



**FREEPORT-McMoRAN  
COPPER & GOLD**

**FBR Capital Markets  
2009 Fall Investor Conference**

**December 1-2, 2009** . Grand Hyatt New York . New York, NY



**Core Assets**

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

**FCX**  
LISTED  
**NYSE**

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

***New York City  
December 1, 2009***

# *Cautionary Statement Regarding Forward-Looking Statements*



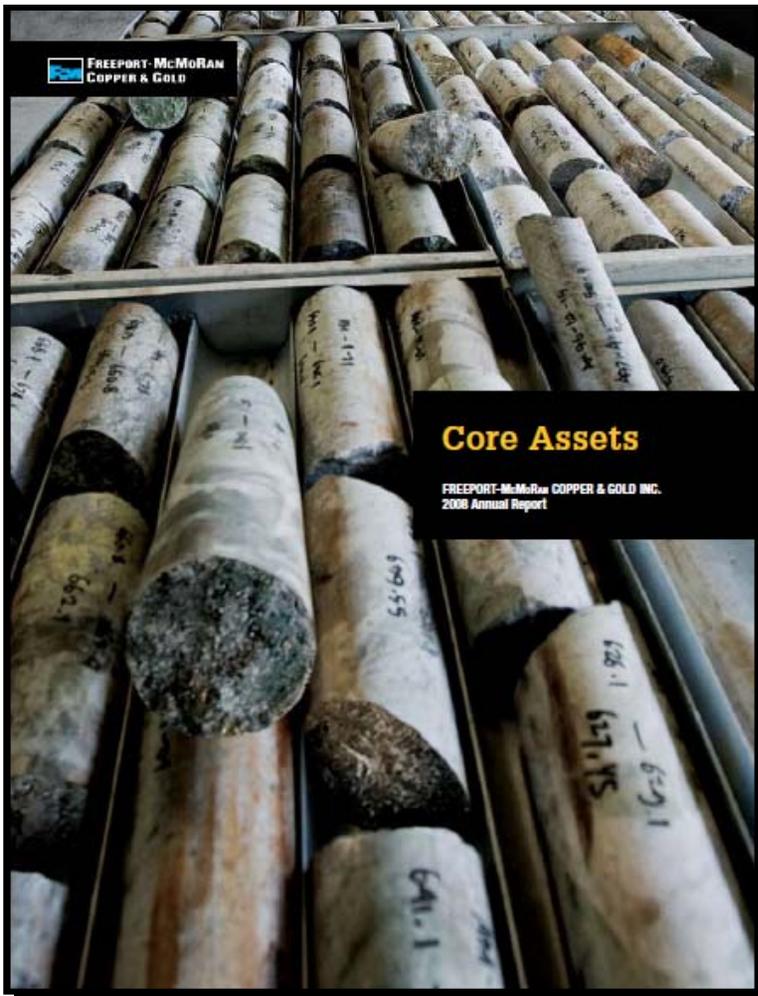
**Core Assets**

*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 and future dividend payments. 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 results anticipated by forward-looking statements include mine sequencing, production rates, industry risks, commodity prices, political risks, potential effects of the recent violence in Indonesia, potential outcomes of contract review process in the Democratic Republic of Congo, 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](http://www.fcx.com).*

# Core Assets

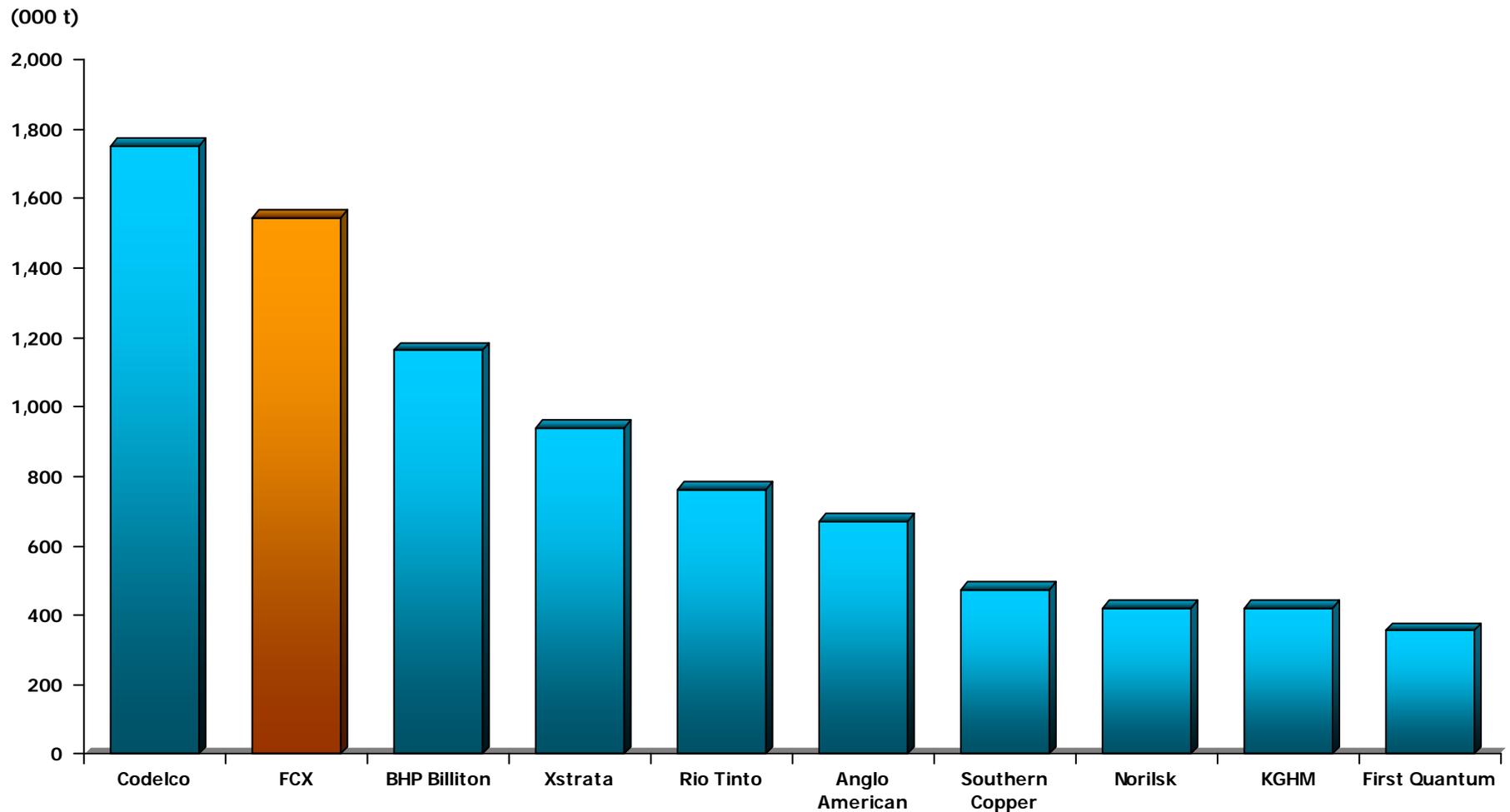
Core Assets



- 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)

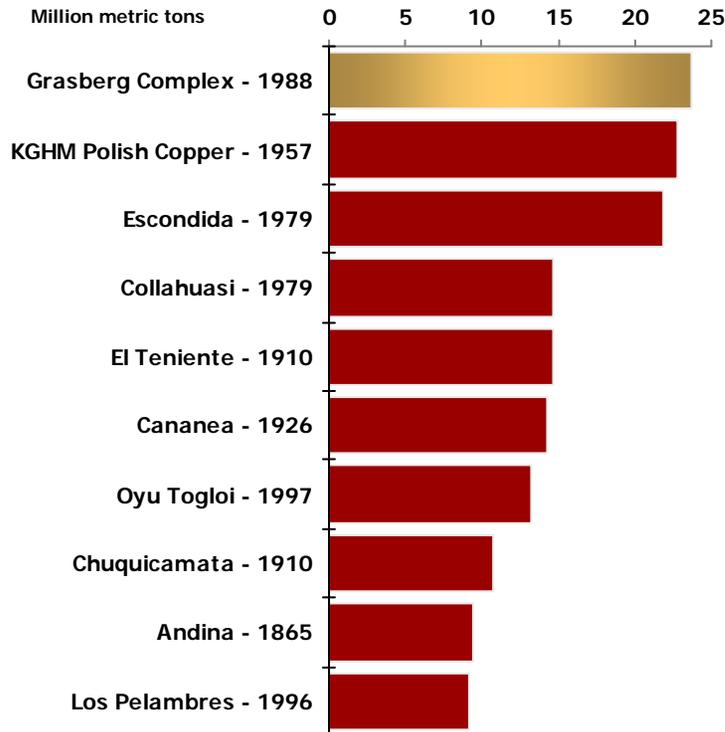


Source: Brook Hunt 3Q09 Report. Rankings based on net equity ownership.

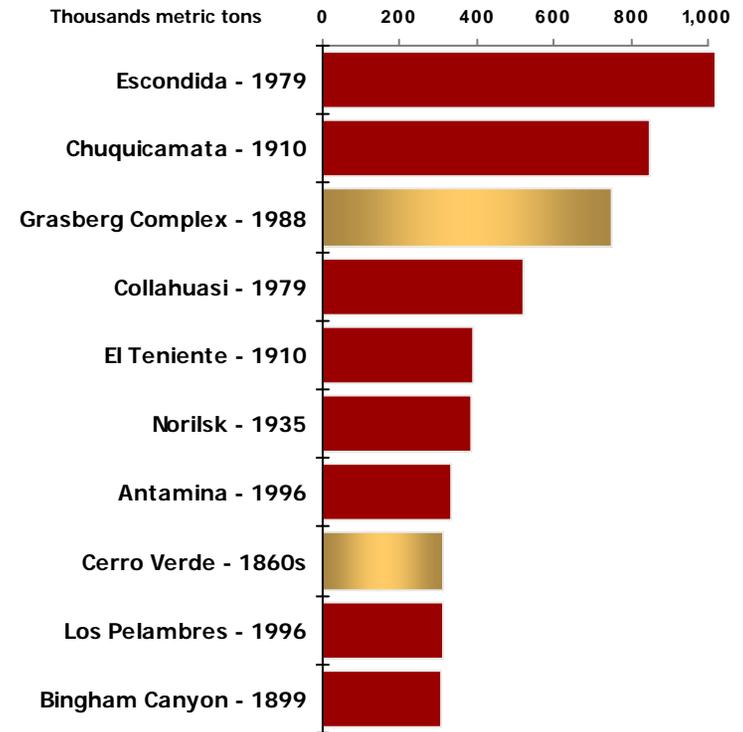
# World Class Copper Discoveries Are Extremely Rare

**Core Assets**

*Recoverable Copper Reserves*



*2009e Copper Production*



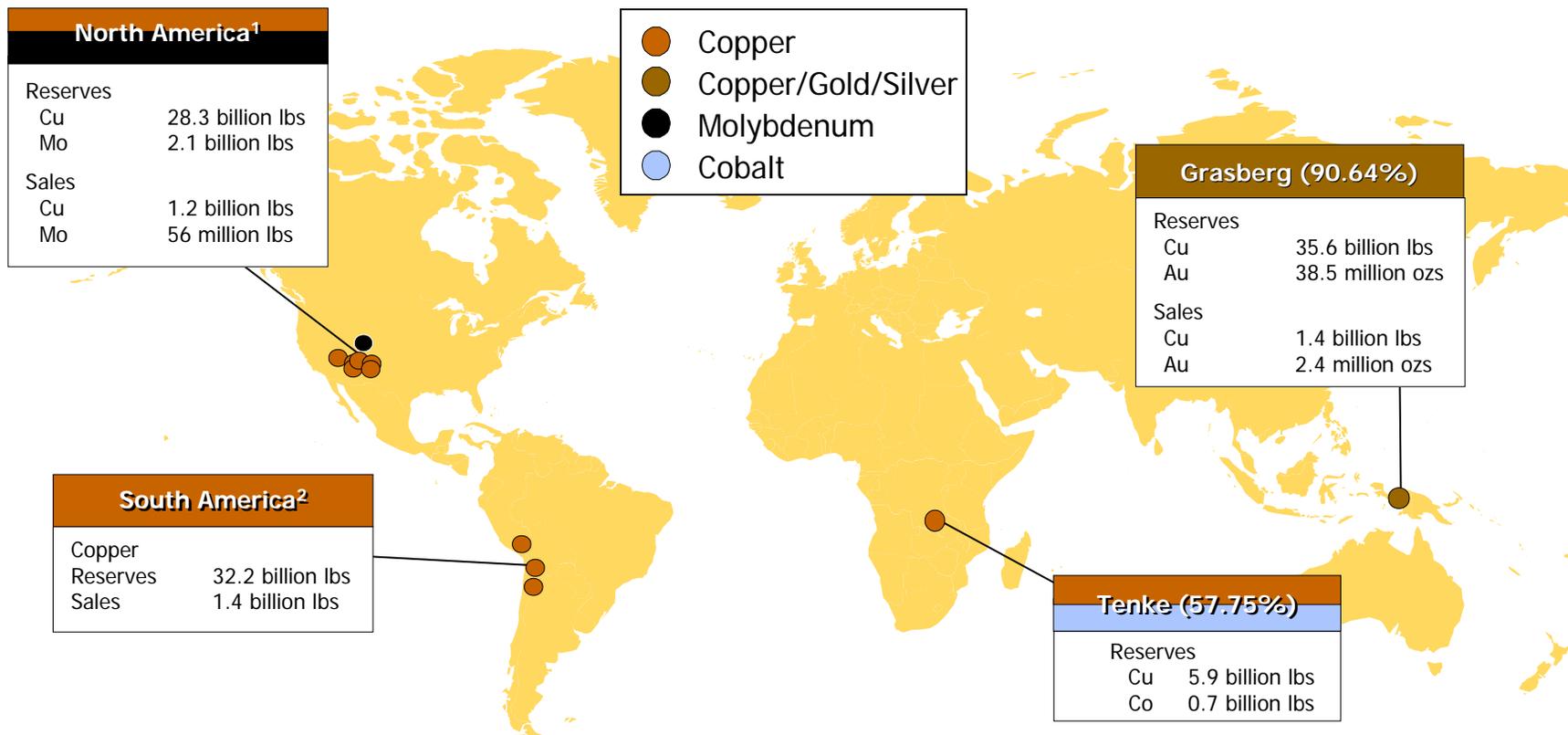
Source: Brook Hunt

# 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.

<sup>1</sup> Cu operations: Morenci (85%), Sierrita (100%), Bagdad (100%), Tyrone (100%), Safford (100%), and Miami (100%);  
Primary Mo: Henderson (100%)

<sup>2</sup> Cu operations: Candelaria/Ojos del Salado (80%), Cerro Verde (53.6%) and El Abra (51%)

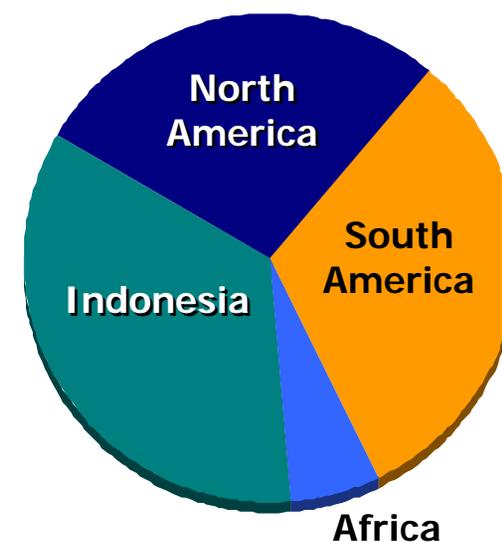
# Reserves at 12/31/08

## Consolidated Proven & Probable Reserves

**Core Assets**

	<b>Copper</b> billion lbs	<b>Molybdenum</b> billion lbs	<b>Gold</b> million ozs
<b>Reserves @ 12/31/07</b>	<b>93.2</b>	<b>2.04</b>	<b>41.0</b>
Additions/revisions*	12.8	0.51	0.3
Production	(4.0)	(0.07)	(1.3)
Net change	8.8	0.44	(1.0)
<b>Reserves @ 12/31/08</b>	<b>102.0</b>	<b>2.48</b>	<b>40.0</b>
* as % of 2008 production	320%	706%	23%
<b>Reserves @ 12/31/99</b>	<b>93.2</b>	<b>2.14</b>	<b>51.4</b>
Additions/revisions*	43.4	0.88	12.0
Production	(34.6)	(0.54)	(23.4)
Net change	8.8	0.34	(11.4)
<b>Reserves @ 12/31/08</b>	<b>102.0</b>	<b>2.48</b>	<b>40.0</b>
* as % of production	126%	165%	51%

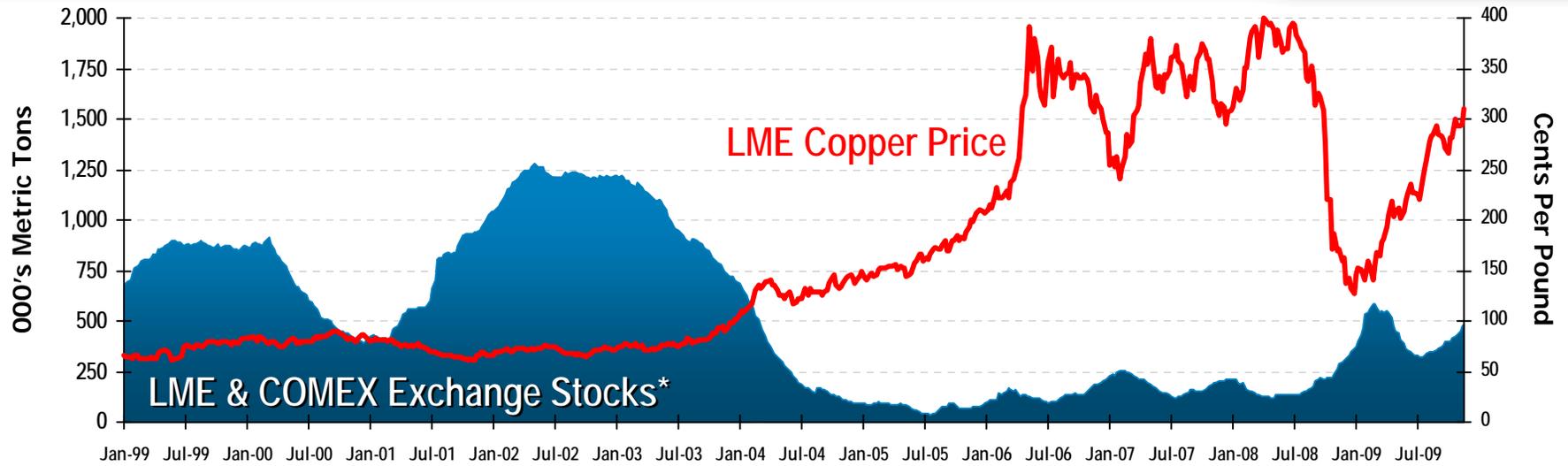
**12/31/08  
Copper Reserves  
by Geographical Region**



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  
 Note: Reserves as of 12/31/99 are pro forma

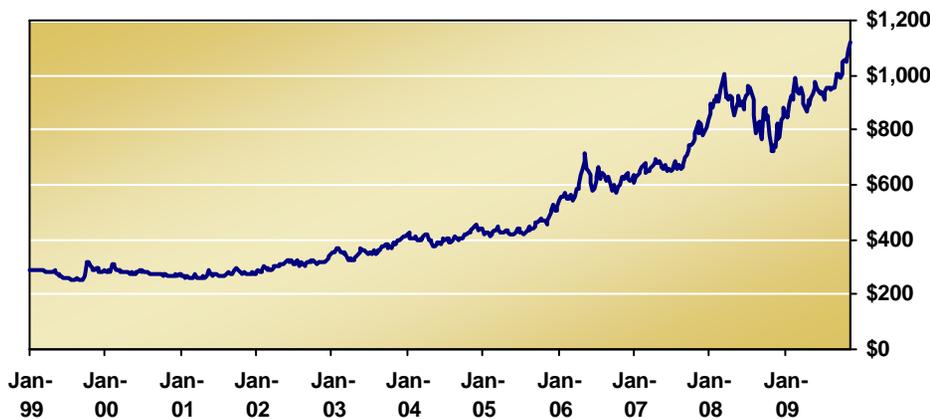
# Markets

**Core Assets**



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

## London Gold Price (\$/oz)



## Molybdenum Price\* (\$/lb)



\* Metals Week – Molybdenum Dealer Oxide Price

# *2009 Highlights*

**Core Assets**

- **Prompt/Decisive Action in Response to Economic Downturn**
- **Successful Execution of Revised Operating Plans**
- **Strong Operating & Financial Performance**
- **Enhanced Financial and Liquidity Position**
- **Successful Start-up of Tenke Operations**
- **Maintained Future Growth Opportunities**
- **Reinstated Annual Cash Dividend to Shareholders**

# YTD Highlights



<i>Sales Data</i>	<i>3Q09</i>	<i>9-mos 2009</i>
<b><u>Copper</u></b>		
Consolidated Volumes ( <i>mm lbs</i> )	1,000	3,122
Average Realization ( <i>per lb</i> )	\$2.75	\$2.35
Site Production & Delivery Unit Costs <sup>(1)</sup> ( <i>per lb</i> )	\$1.15	\$1.08
Unit Net Cash Costs <sup>(1)</sup> ( <i>per lb</i> )	\$0.50	\$0.53
<b><u>Gold</u></b>		
Consolidated Volumes ( <i>000's ozs</i> )	706	2,088
Average Realization ( <i>per oz</i> )	\$987	\$944
<b><u>Molybdenum</u></b>		
Consolidated Volumes ( <i>mm lbs</i> )	16	42
Average Realization ( <i>per lb</i> )	\$13.95	\$11.93
<b><i>Financial Results (in millions, except per share amounts)</i></b>		

Revenues	\$4,144	\$10,430
Net Income Attributable to Common Stock	\$925	\$1,556
Diluted Earnings Per Share	\$2.07	\$3.70
Operating Cash Flows <sup>(2)</sup>	\$1,954	\$2,850
Capital Expenditures	\$244	\$1,138
Total Debt <sup>(3)</sup>	-	\$6,622
Consolidated Cash	-	\$2,269

(1) Excludes Africa operations which are continuing start-up activities

(2) Includes working capital sources of \$450 mm in 3Q09 and uses of \$523 mm in first nine months of 2009

(3) Since September 30, 2009, and through October 20, 2009, FCX has made open-market debt purchases totaling \$107 mm

# Strong Operating & Cost Performance YTD

**Core Assets**

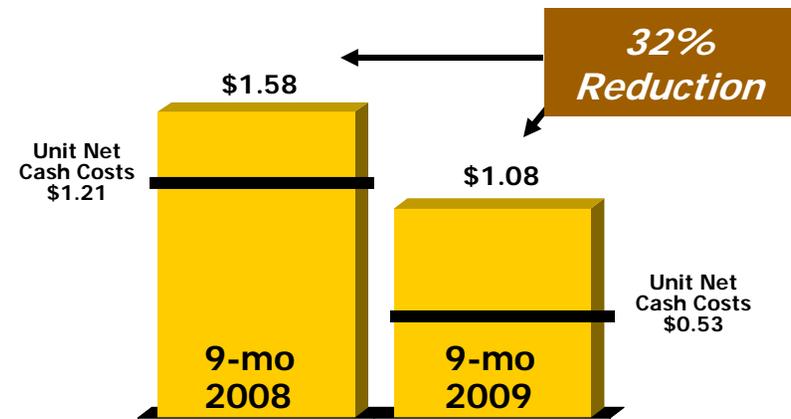
- **Strong Volumes**
  - Access to High-Grade Section of the Grasberg Open Pit
  - Solid Results in the Americas
  - Tenke Start-up
  
- **Achieving Cost Reductions**
  - Revised Operating Plans
  - Grasberg Ore Grades
  - Aggressive Cost Management/Lower Input Costs

*Annual 2009e sales volumes higher than January estimates\**

- Cu +3% (135 mm lbs)
- Au +14% (300 k ozs)

## Consolidated Site Production & Delivery (excludes Africa)

\$ per pound of copper



\* Projected sales volumes for 2009 approximate 4.0 bn lbs of copper (compared with 3.9 bn lbs in January 2009) and 2.5 mm ozs of gold (compared with 2.2 mm ozs in January 2009)

NOTE: e = estimate; see cautionary statement.

# 2009 Outlook

**Core Assets**

- **Sales Outlook:**
  - *Copper: 4.0 Billion lbs.*
  - *Gold: 2.5 Million ozs.*
  - *Molybdenum: 56 Million lbs.*
  
- **Unit Net Cash Cost <sup>(1)</sup>:**
  - *60¢/lb*
  
- **Operating Cash Flows <sup>(2)</sup>:**
  - *\$4+ Billion for 2009*
  - *\$1.1+ Billion in 4Q09 at \$2.75 Copper*
  - *Each 10¢/lb Change in Copper = \$80 MM in 4Q09*
  
- **Capital Expenditures:**
  - *\$1.4 Billion for 2009*

*(1) Assumes average prices of \$1,000/oz for gold and \$10/lb for molybdenum for 4Q09; excludes Africa operations which are continuing start-up activities.*

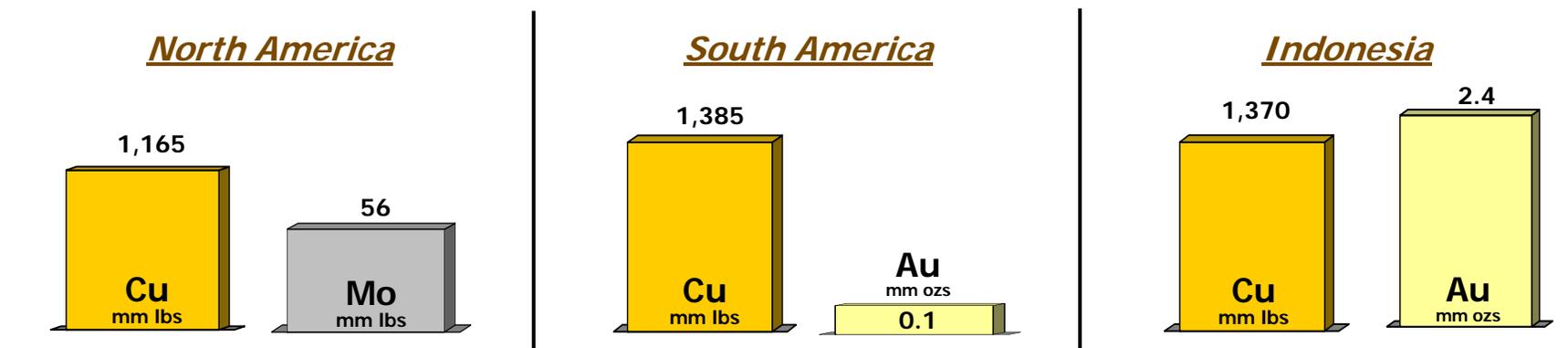
*(2) Assumes prices of \$1,000/oz Gold, and \$10/lb Molybdenum in 4Q09; each \$50/oz change in gold would have an approximate \$30 MM impact, and each \$1.00/lb change in molybdenum would have an approximate \$5 MM impact.*

*NOTE: Amounts are projections; see cautionary statement.*

# 2009e Sales and Unit Production Costs by Region

**Core Assets**

## 2009e Sales by Region <sup>(1)</sup>



*(per pound of copper)*  
**Cash Unit Costs <sup>(2)</sup>**

	North America	South America	Indonesia	Consolidated <sup>(3)</sup>
Site Production & Delivery <sup>(4)</sup>	\$1.26	\$1.08	\$1.07	\$1.13
Royalties <sup>(4)</sup>	-	-	0.10	0.03
Treatment Charges	0.08	0.15	0.22	0.15
By-product Credits	<u>(0.22)</u>	<u>(0.12)</u>	<u>(1.72)</u>	<u>(0.71)</u>
<b>Unit Net Cash Costs (Credits)</b>	<b><u>\$1.12</u></b>	<b><u>\$1.11</u></b>	<b><u>\$(0.33)</u></b>	<b><u>\$0.60</u></b>

(1) 2009e sales also include approximately 115 MM pounds of copper from Africa

(2) Estimates assume average prices of \$2.75/lb for copper, \$1,000/oz for gold and \$10/lb for molybdenum in 4Q09. Quarterly unit costs will vary significantly with quarterly metal sales volumes.

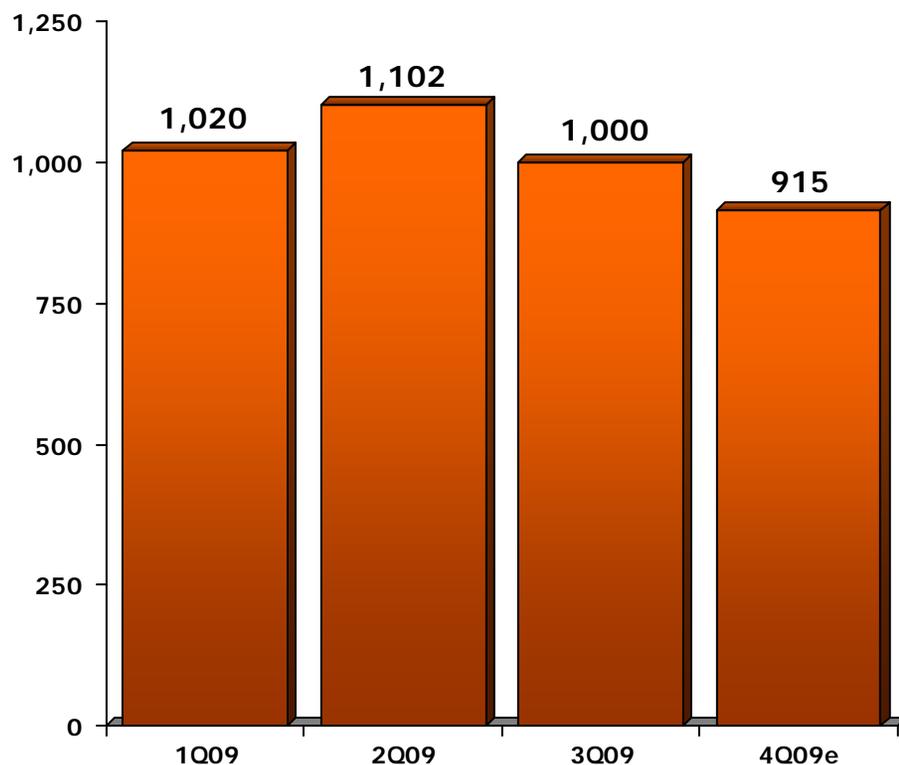
(3) 2009e consolidated amounts exclude Africa

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

Note: e = estimate. See Cautionary Statement.

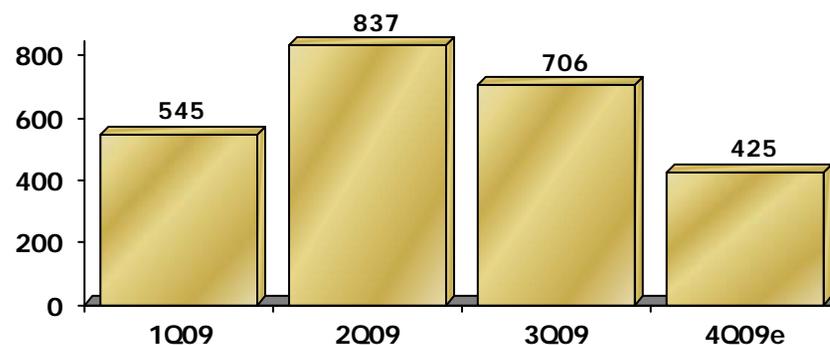
# 2009e Quarterly Payable Metal Sales

Copper Sales (million lbs)



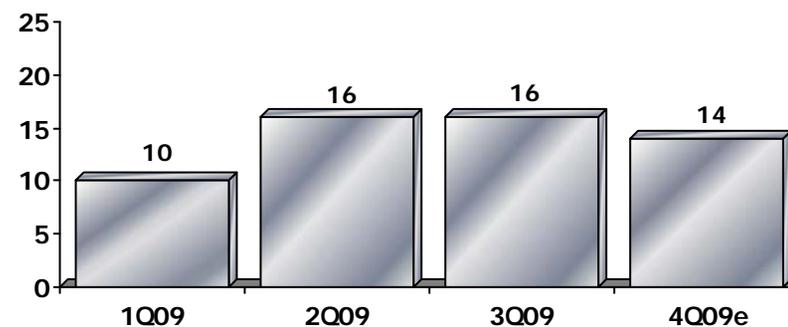
Note: Consolidated copper sales include approximately 174 mm lbs in 1Q09, 196 mm lbs in 2Q09, 180 mm lbs in 3Q09 and 190 mm lbs in 4Q09e for noncontrolling interest; excludes purchased copper

Gold Sales (thousand ozs)



Note: Consolidated gold sales include approximately 53 k oz in 1Q09, 81 k oz in 2Q09, 69 k oz in 3Q09 and 42 k oz in 4Q09e for noncontrolling interest

Molybdenum Sales (million lbs)

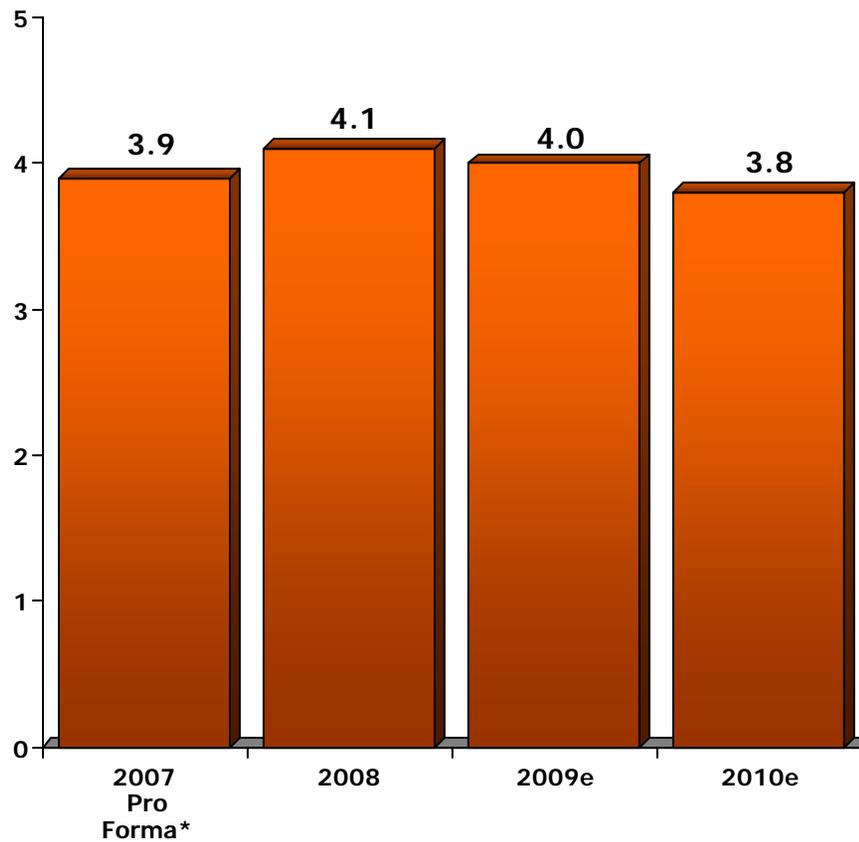


NOTE: e = estimate. See cautionary statement.

# Sales Profile 2007 - 2010e

**Core Assets**

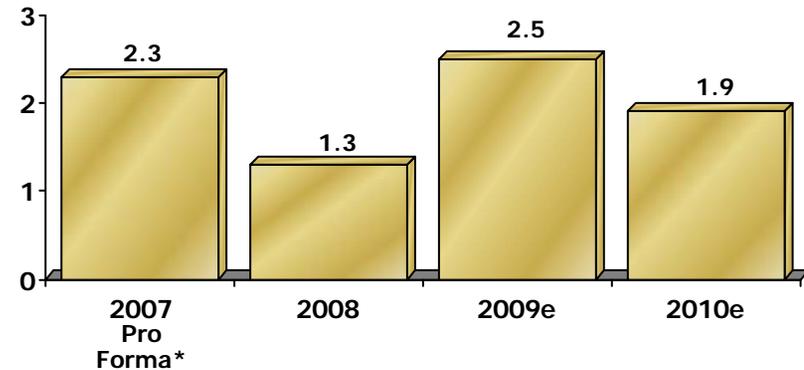
Copper Sales (billion lbs)



Note: Consolidated copper sales include approximately 647 mm lbs in 2007, 699 mm lbs in 2008, 740 mm lbs in 2009e, and 760 mm lbs in 2010e for noncontrolling interest; excludes purchased copper

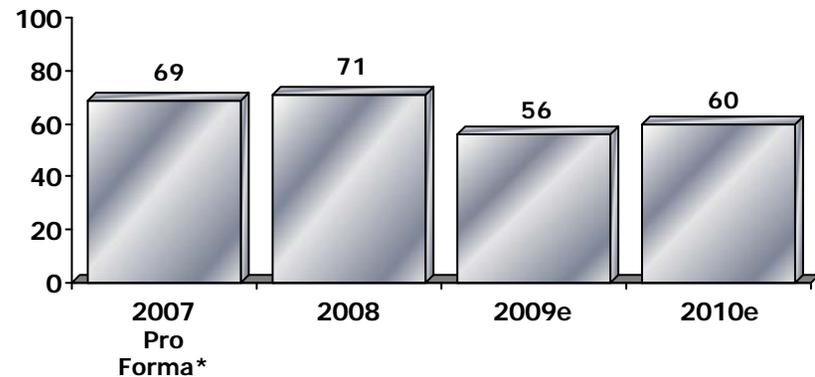
\* 2007 includes pre-acquisition sales of 505 mm lbs of copper, 18 k oz of gold and 17 mm lbs of molybdenum

Gold Sales (million ozs)



Note: Consolidated gold sales include approximately 228 k oz in 2007, 134 k oz in 2008, 245 k oz in 2009e, and 185 k oz in 2010e for noncontrolling interest

Molybdenum Sales (million lbs)



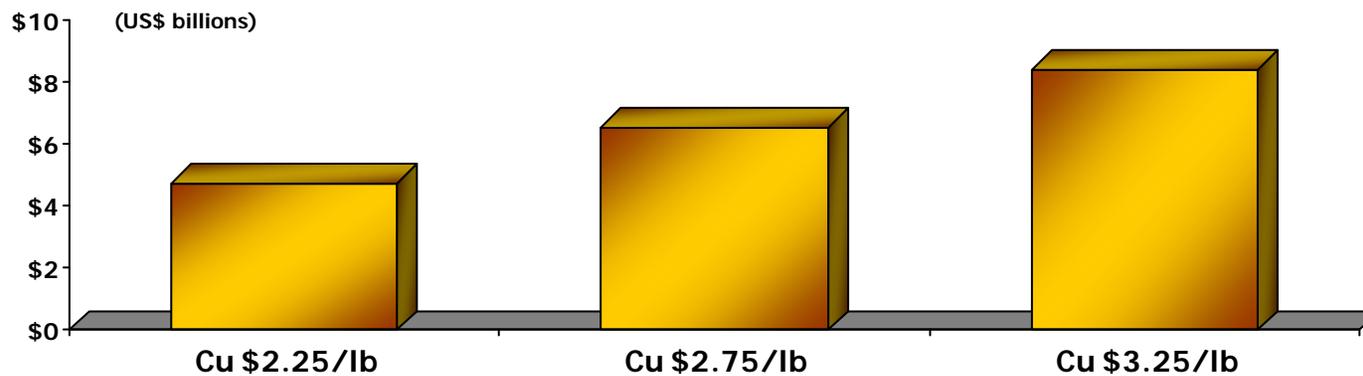
NOTE: e = estimate. See cautionary statement.

# EBITDA and Cash Flow at Various Copper Prices

**Core Assets**

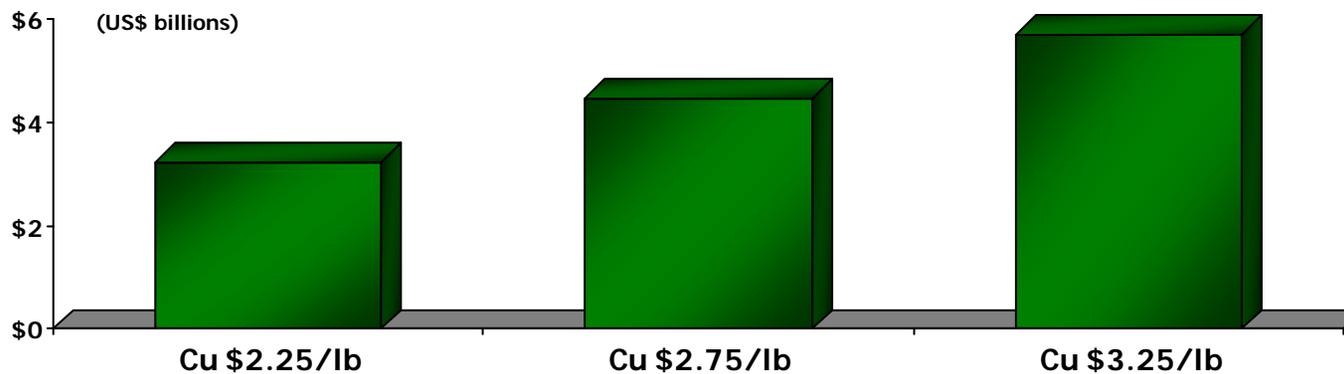
## 2010e Annual EBITDA

(\$900 Gold & \$8 Molybdenum)



## 2010e Annual Operating Cash Flow (excluding Working Capital changes)

(\$900 Gold & \$8 Molybdenum)



Note: For 2010e, each \$50/oz change in gold approximates \$90 million to EBITDA and \$50 million to operating cash flow; each \$2.00/lb of molybdenum approximates \$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	\$90	\$50
Diesel <sup>(1)</sup> : -/+ 10%	\$35	\$25
Purchased Power <sup>(2)</sup> : -/+ 10%	\$40	\$25
Currencies <sup>(3)</sup> : +/- 10%	\$110	\$70

*(1) \$1.90/gallon base case assumption*

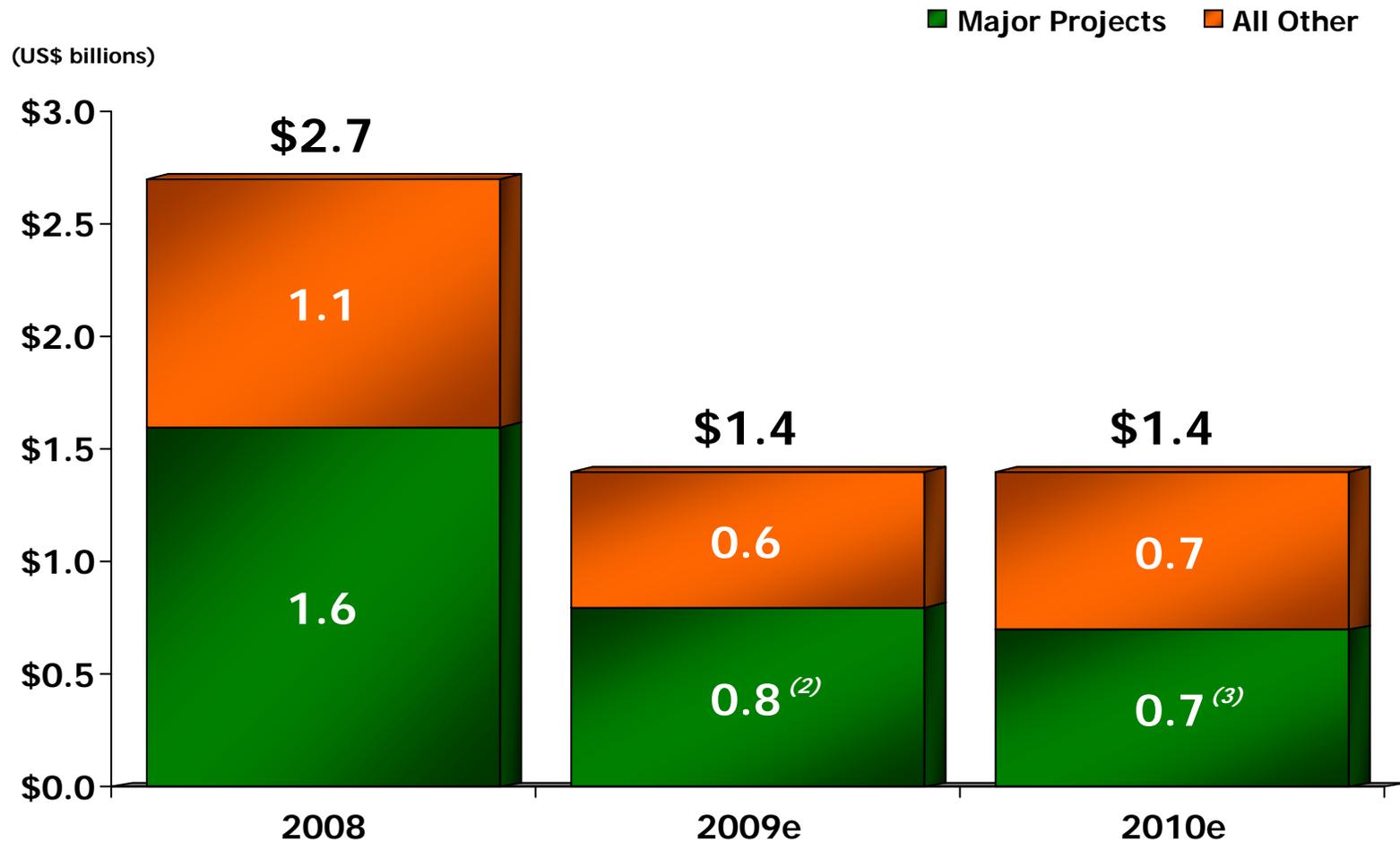
*(2) 6.6¢/kWh base case assumption*

*(3) U.S. Dollar Exchange Rates: 575 Chilean peso, 10,500 Indonesian rupiah, \$0.80 Australian dollar, \$1.40 Euro, 3.00 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. See cautionary statement.

# *Development Project Update*

## *North and South America*

**Core Assets**



## **Miami Mine Restart**

- Restart of the Miami mine
- Ramp up to 100MM lbs Cu/year by second half 2011
- \$40MM project, primarily mining equipment
- 12/31/08 reserves of 600MM lbs Cu

## **Cerro Verde Expansion**

- \$50MM project to increase mill rate from 108K t/d to 120K t/d
- 30MM lbs Cu per year of incremental metal at low cash cost
- Continue to review larger expansion opportunities

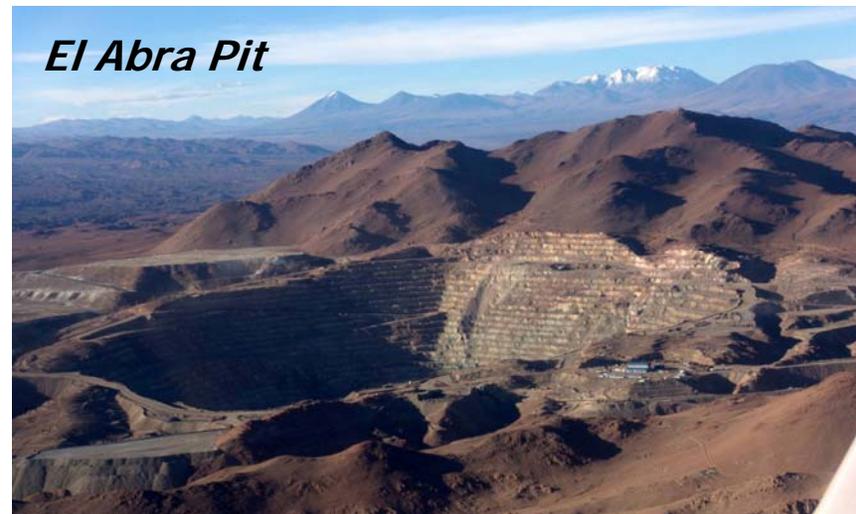


*Cerro Verde Concentrator*

# *El Abra Sulfolix Project*

**Core Assets**

- Resume construction activities for the project, deferred as a result of market conditions at the end of 2008
- 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
- \$600MM project through 2015 with \$450MM to be spent on the initial phase to be completed in 2012\*

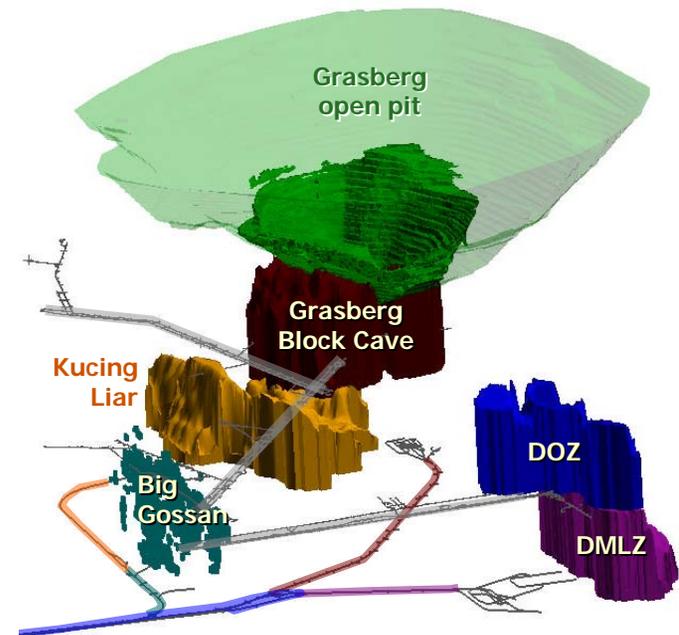


*\* approximately \$350mm remaining to be spent on the initial phase*

# *Long-Term Underground Mine Development in Indonesia*

**Core Assets**

- Several large-scale underground projects to develop significant underground reserves
- DOZ expansion to 80,000 t/d substantially complete
- Big Gossan mine – small, high-grade mine with full rates by late 2012
- Grasberg Block Cave – continuing development to ramp-up upon completion of the open pit
- Deep MLZ – completing Feasibility Study with mine start-up as the DOZ ramps down



# *Tenke Fungurume*

**Core Assets**

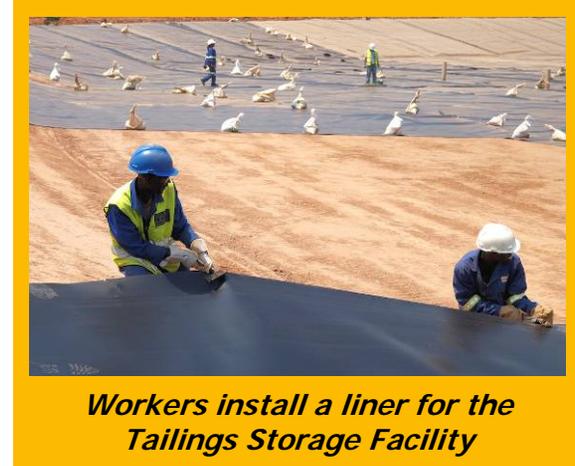
- During 3Q09, 54MM lbs Cu produced & 40MM lbs Cu sold; 1MM lbs Co produced
- Construction activities substantially complete; cobalt plant operating & acid plant started up in 3Q09
- Ramping up to full capacity; aggregate annual production of 250MM lbs Cu & 18MM lbs Co
- Exploration activities continue to support opportunities for future expansion
- Plan to commence feasibility study in 4Q09 to evaluate second phase of the project, optimizing current plant and potentially increasing capacity by 50%



# Tenke Fungurume Project Highlights

**Core Assets**

- Largest Investment in DRC - ~\$2.0 billion
- World-Class Design & Construction
- Significant Infrastructure Upgrades
- Expanding Social & Community Programs

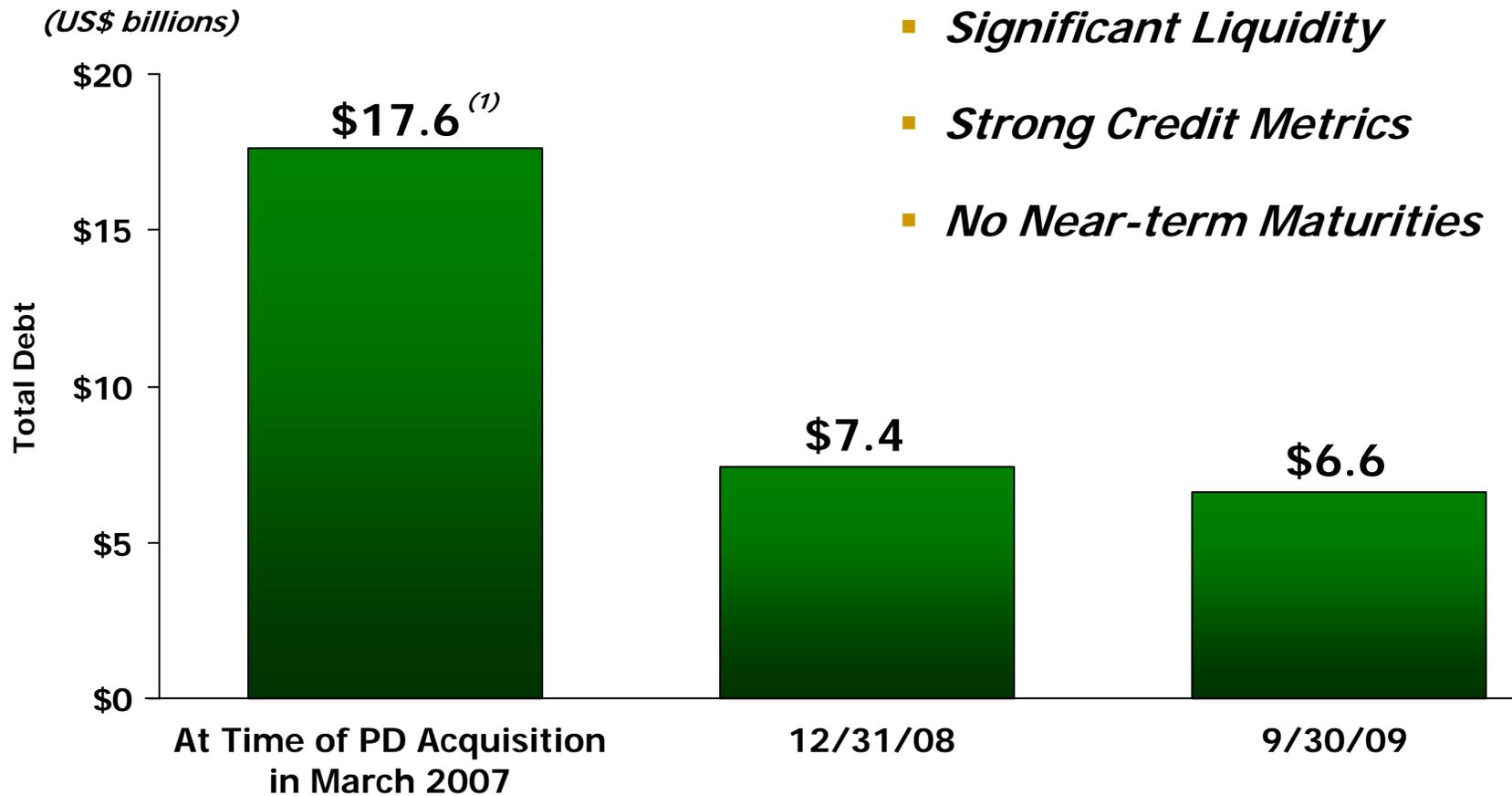


*Children use one of the additional potable water wells at Fungurume*

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

# Balance Sheet

**Core Assets**



- *Significant Liquidity*
- *Strong Credit Metrics*
- *No Near-term Maturities*

<i>Cash</i>	<i>\$3.4</i>	<i>\$0.9</i>	<i>\$2.3</i>
<i>Net Debt</i>	<i>\$14.2</i>	<i>\$6.5</i>	<i>\$4.3</i>

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

# *Financial Policy*

**Core Assets**

- **Maintain Strong Balance Sheet & Liquidity Position**
- **Aggressive Cost Management**
- **Invest in Attractive Growth Projects as Economic Conditions Warrant**
- **Opportunistic Debt Repayment**
- **Board Action to Reinstate Common Stock Dividend:  
\$0.60/share per annum**
- **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**