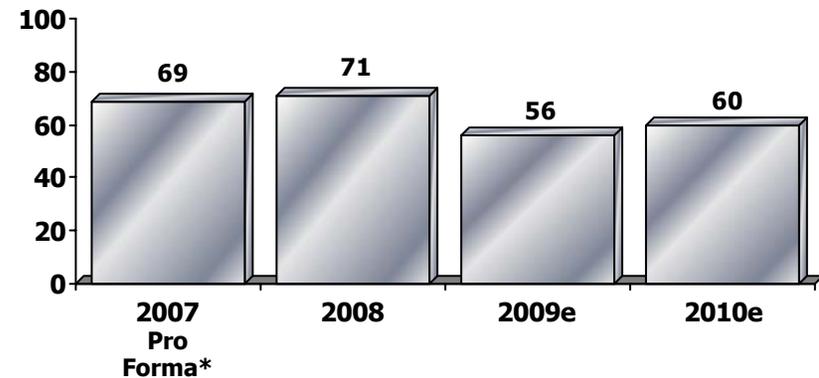
* 2007 includes pre-acquisition sales of 505 mm lbs of copper, 18 k oz of gold and 17 mm lbs of molybdenum

Gold Sales (million ozs)



Note: Consolidated gold sales include approximately 228 k oz in 2007, 134 k oz in 2008, 240 k oz in 2009e, and 200 k oz in 2010e for noncontrolling interest

Molybdenum Sales (million lbs)

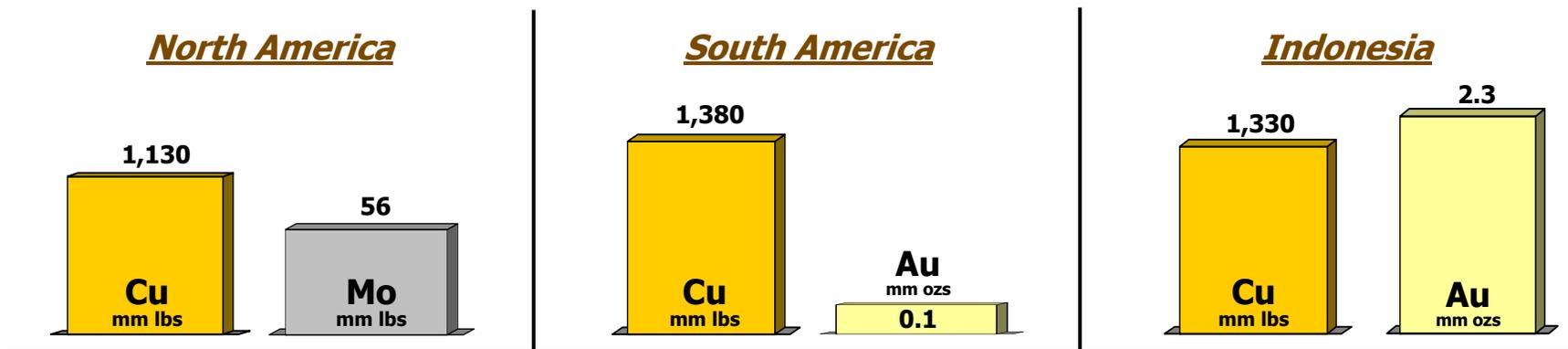


e = estimate. Please see Cautionary Statement.

2009e Sales and Unit Production Costs by Region

Core Assets

2009e Sales by Region ⁽¹⁾



	North America	South America	Indonesia	Consolidated ⁽⁴⁾
<i>(per pound of copper)</i>				
Cash Unit Costs ⁽²⁾				
Site Production & Delivery ⁽³⁾	\$1.29	\$1.07	\$1.11	\$1.15
Royalties ⁽³⁾	-	-	0.09	0.03
Treatment Charges	0.08	0.14	0.22	0.15
By-product Credits	<u>(0.18)</u>	<u>(0.10)</u>	<u>(1.57)</u>	<u>(0.63)</u>
Unit Net Cash Costs (Credits)	<u>\$1.19</u>	<u>\$1.11</u>	<u>\$(0.15)</u>	<u>\$0.70</u>

(1) 2009e sales also include approximately 100 MM pounds of copper from Africa

(2) Estimates assume average prices of \$2.25/lb for copper, \$900/oz for gold and \$8/lb for molybdenum for the second half of 2009. Quarterly unit costs will vary significantly with quarterly metal sales volumes.

(3) Production costs include profit sharing in South America and severance taxes in North America

(4) 2009e consolidated amounts exclude Africa

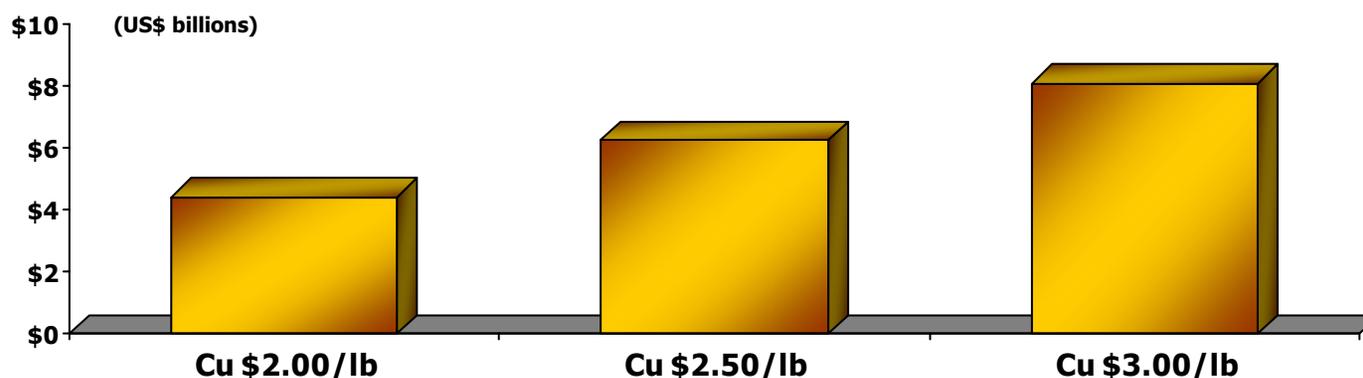
Note: e = estimate. See Cautionary Statement.

EBITDA and Cash Flow at Various Copper Prices

Core Assets

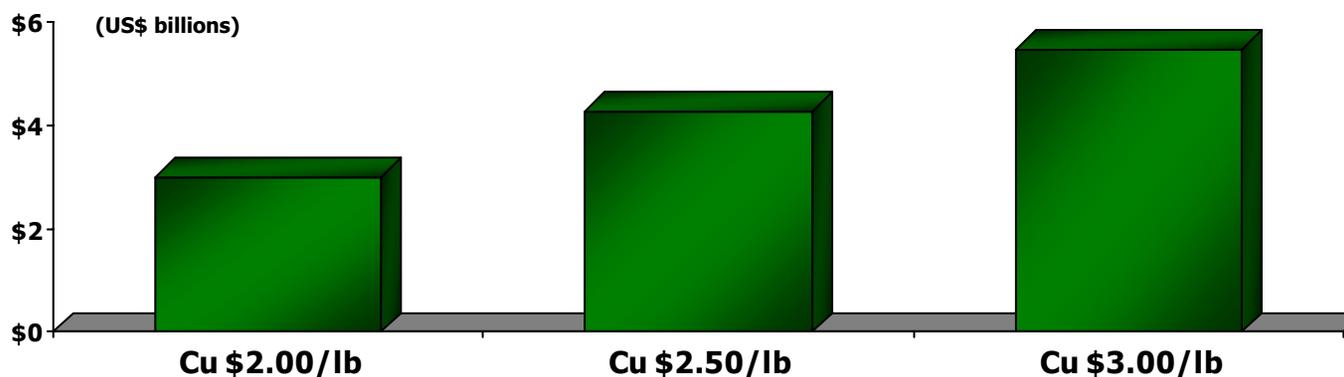
2010e Annual EBITDA

(\$900 Gold & \$10 Molybdenum)



2010e Annual Operating Cash Flow (excluding Working Capital)*

(\$900 Gold & \$10 Molybdenum)



* Excludes working capital changes.

Note: For 2010e, each \$50/oz change in gold approximates \$95 million to EBITDA and \$55 million to operating cash flow; each \$2.00/lb of molybdenum equates to \$110 million to EBITDA and \$90 mm to operating cash flow. EBITDA equals operating income plus depreciation, depletion and amortization.

e = estimate. See Cautionary Statement

Sensitivities 2010e



Change	EBITDA	Operating Cash Flow
	<i>(US\$ millions)</i>	
Copper: -/+ \$0.10/lb	\$375	\$260
Molybdenum: -/+ \$1.00/lb	\$55	\$45
Gold: -/+ \$50/ounce	\$95	\$55
Diesel ⁽¹⁾: -/+ 10%	\$35	\$20
Purchased Power ⁽²⁾: -/+ 10%	\$40	\$25
Currencies ⁽³⁾: +/- 10%	\$110	\$65

(1) \$1.85/gallon base case assumption

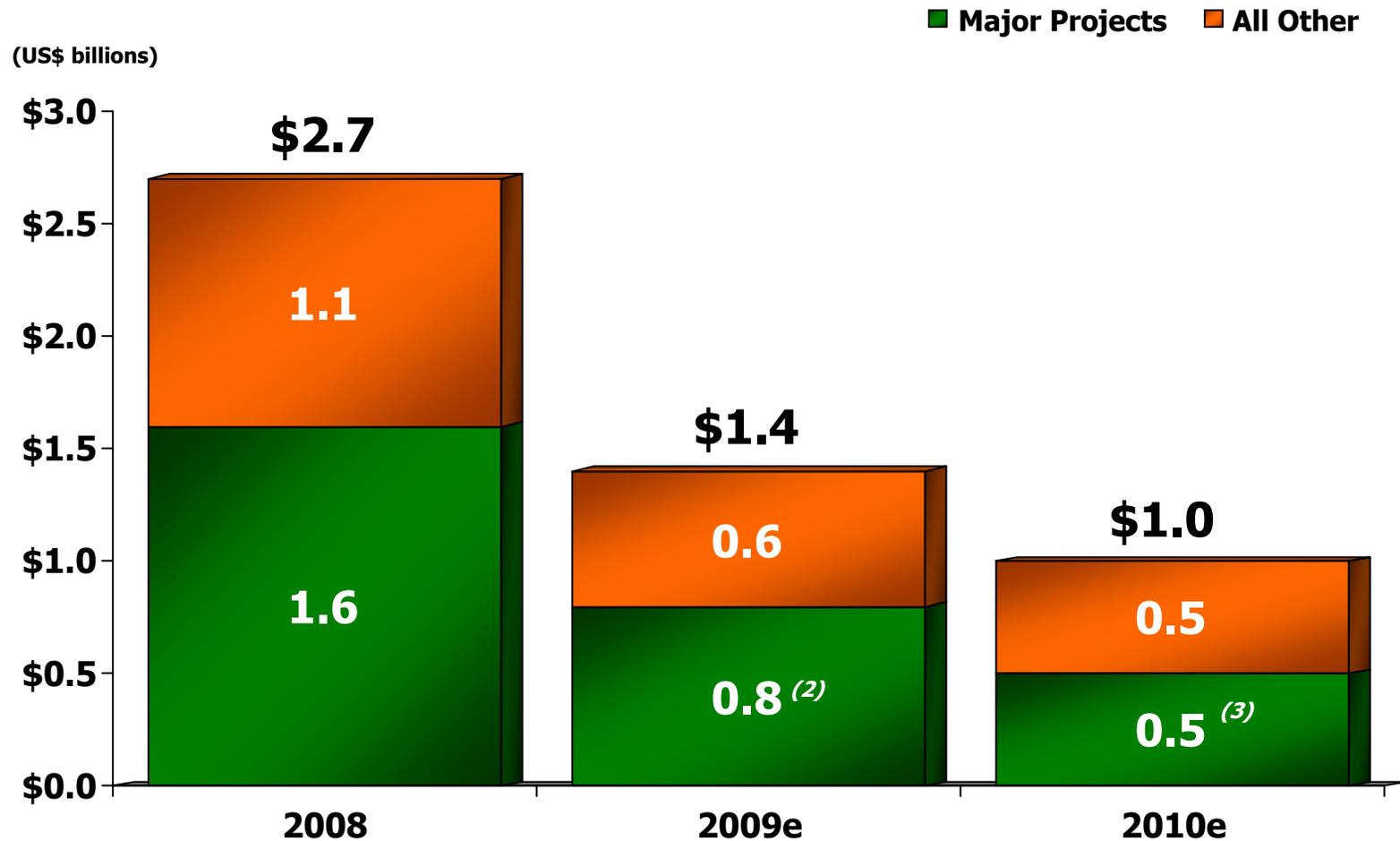
(2) 6.6¢/kWh base case assumption

(3) U.S. Dollar Exchange Rates: 600 Chilean peso, 10,500 Indonesian rupiah, \$0.75 Australian dollar, \$1.40 Euro, 3.15 Peruvian Nuevo Sol base case assumption. Each +10% equals a 10% strengthening of the U.S. dollar; a strengthening of the U.S. dollar against foreign currencies equates to a cost benefit of noted amounts.

NOTE: Operating cash flow amounts exclude working capital changes. e = estimate. See Cautionary Statement.

Capital Expenditures (1)

Core Assets



(1) Capital expenditure estimates will continue to be reviewed and revised subject to market conditions

(2) Includes Tenke development and Grasberg underground development

(3) Includes Grasberg underground development and El Abra sulfide

Note: Includes capitalized interest. e = estimate. Please see Cautionary Statement.

Tenke Fungurume Development Activities

Core Assets



**First Copper
in March 2009**

Tenke Fungurume

Project Highlights

Core Assets

- **Largest Investment in DRC**
- **World-Class Design & Construction**
- **Significant Infrastructure Upgrades**
- **Expanding Social & Community Programs**



Workers install a liner for the Tailings Storage Facility



Children use one of the additional potable water wells at Fungurume

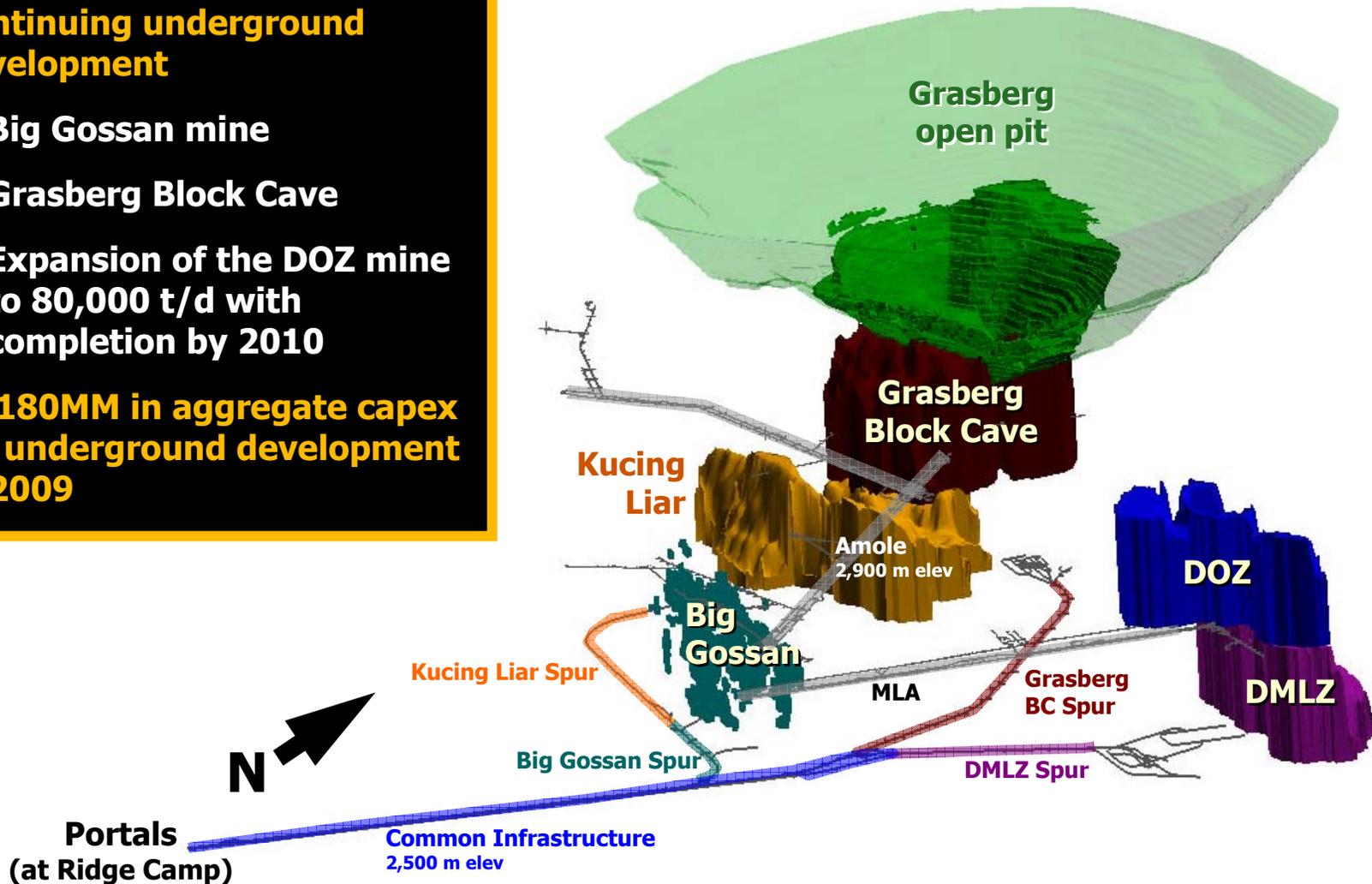
- **Project Provides Important Benefits:**
 - **Employment**
 - **Local Services**
 - **Taxes**
 - **Royalties**
 - **Dividend Payments**

Underground Mine Development in Indonesia

Grasberg District Ore Bodies

Core Assets

- **Continuing underground development**
 - Big Gossan mine
 - Grasberg Block Cave
 - Expansion of the DOZ mine to 80,000 t/d with completion by 2010
- **~\$180MM in aggregate capex for underground development in 2009**

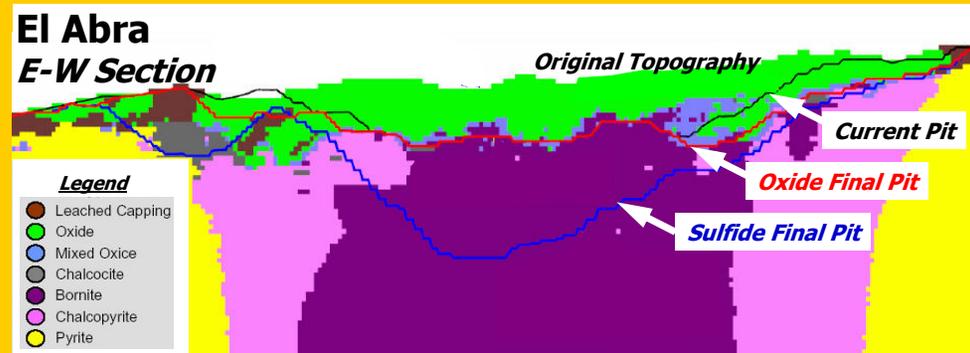


El Abra Sulfolix Project

Core Assets

- Large sulfide mineral deposit underlying current oxide pit
- New leach pad & modifications to existing crushing plant
- Extends mine life 10+ years
- Provides ~300MM lbs copper/year aggregate to replace oxides
- \$300mm to be spent in 2010/2011

El Abra Pit



Balance Sheet

Core Assets

- **Debt at 6/30/09: \$7.2 Billion; Cash at 6/30/09: \$1.3 Billion**
- **Significant Liquidity**
- **Strong Credit Metrics**
- **No Near-term Maturities**
- **Redeemed \$340 MM 6⁷/₈% Senior Notes in August 2009**
- **Converted \$832 Million in Preferred Stock to Common Equity in September 2009**
- **Opportunistic Debt Repayment**

Financial Policy

Core Assets

- **Maintain Strong Balance Sheet & Liquidity Position**
- **Aggressive Cost Management**
- **Disciplined Approach to Capital Spending**
- **Board to Review Financial Policy on an Ongoing Basis**

FCX Investment Summary

Core Assets

- **World's Premier Publicly Traded Copper Company**
- **World's Largest Molybdenum Producer & Significant Gold Producer**
- **Long-lived Reserves, Geographically Diverse Operations**
- **Flexible Operating Structure Can Respond to Varying Market Conditions**
- **Significant Reserve Growth**