



**FREEPORT-McMoRAN
COPPER & GOLD**

***1st Quarter 2009
Earnings Conference Call***

Core Assets

FCX
LISTED
NYSE

www.fcx.com

April 22, 2009



Cautionary Statement Regarding Forward-Looking Statements



Core Assets

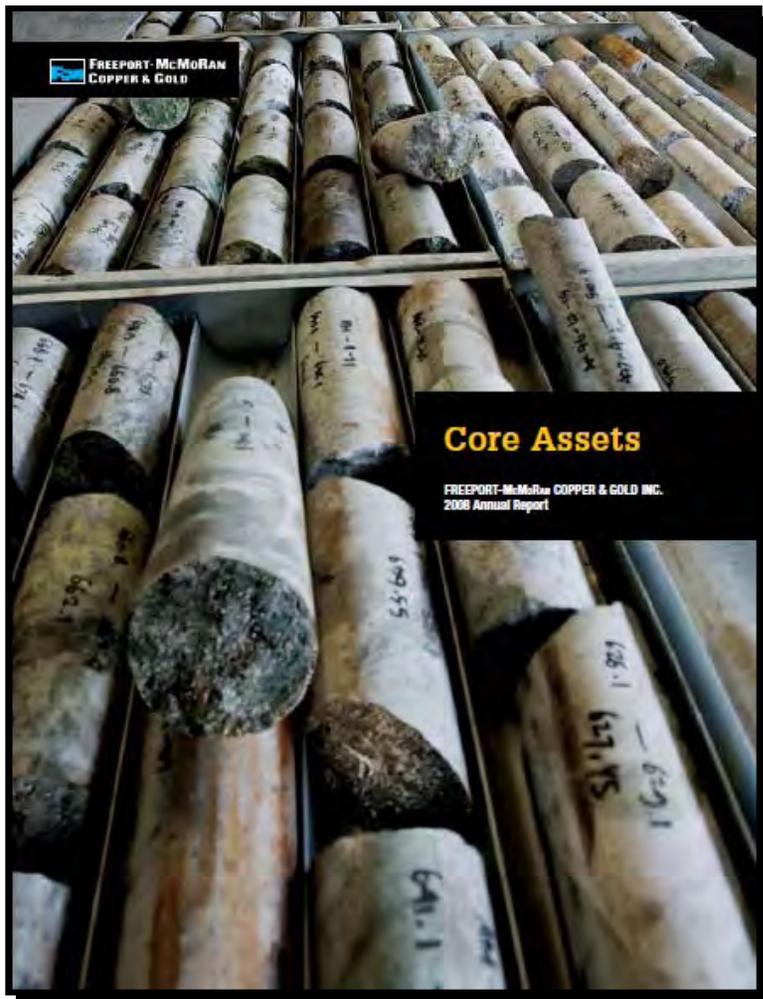
This presentation contains forward-looking statements in which we discuss factors we believe may affect our performance in the future. Forward-looking statements are all statements other than historical facts, such as statements regarding projected ore grades and milling rates, projected sales volumes, projected unit net cash costs, projected operating cash flows, projected capital expenditures, the impact of copper, gold and molybdenum price changes, 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 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. 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 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

2008 Annual Report Highlights



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

1Q09 Highlights



Sales Data

1Q09
1Q08

Copper

Consolidated Volumes (mm lbs)	1,020	911
Average Realization (per lb)	\$1.72	\$3.69
Site Production & Delivery Unit Costs (per lb)	\$1.07	\$1.47
Unit Net Cash Costs (per lb)	\$0.66	\$1.06

Gold

Consolidated Volumes (000's ozs)	545	280
Realization (per oz)	\$904	\$933

Molybdenum

Consolidated Volumes (mm lbs)	10	20
Realization (per lb)	\$11.52	\$31.67

Financial Results (in millions, except per share amounts)

Revenues ⁽¹⁾	\$2,602	\$5,672
Net Income Applicable to Common Stock ^(1, 2)	\$43	\$1,122
Diluted Earnings Per Share ^(1, 2)	\$0.11	\$2.64
Operating Cash Flows ⁽³⁾	\$(258)	\$615
Capital Expenditures	\$519	\$508

(1) Includes unrealized gains totaling \$19 mm (\$19 mm to net income or \$0.05/share) in 1Q09 and \$18 mm (\$11 mm to net income or \$0.02/share) in 1Q08 on copper derivative contracts entered into in connection with certain of FCX's sales contracts with its U.S. copper rod customers. These contracts allow FCX to receive market prices in the month of shipment while the customer pays the fixed price they requested.

(2) Includes 1Q09 charges totaling \$31 mm (\$31 mm to net income or \$0.08/share) associated with adjustments to environmental obligations, \$25 mm (\$22 mm to net income or \$0.05/share) for restructuring and other costs associated with FCX's revised operating plans and \$19 mm (\$19 mm to net income or \$0.05/share) for lower of cost or market molybdenum inventory adjustments, partly offset by reductions totaling \$33 mm (\$29 mm to net income or \$0.07/share) for adjustments to 2008 incentive compensation costs.

(3) Includes working capital uses of \$919 mm in 1Q09 and \$1.4 bn in 1Q08.

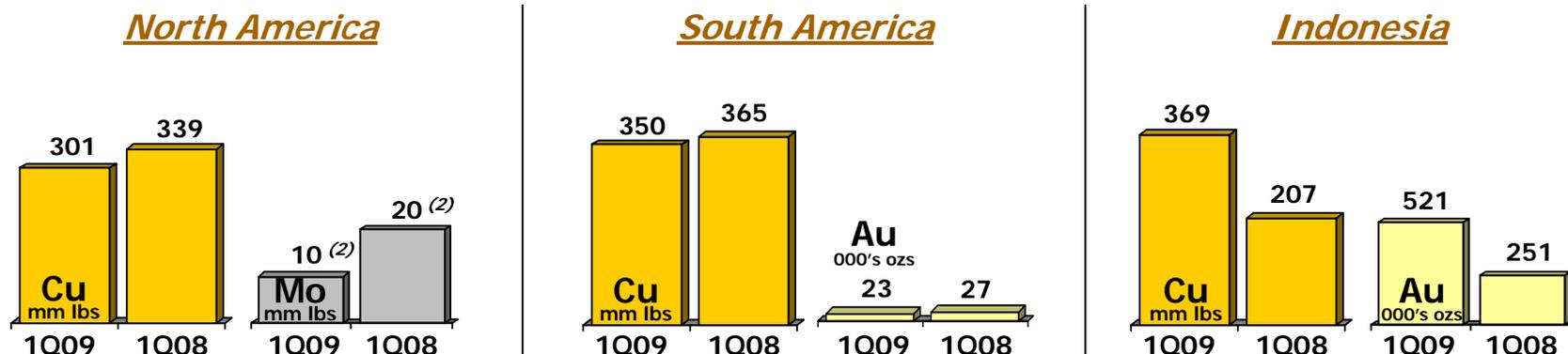
Quarterly Operating Highlights

1Q09 Unit Production Costs

(per pound of copper)

	North America	South America	Indonesia	Consolidated
Cash Unit Costs				
Site Production & Delivery ⁽¹⁾	\$1.32	\$1.00	\$0.92	\$1.07
Royalties ⁽¹⁾	-	-	0.07	0.02
Treatment Charges	0.08	0.14	0.20	0.15
By-product Credits	<u>(0.18)</u>	<u>(0.11)</u>	<u>(1.34)</u>	<u>(0.58)</u>
Unit Net Cash Costs (Credits)	\$1.22	\$1.03	\$(0.15)	\$0.66

Sales From Mines for 1Q by Region



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

(2) Includes molybdenum from South America

NOTE: For a reconciliation of unit net cash cost per pound to production and delivery cost applicable to sales reported in FCX's consolidated financial statements, refer to "Product Revenues and Production Costs" on FCX's web site.

Achieving Cost Reductions

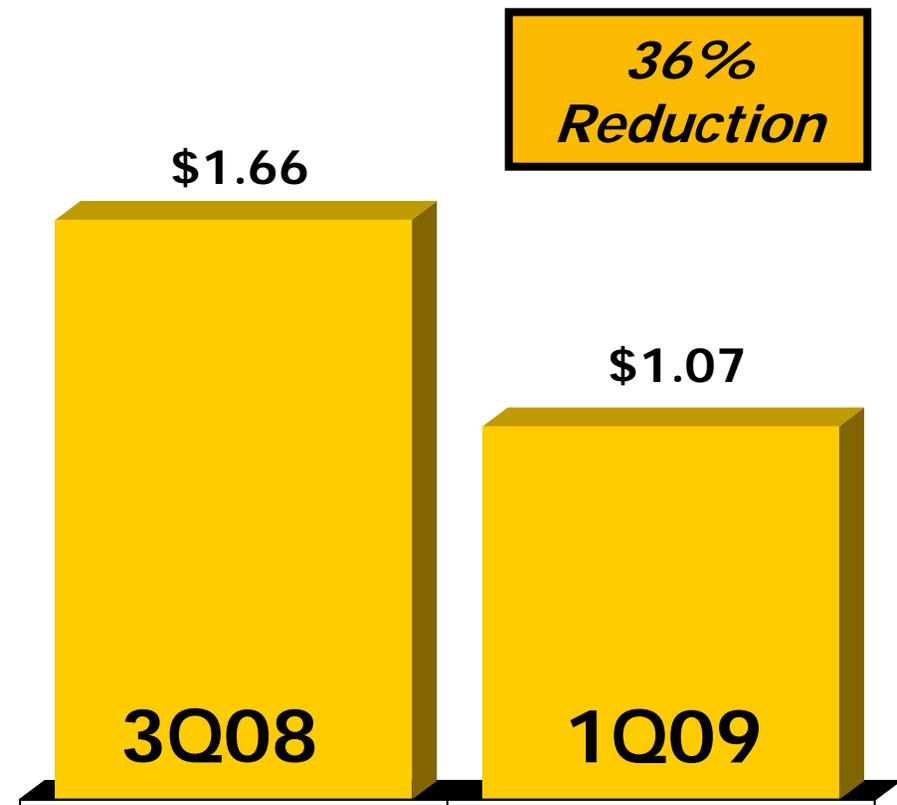
Site Production & Delivery Costs - Consolidated

Core Assets

Consolidated Site Production & Delivery

\$ per pound

- Revised Operating Plans
- Grasberg Ore Grades
- Aggressive Cost Management/Lower Input Costs



Achieving Cost Reductions

Site Production & Delivery Costs – North America

Core Assets

North America Site Production & Delivery

\$ per pound

- Aggressive Cost Management
- Lower Input Costs
 - Diesel prices down 50%
 - Power prices down 35%
 - Significant decline in acid costs



Provisional Pricing

Core Assets

- Under Established Commercial Arrangements, Copper Concentrates are Provisionally Priced when Shipped and are Subject to Final Pricing 1 to 4 Months Later
- Accounting Treatment for Provisional Sales

Earnings Impact

Provisionally Priced "Open Sales" are Recorded at Prevailing Future Prices Subject to Future Adjustments for Final Pricing

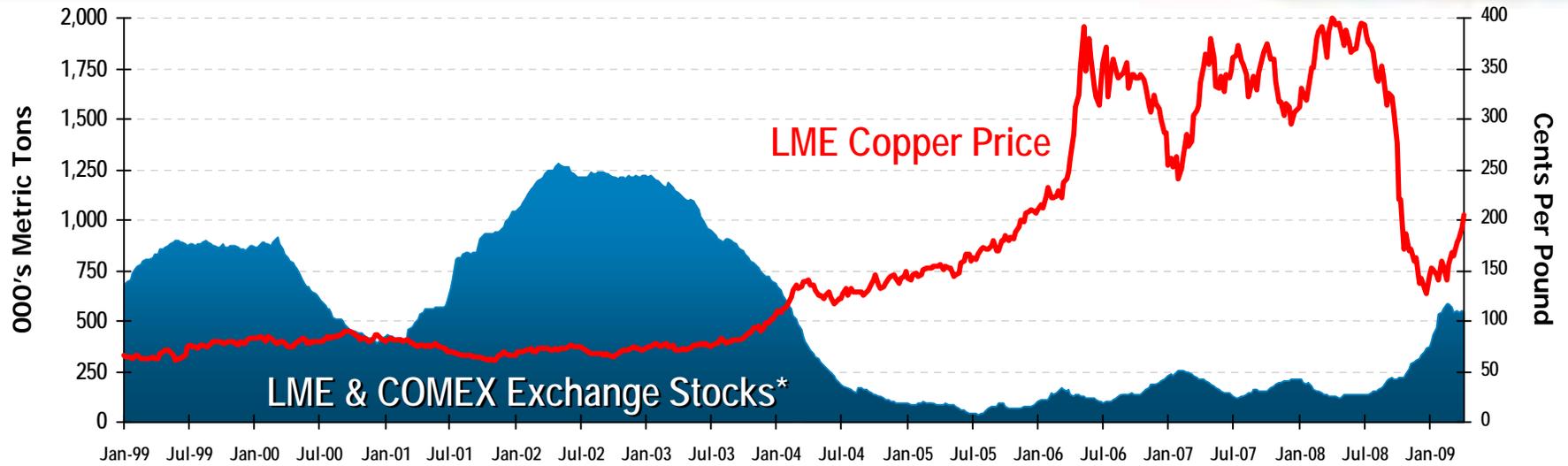
Cash Flow Impact

Customers Generally Pay 90% of Provisional Invoice at Time of Shipment and Amounts are Settled at Final Pricing

- During 1Q09, FCX had Final Settlements with Customers Totaling ~\$600 mm Related to 2008 Sales, Which were Provisionally Invoiced at Higher Prices (P&L Impact was Recorded in 4Q08 Results)
- In Early April, FCX Locked in Prices of \$1.86/lb on 355 mm lbs of PT-FI's March 31, 2009 Provisionally Priced Sales to Reduce Short-term Volatility in Earnings and Cash Flows
 - No Change in Long-Standing Policy of Not Hedging Future Copper Production

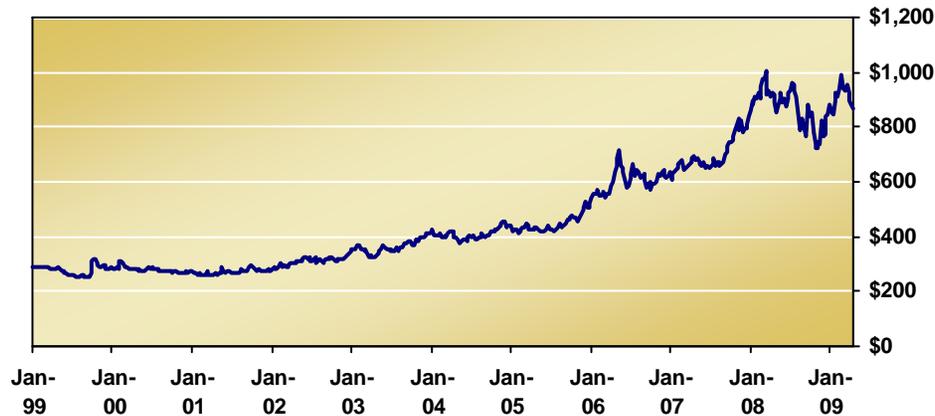
Markets

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*

Operating Plan Overview

Core Assets

North & South America

- **Reduced rates at Morenci, Safford and Tyrone**
- **Suspended operations at Chino; produce from leach pads**
- **Reduced mining rates in Candelaria/Ojos district**

Molybdenum

- **Reduced further with an approximate 40% reduction to Henderson's annual production, which totaled 40mm lbs in 2008**
- **Adjusted production plans at certain by-product mines, including Cerro Verde which produced 3mm lbs in 2008**

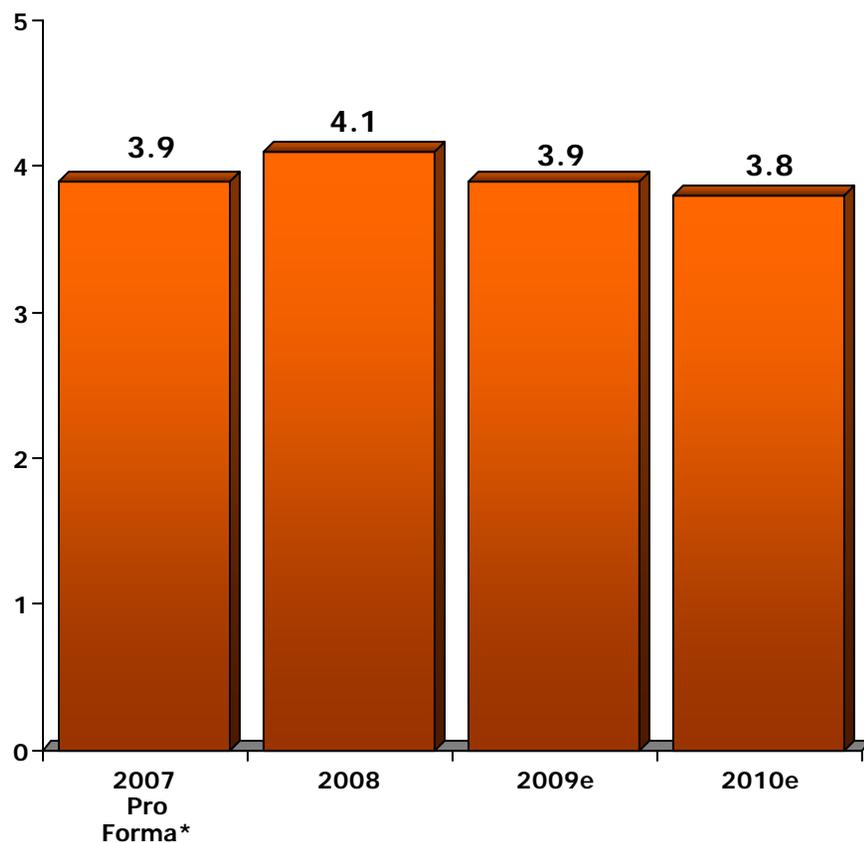
All Operations

- **Deferred projects & reduced manpower, costs and CAPEX**
- **Continue to refine & optimize plans and aggressively manage costs**

Sales Profile 2007 - 2010e

Core Assets

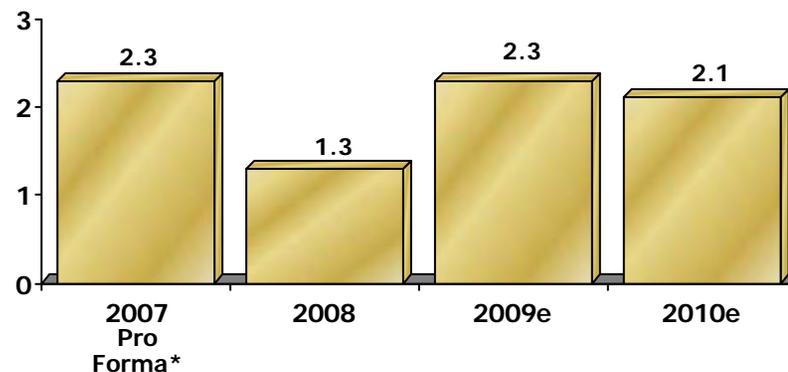
Copper Sales (billion lbs)



Note: Consolidated copper sales include approximately 647 mm lbs in 2007, 699 mm lbs in 2008, 750 mm lbs in 2009e, and 740 mm lbs in 2010e for noncontrolling interest; excludes purchased copper

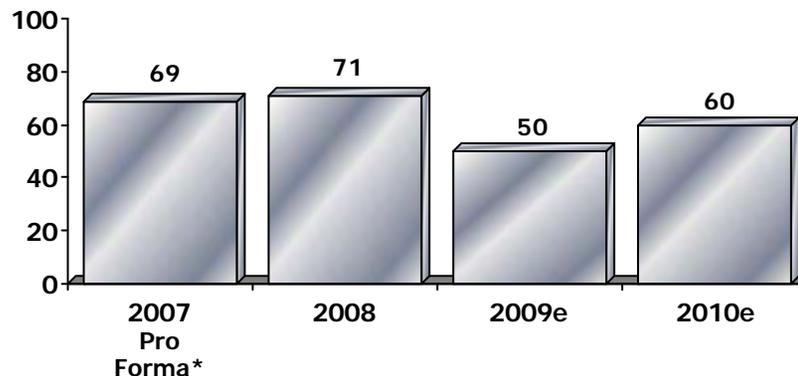
* 2007 includes pre-acquisition sales of 505 mm lbs of copper, 18 k oz of gold and 17 mm lbs of molybdenum

Gold Sales (million ozs)



Note: Consolidated gold sales include approximately 228 k oz in 2007, 134 k oz in 2008, 230 k oz in 2009e, and 210 k oz in 2010e for noncontrolling interest

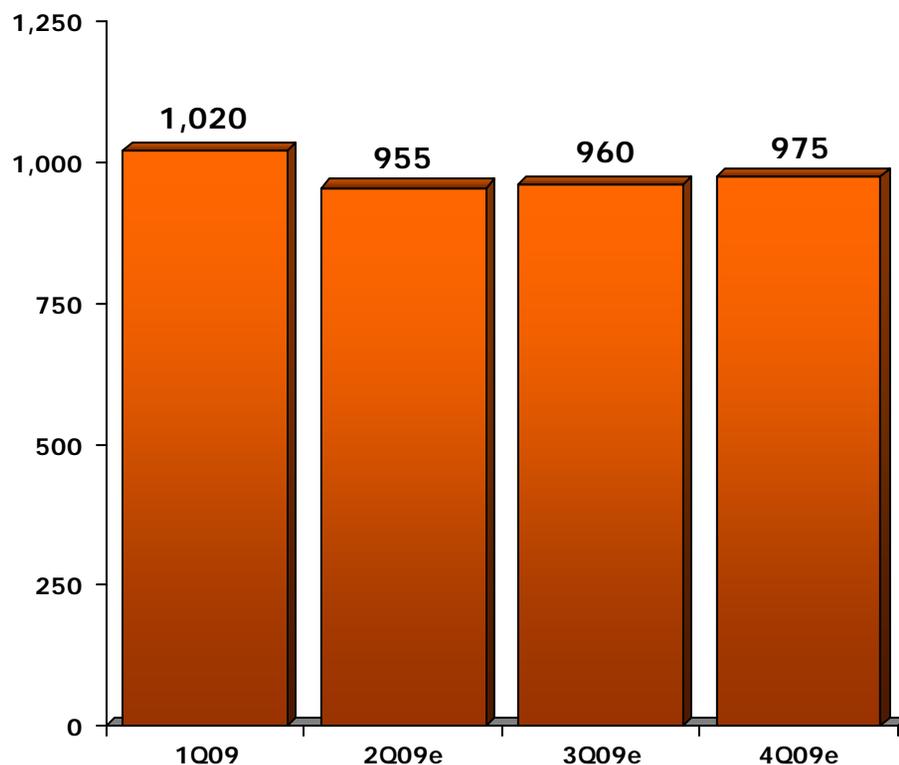
Molybdenum Sales (million lbs)



e = estimate. Please see Cautionary Statement.

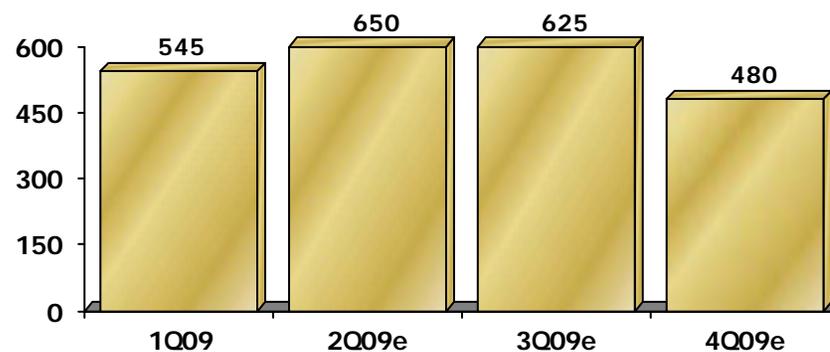
2009e Quarterly Payable Metal Sales

Copper Sales (million lbs)



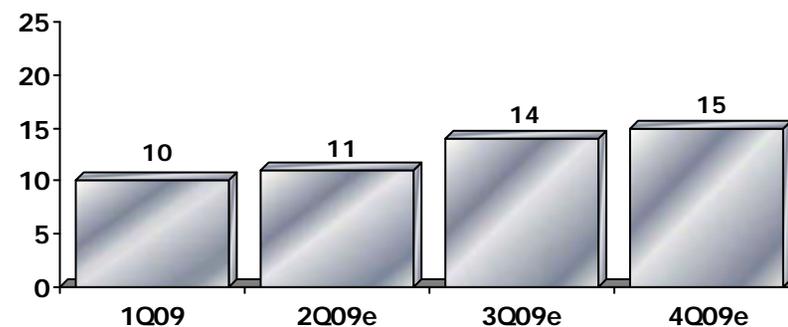
Note: Consolidated copper sales include approximately 174 mm lbs in 1Q09, 175 mm lbs in 2Q09e, 200 mm lbs in 3Q09e and 200 mm lbs in 4Q09e for noncontrolling interest; excludes purchased copper

Gold Sales (thousand ozs)



Note: Consolidated gold sales include approximately 53 k oz in 1Q09, 65 k oz in 2Q09e, 60 k oz in 3Q09e and 50 k oz in 4Q09e for noncontrolling interest

Molybdenum Sales (million lbs)

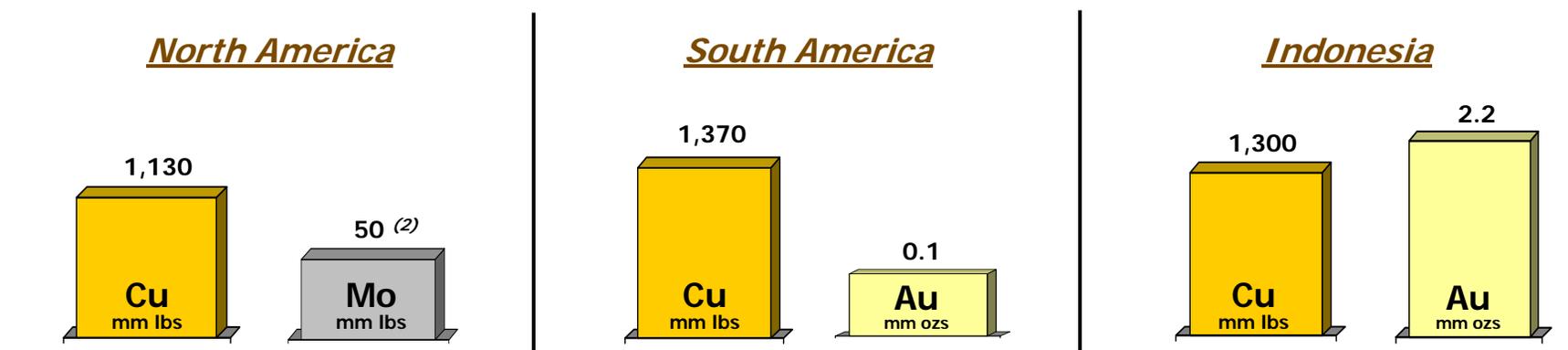


e = estimate. Please see Cautionary Statement.

2009e Sales and Unit Production Costs by Region

Core Assets

2009e Sales by Region ⁽¹⁾



	North America	South America	Indonesia	Consolidated ⁽⁵⁾
<i>(per pound of copper)</i>				
Cash Unit Costs ⁽³⁾				
Site Production & Delivery ⁽⁴⁾	\$1.31	\$1.02	\$1.11	\$1.14
Royalties ⁽⁴⁾	-	-	0.08	0.03
Treatment Charges	0.08	0.13	0.21	0.14
By-product Credits	<u>(0.17)</u>	<u>(0.10)</u>	<u>(1.53)</u>	<u>(0.61)</u>
Unit Net Cash Costs (Credits)	<u>\$1.22</u>	<u>\$1.05</u>	<u>\$(0.13)</u>	<u>\$0.70</u>

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

(2) Includes moly from South America

(3) Estimates assume average prices of \$2.00/lb for copper, \$900/oz for gold and \$8/lb for molybdenum for the remainder of 2009. Quarterly unit costs will vary significantly with quarterly metal sales volumes.

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

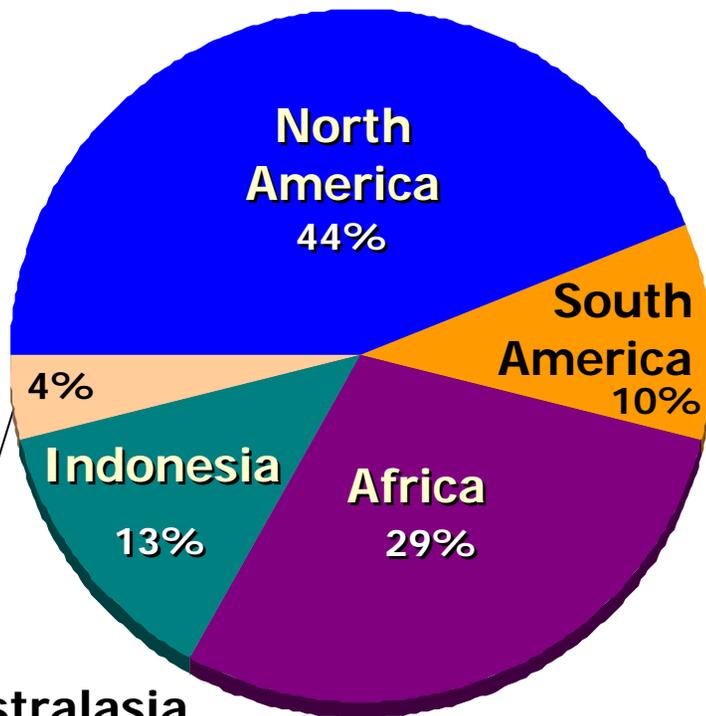
(5) 2009 consolidated amounts exclude Africa

Note: e = estimate. See Cautionary Statement.

Exploration

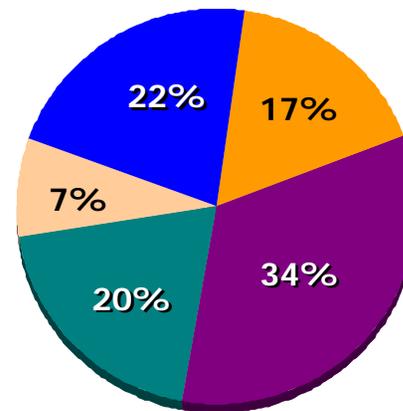
Core Assets

2008
\$248 million



**Australasia
& Other Areas**

2009e
\$75 million



Activities focused on incorporating significant data obtained in 2008 into our future plans

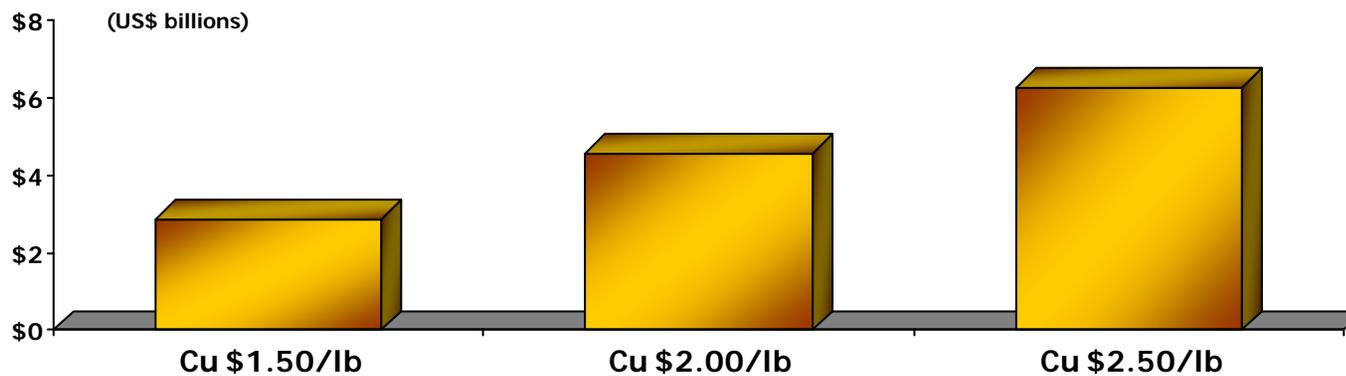
Note: FCX's consolidated share; e = estimate. See Cautionary Statement.

EBITDA and Cash Flow at Various Copper Prices

Core Assets

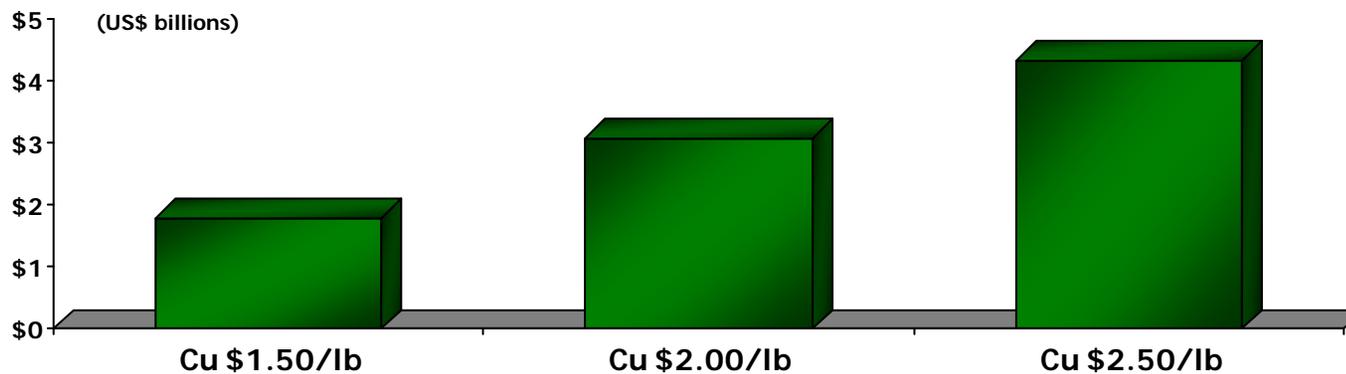
2009e & 2010e Average Annual EBITDA

(\$900 Gold & \$8 Molybdenum)



*2009e & 2010e Average Annual Operating Cash Flow (excluding Working Capital) **

(\$900 Gold & \$8 Molybdenum)



* Excludes working capital changes. 2009e expected to be impacted by negative working capital totaling \$600 million (at \$2.00 copper) primarily associated with final settlement to customers on 2008 open pounds. Initiatives to reduce working capital requirements under way.

Note: On an annual basis, each \$50/oz change in gold approximates \$100 million to EBITDA and \$60 million to operating cash flow; each \$2.00/lb of molybdenum equates to \$100 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 (2009e & 2010e Avg.)

Change	EBITDA	Operating Cash Flow
	<i>(US\$ millions)</i>	
Copper: -/+ \$0.10/lb	\$375	\$260
Molybdenum: -/+ \$1.00/lb	\$50	\$45
Gold: -/+ \$50/ounce	\$100	\$60
Diesel ⁽¹⁾ : -/+ 10%	\$25	\$15
Purchased Power ⁽²⁾ : -/+ 10%	\$40	\$25
Currencies ⁽³⁾ : +/- 10%	\$110	\$65

⁽¹⁾ \$1.40/gallon base case assumption

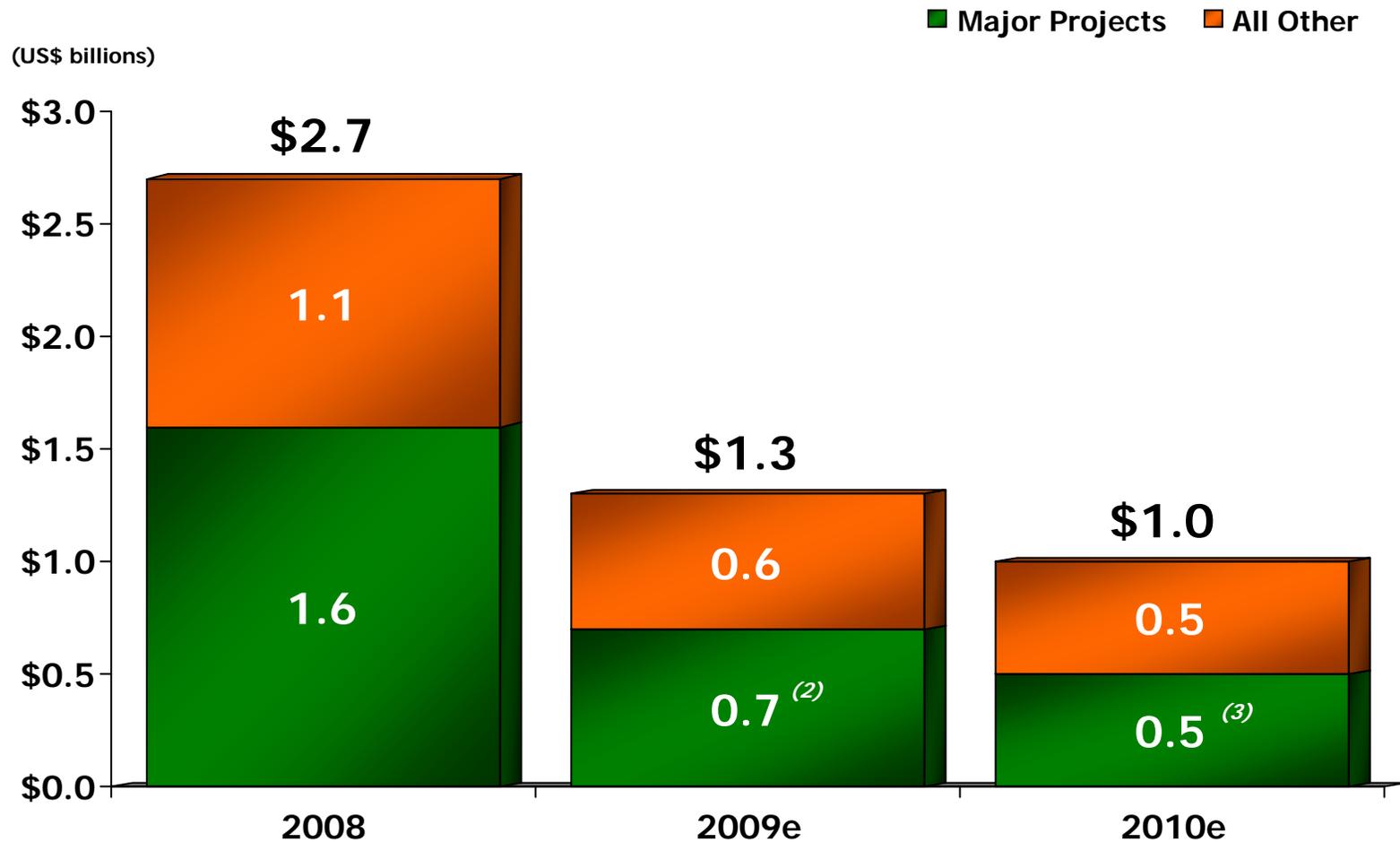
⁽²⁾ 6.8¢/kWh base case assumption

⁽³⁾ 600 Chilean peso, 11,000 Indonesian rupiah, \$0.70 Australian dollar, \$1.35 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 Project Update

Core Assets

- Construction and commissioning activities advanced; first copper produced in March as project entered start-up phase
- Construction activities focused on completing the cobalt and acid plants
- Ramp-up to full capacity in 2H09; aggregate annual production of 250MM lbs Cu & 18MM lbs Co
- \$1.75 billion in aggregate capital costs; \$1.6 billion incurred through 3/31
- Reserves at 12/31/08 of 119MM mt at 2.6% Cu & 0.35% Co (5.9 billion lbs Cu & 0.7 billion lbs Co); reserves expected to continue to increase



First Copper in March

Tenke Fungurume Development Project Update

Core Assets



**Loaded Blanks
Ready for Stripping**

Cathodes Ready for Shipment



**SAG Mill.
First Ore to Mill in March**



**Construction Site
1Q09**

Stockpile

PLS
Ponds

Leach
& CCD

SAG

Acid
Plant

Cobalt
Plant

SX

EW



**Sulphuric Acid Plant
Construction Activities Continue**

Tenke Fungurume

Core Assets

- World-class design & construction, using modern technology and international standards for environmental management, occupational safety and social responsibility
- Significant infrastructure investments, including upgrading national road & regional power systems



Workers install a liner for the Tailings Storage Facility



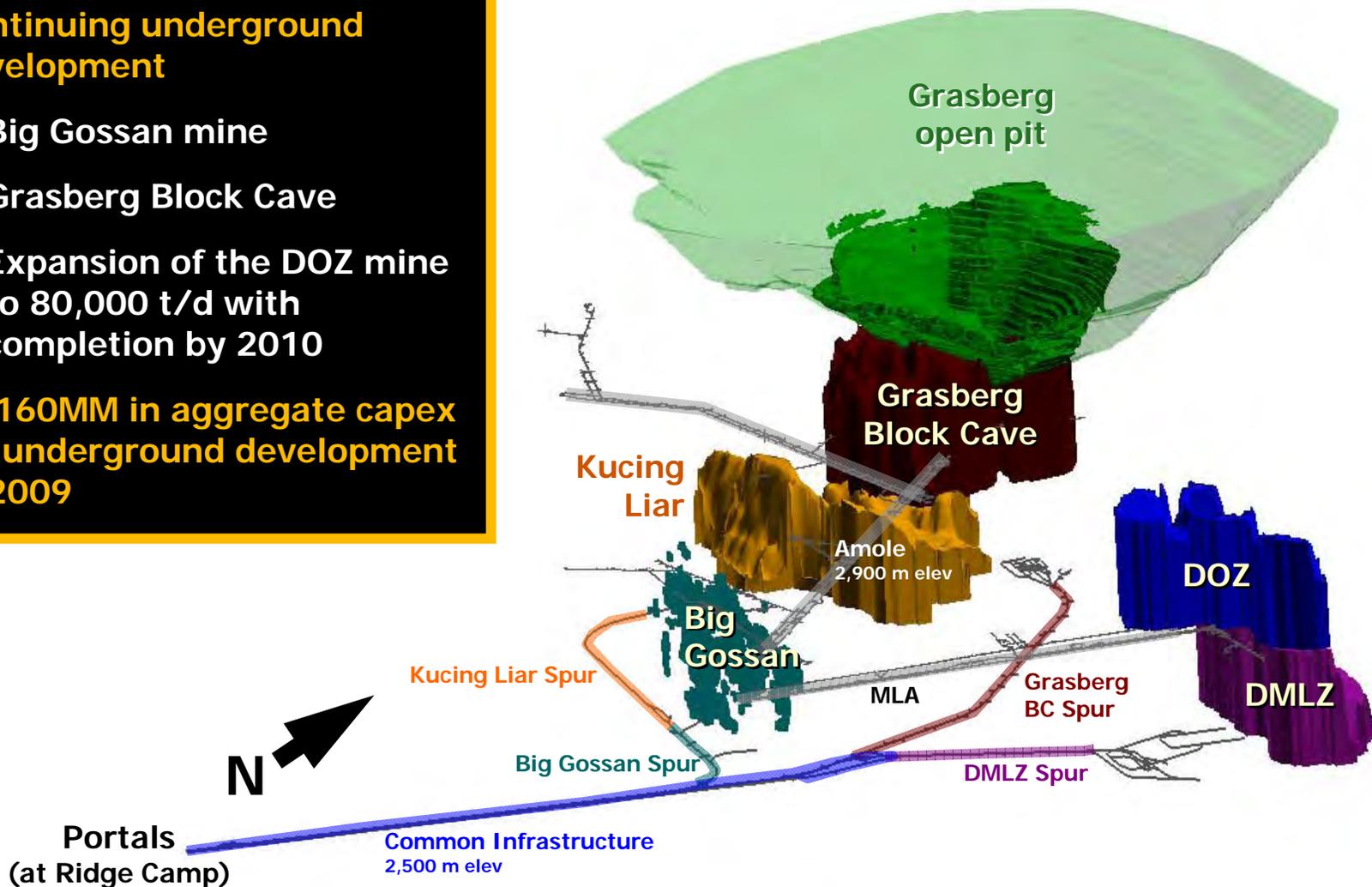
Children use one of the additional potable water wells at Fungurume

- Social & community programs continue to expand
 - Local businesses
 - Agricultural initiatives
 - Malaria programs
 - Potable water wells
 - New medical facilities
 - New schools
- Project will provide important benefits to the Congolese through employment & local services and to the DRC government through tax, royalty and dividend payments

Underground Mine Development in Indonesia Grasberg District Ore Bodies

Core Assets

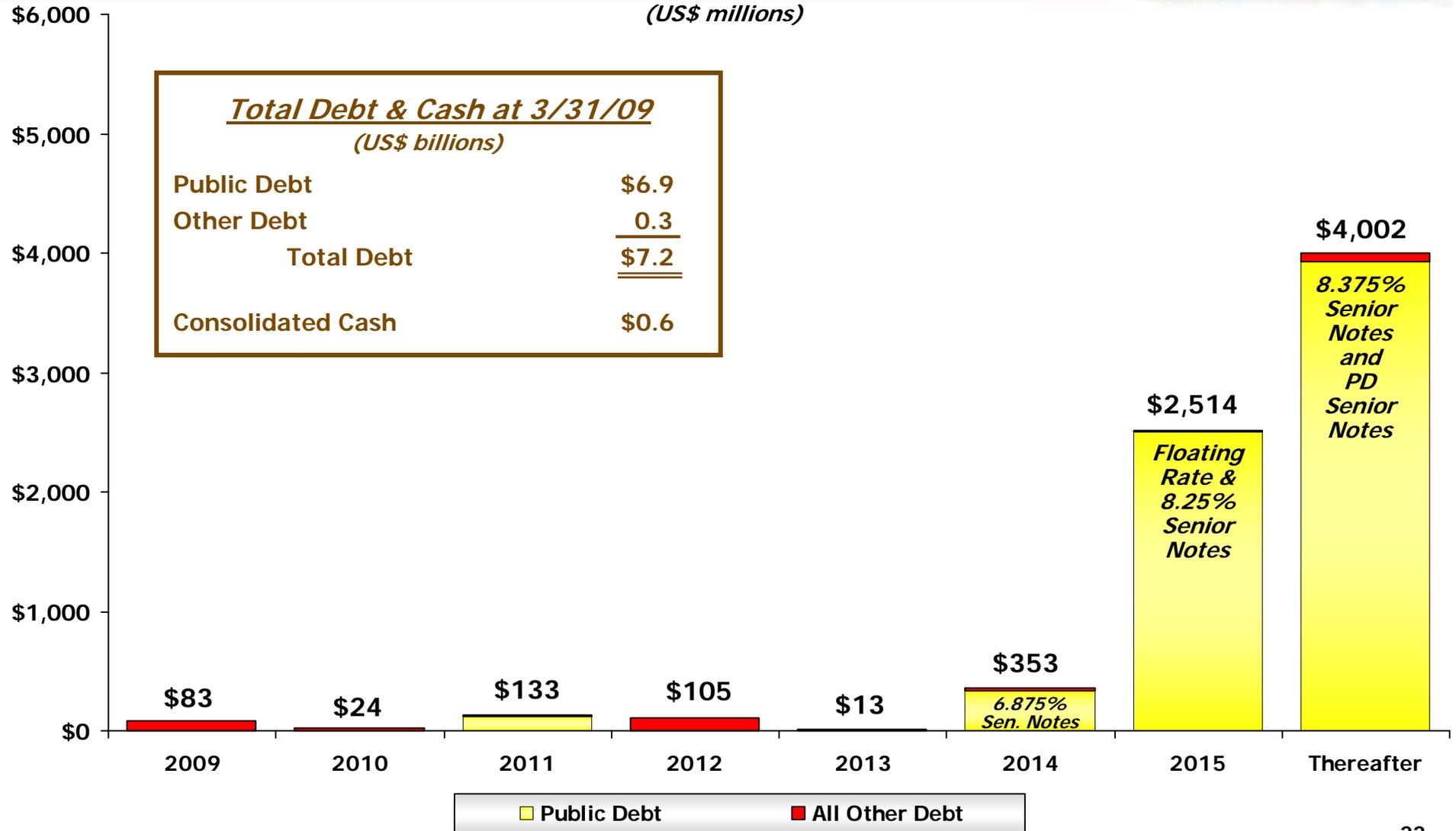
- Continuing underground development
 - Big Gossan mine
 - Grasberg Block Cave
 - Expansion of the DOZ mine to 80,000 t/d with completion by 2010
- ~\$160MM in aggregate capex for underground development in 2009





FCX Debt Maturities 3/31/09

(US\$ millions)



Financial Policy

Core Assets

- **Maintain Strong Balance Sheet & Liquidity Position**
- **Aggressive Cost Management**
- **Capital Investments Will be Limited in Current Market Environment**
- **Near-Term Focus Will be on Protecting Liquidity While Preserving Large Mineral Resources and Growth Options**
- **Board to Review Financial Policy on an Ongoing Basis**

FCX Investment Summary

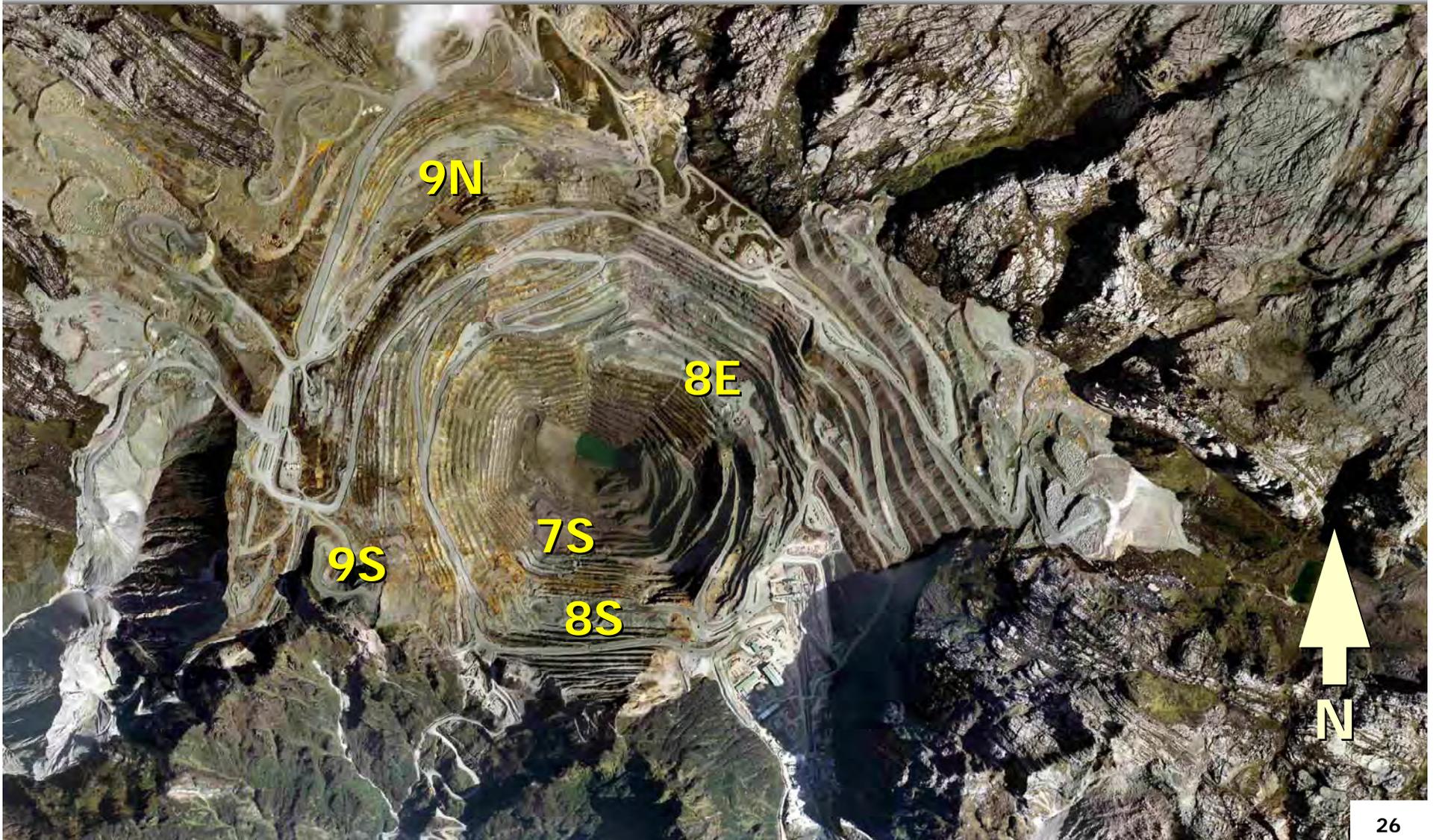
Core Assets

- **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**

Reference Slides

Grasberg Open Pit

Core Assets



PT-FI Mine Plan

PT-FI's Share of Metal Sales, 2009e-2013e

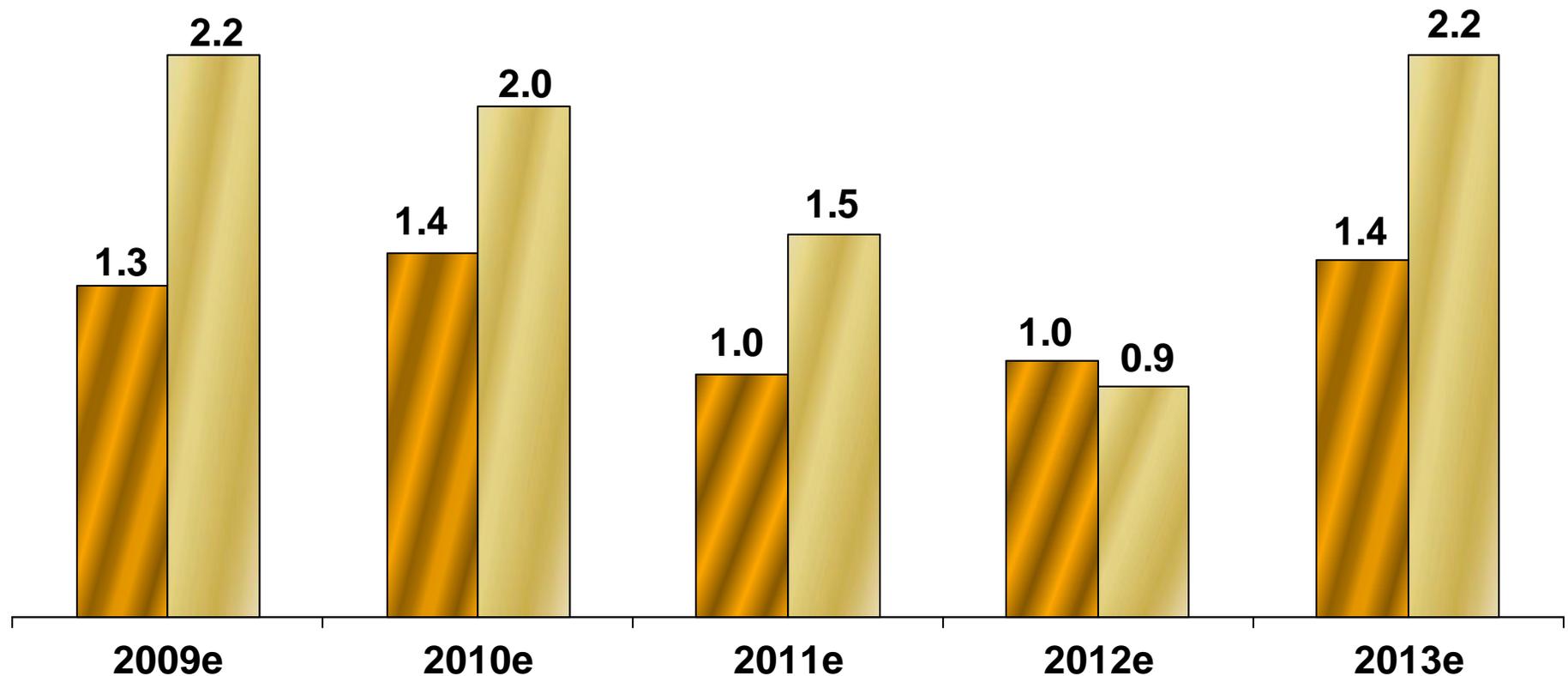
Core Assets

 **Copper, billion lbs**

 **Gold, million ozs**

2009e – 2013e PT-FI Share
Total: 6.1 billion lbs
Annual Average: 1.2 billion lbs

2009e – 2013e PT-FI Share
Total: 8.8 million ozs
Annual Average: 1.8 million ozs



e = estimate. Amounts are projections; see Cautionary Statement.

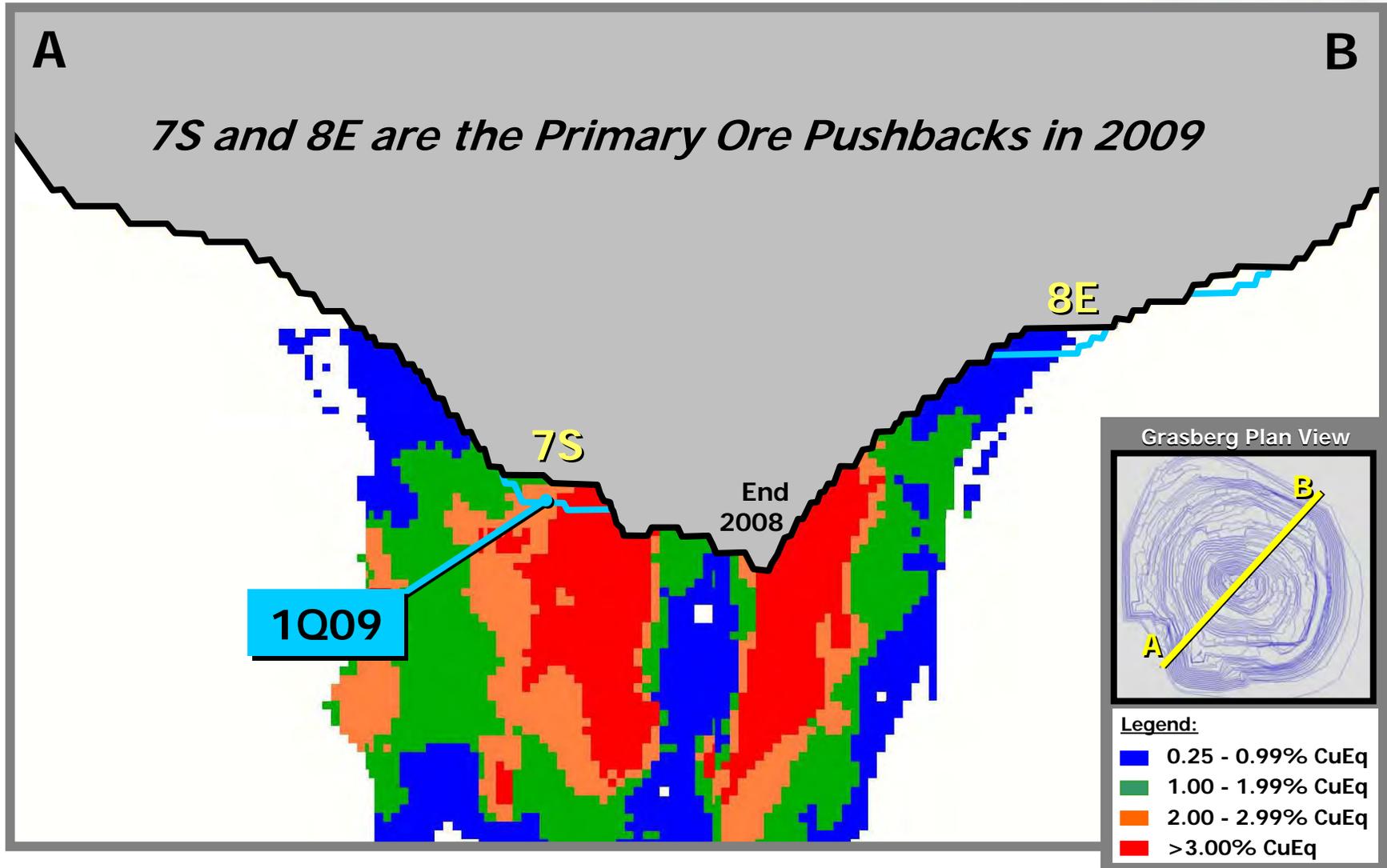
Note: Timing of annual sales will depend upon mine sequencing, shipping schedules and other factors.

Mining Sequence in 2009

Copper Equivalent Cross Section

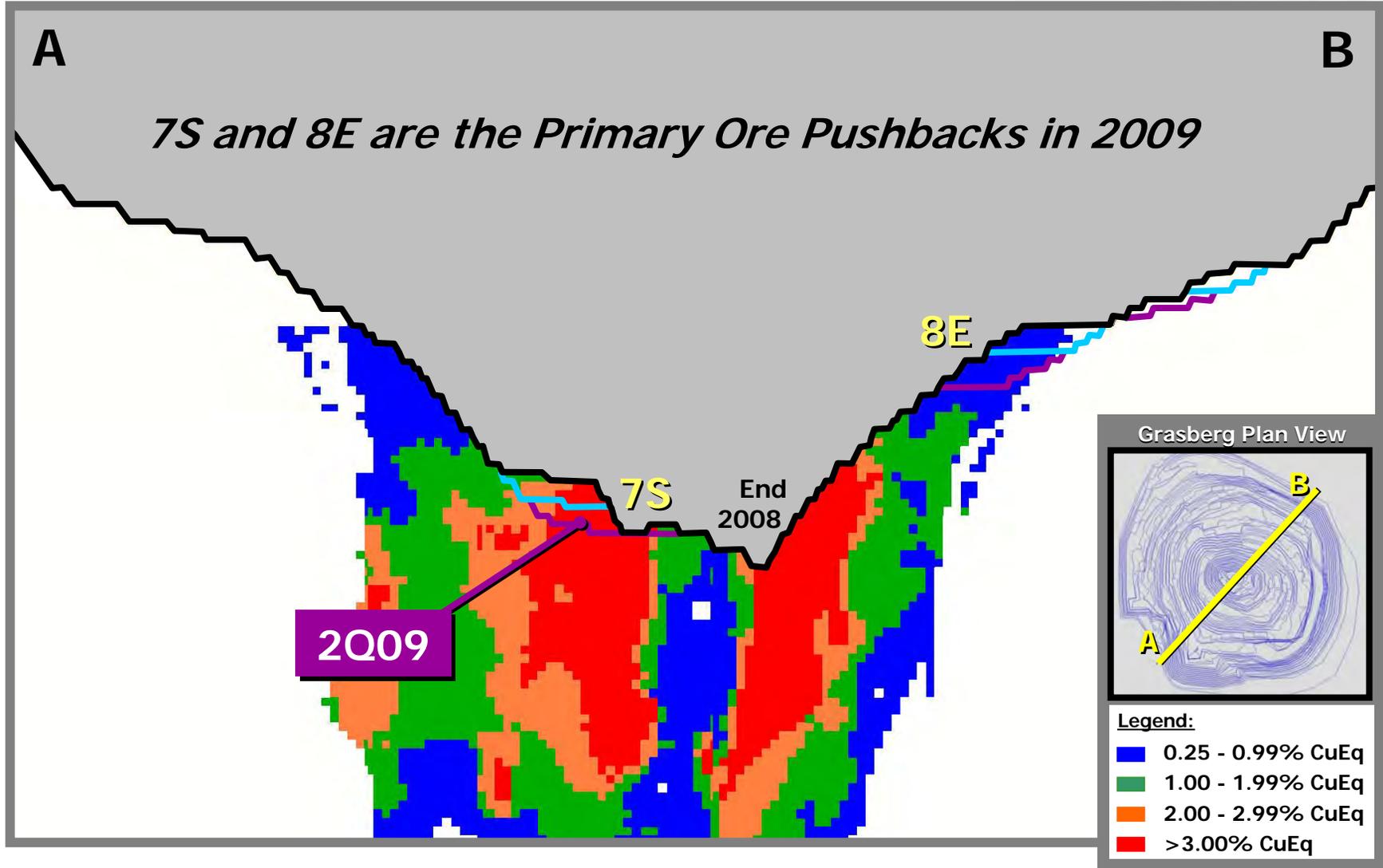


Core Assets



Mining Sequence in 2009

Copper Equivalent Cross Section

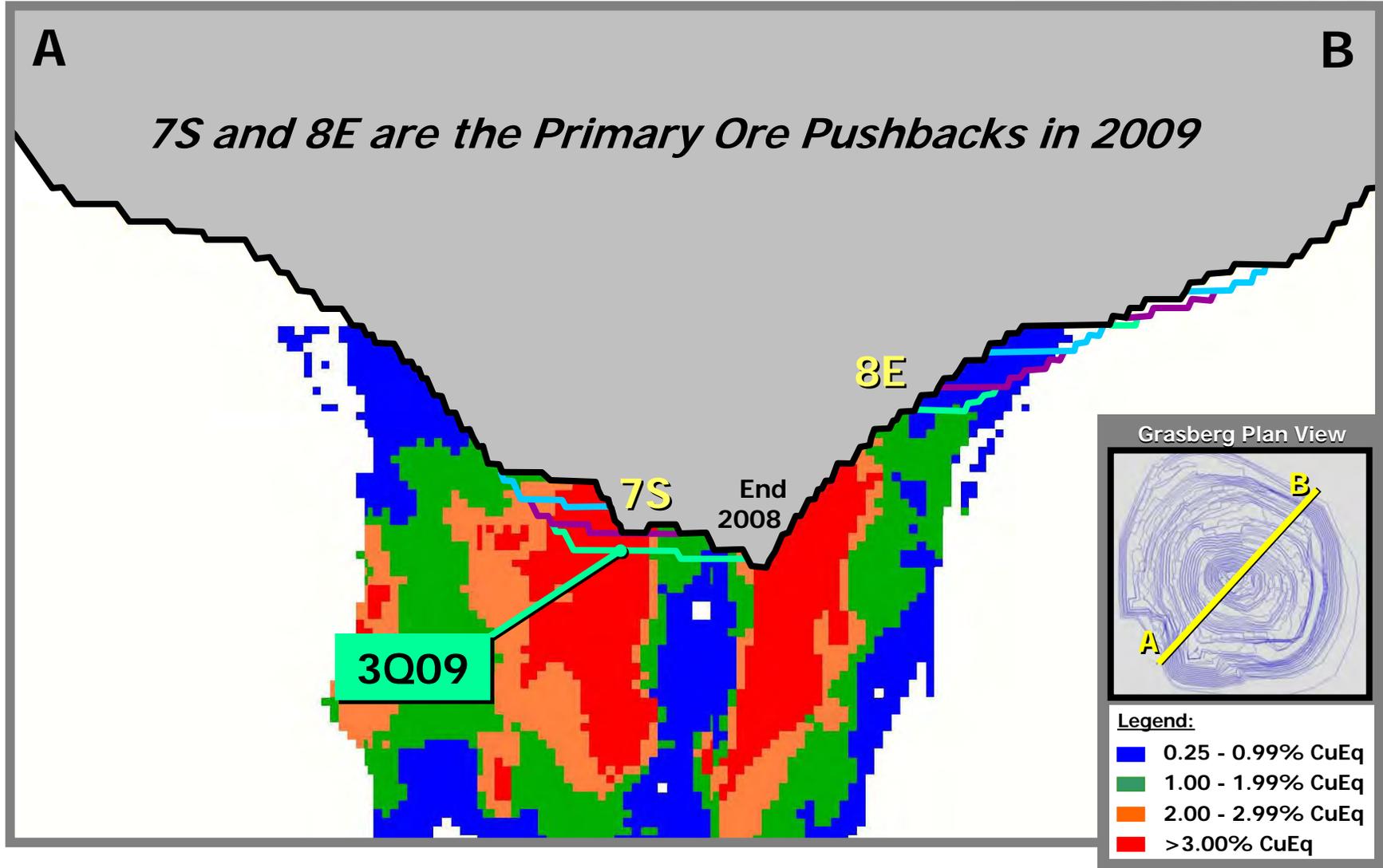


Mining Sequence in 2009

Copper Equivalent Cross Section



Core Assets

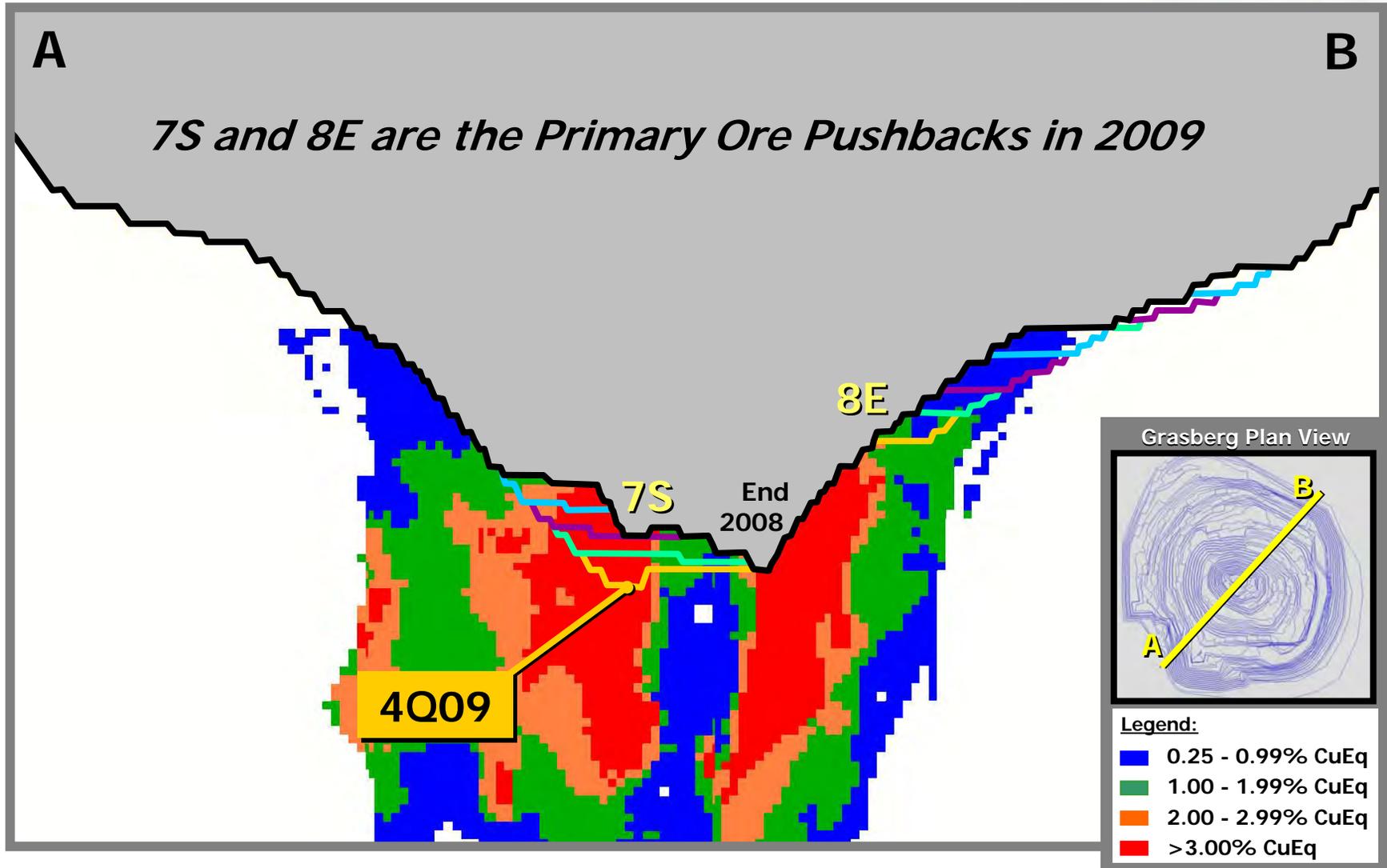


Mining Sequence in 2009

Copper Equivalent Cross Section



Core Assets

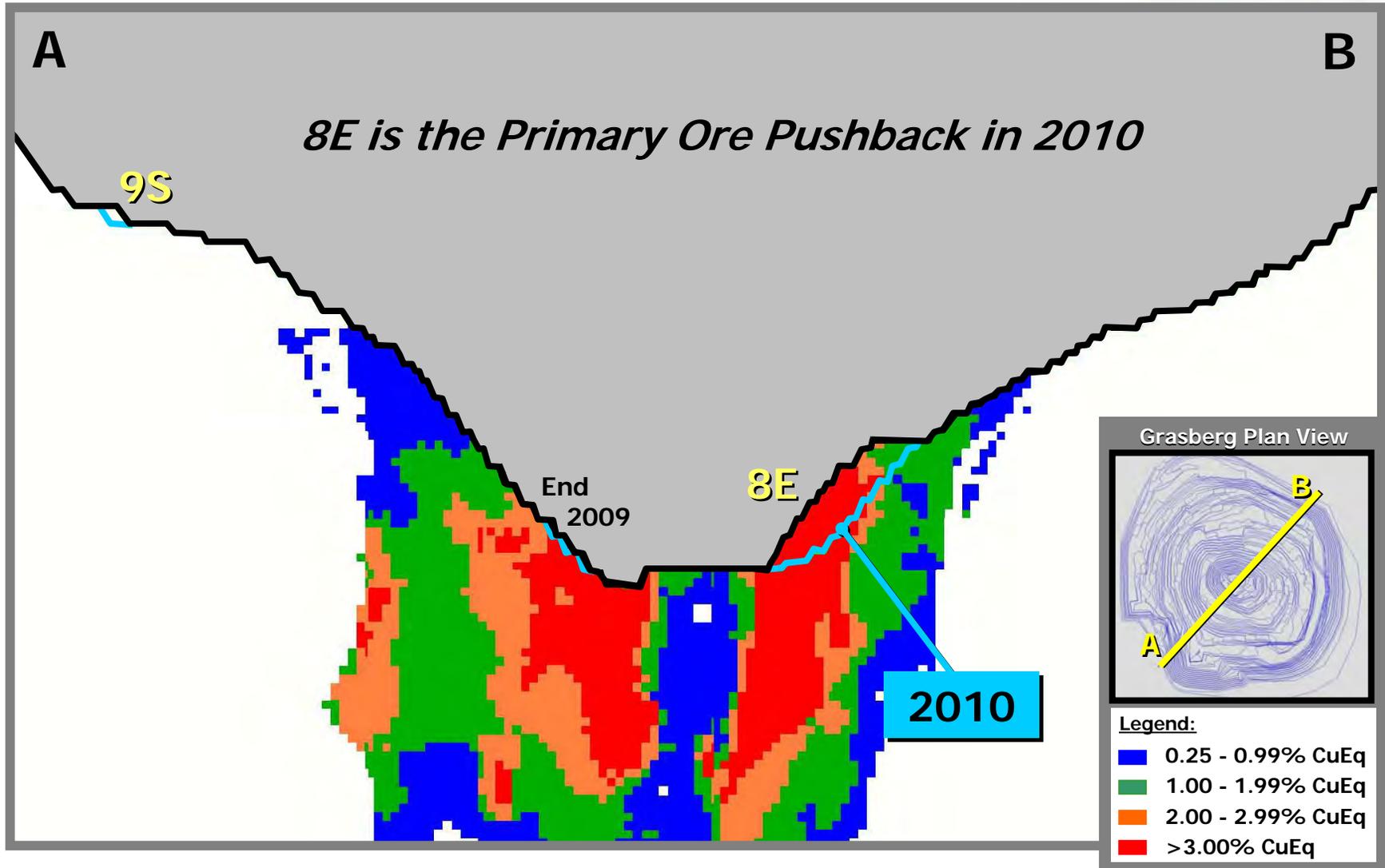


Mining Sequence in 2010

Copper Equivalent Cross Section



Core Assets

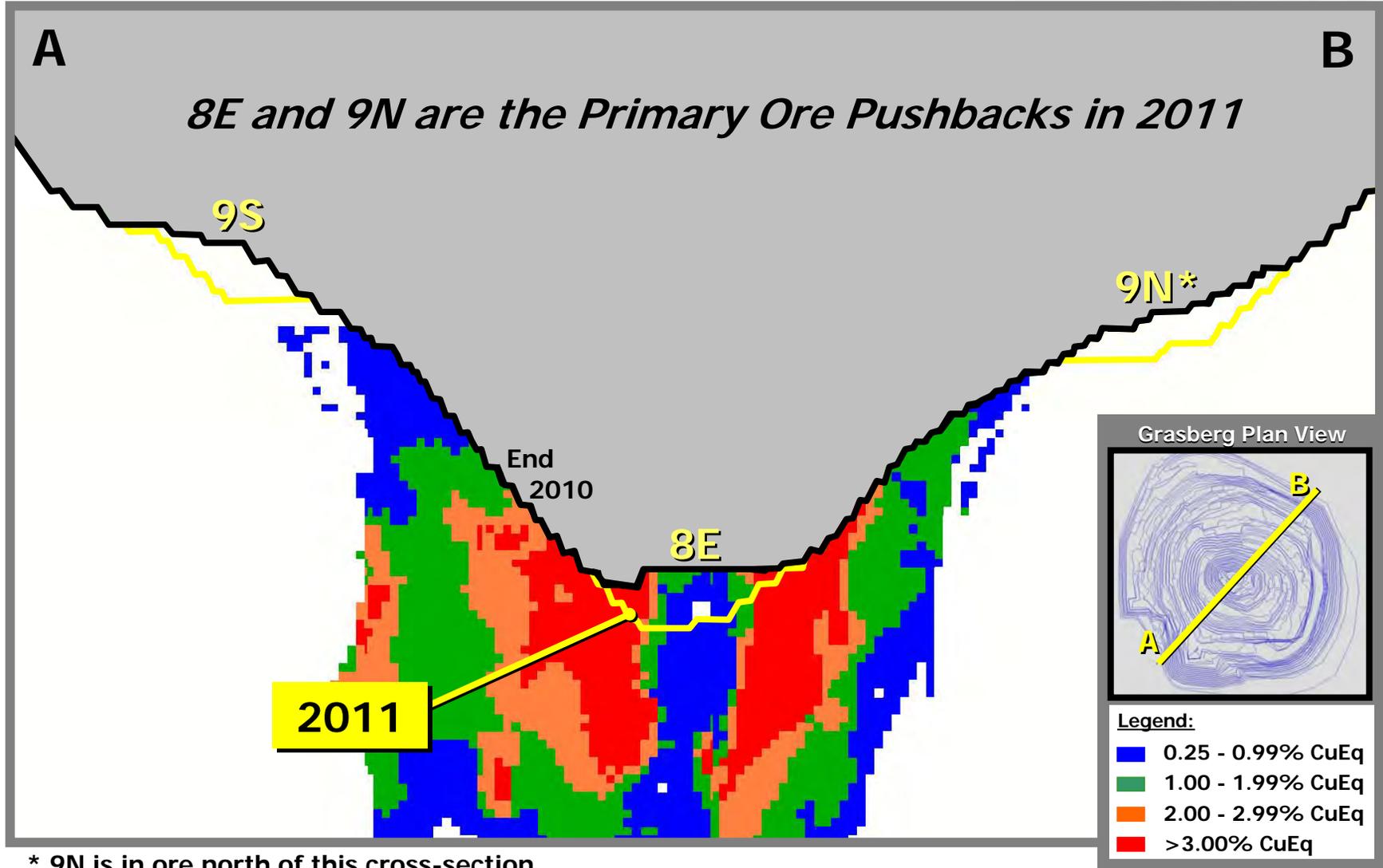


Mining Sequence in 2011

Copper Equivalent Cross Section



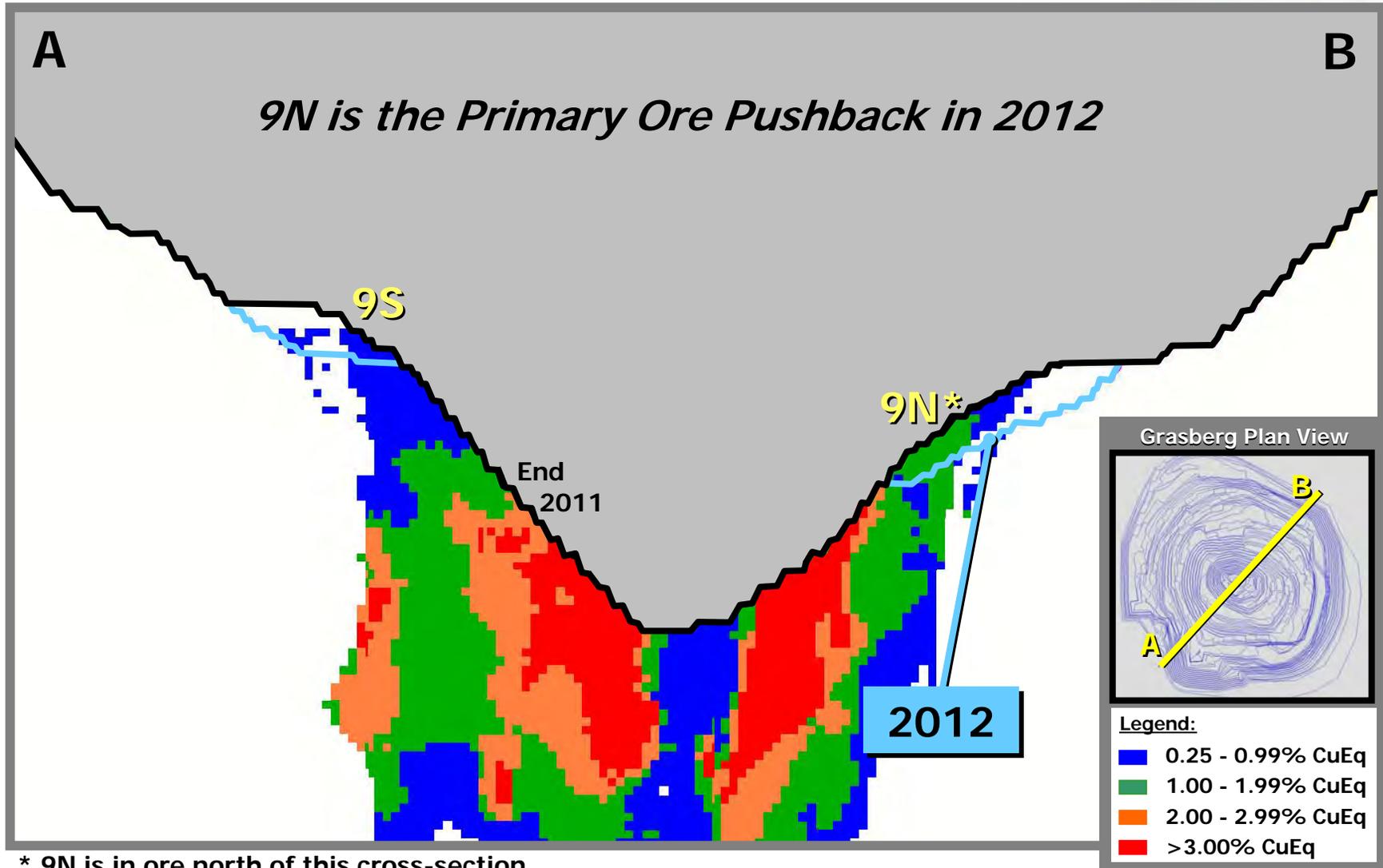
Core Assets



* 9N is in ore north of this cross-section

Mining Sequence in 2012

Copper Equivalent Cross Section



* 9N is in ore north of this cross-section

Mining Sequence in 2013

Copper Equivalent Cross Section



Core Assets

