



FREEPORT-McMoRAN
COPPER & GOLD

3rd Quarter 2009
Earnings Conference Call

Core Assets

FCX
LISTED
NYSE

www.fcx.com

October 21, 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, projected EBITDA and the timing of dividend payments. The declaration and payment of dividends is at the discretion of the Company's Board of Directors and will depend on the Company's financial results, cash requirements, future prospects, and other factors deemed relevant by the Board. 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 the 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. 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.

3Q09 Highlights



Sales Data

3Q09
3Q08

Copper

Consolidated Volumes (mm lbs)	1,000	1,016
Average Realization (per lb)	\$2.75	\$3.14
Site Production & Delivery Unit Costs ⁽¹⁾ (per lb)	\$1.15	\$1.66
Unit Net Cash Costs ⁽¹⁾ (per lb)	\$0.50	\$1.29

Gold

Consolidated Volumes (000's ozs)	706	307
Realization (per oz)	\$987	\$869

Molybdenum

Consolidated Volumes (mm lbs)	16	19
Realization (per lb)	\$13.95	\$32.11

Financial Results (in millions, except per share amounts)

Revenues	\$4,144	\$4,616
Net Income Attributable to Common Stock	\$925	\$523
Diluted Earnings Per Share	\$2.07	\$1.31
Operating Cash Flows ⁽²⁾	\$1,954	\$1,545
Capital Expenditures	\$244	\$766

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

(2) Includes working capital sources of \$450 mm in 3Q09 and \$568 mm in 3Q08

Strong Operating & Cost Performance in 3Q09

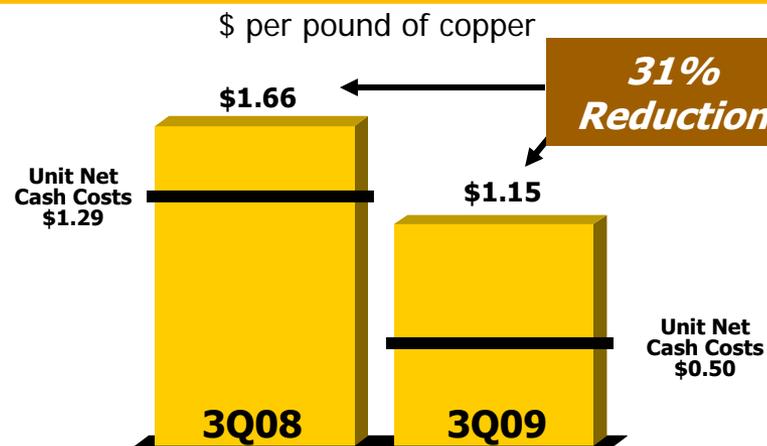
Core Assets

- **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

Consolidated sales volumes higher than July estimates*

- Cu +10% (90 mm lbs)
- Au +28% (156 k ozs)
- Mo +7% (1 mm lbs)

Consolidated Site Production & Delivery (excludes Africa)



* Projected sales volumes for 2009 approximate 4.0 bn lbs of copper (compared with 3.9 bn lbs in July 2009) and 2.5 mm ozs of gold (compared with 2.4 mm ozs in July 2009)

Quarterly Operating Highlights

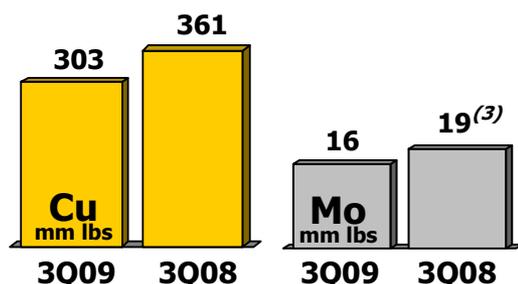
3Q09 Unit Production Costs

(per pound of copper)

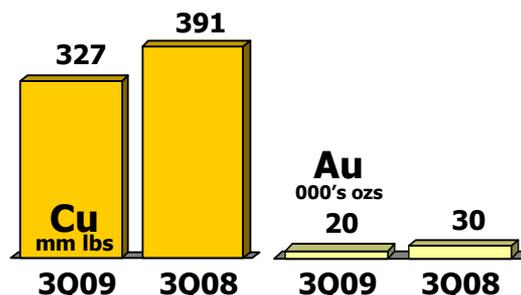
	North America	South America	Indonesia	Consolidated ⁽¹⁾
Cash Unit Costs				
Site Production & Delivery ⁽²⁾	\$1.22	\$1.14	\$1.10	\$1.15
Royalties ⁽²⁾	-	-	0.12	0.04
Treatment Charges	0.08	0.15	0.24	0.16
By-product Credits	<u>(0.29)</u>	<u>(0.10)</u>	<u>(2.10)</u>	<u>(0.85)</u>
Unit Net Cash Costs (Credits)	\$1.01	\$1.19	\$(0.64)	\$0.50

Sales From Mines for 3Q by Region

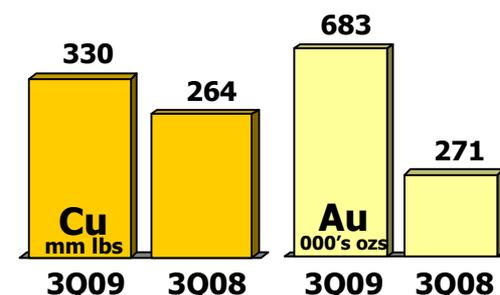
North America



South America



Indonesia



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

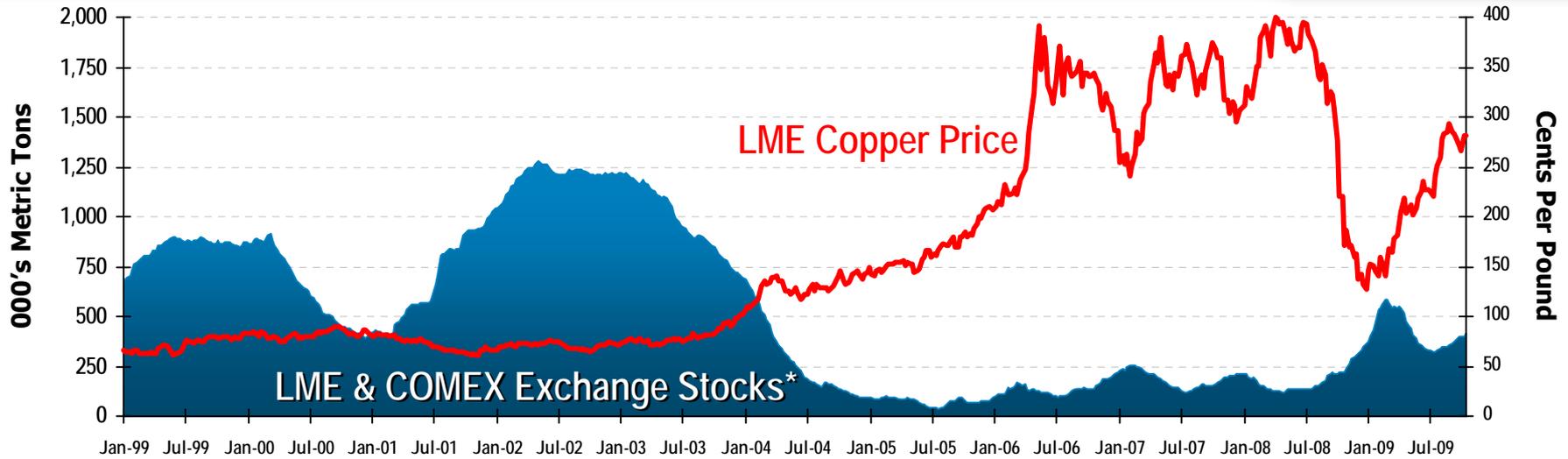
(2) Profit sharing in South America and severance taxes in North America included in production costs.

(3) 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.

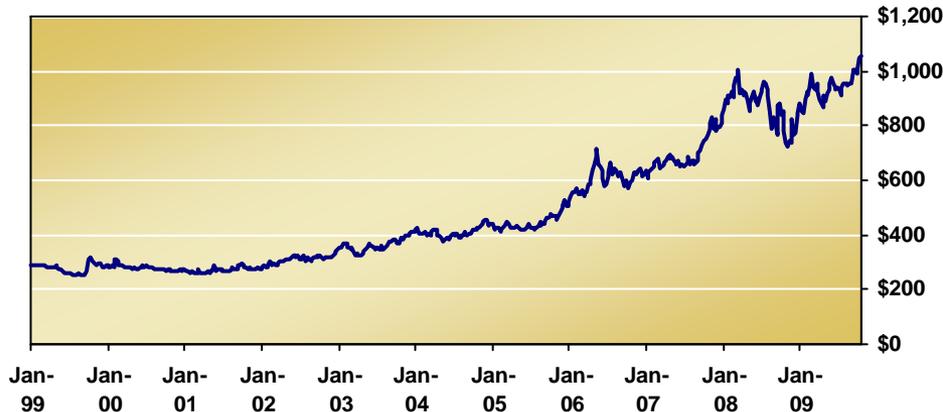
Markets

Core Assets



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

London Gold Price (\$/oz)



Molybdenum Price* (\$/lb)

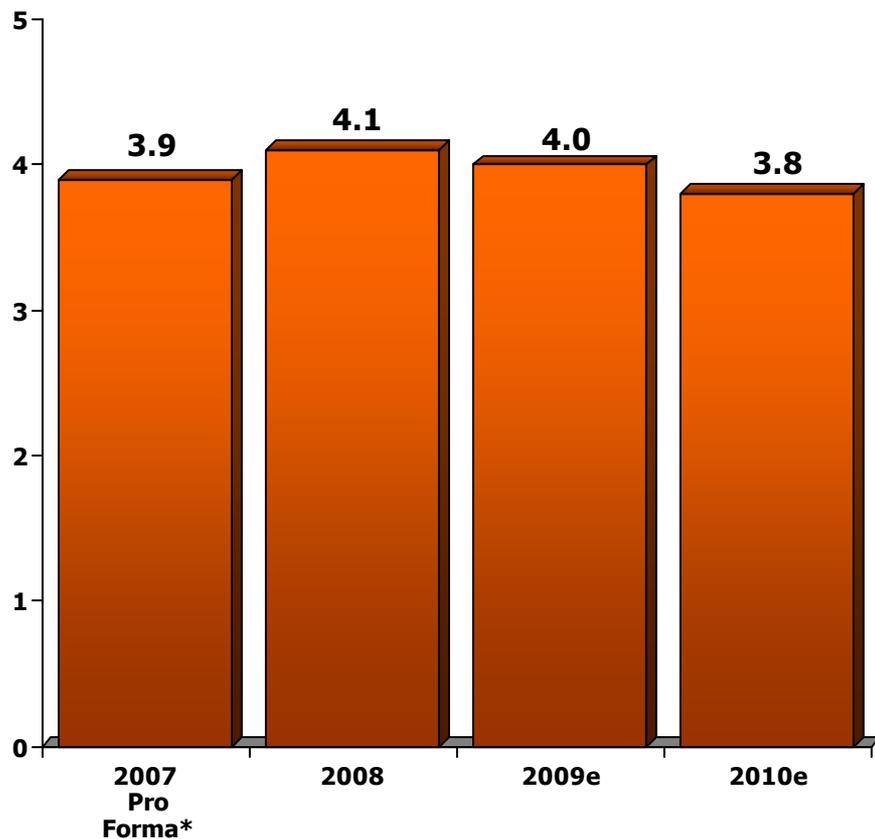


** Metals Week – Molybdenum Dealer Oxide Price*



Sales Profile 2007 - 2010e

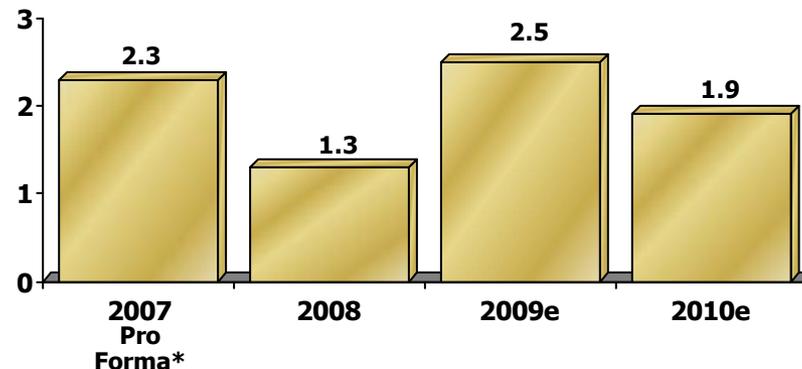
Copper Sales (billion lbs)



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

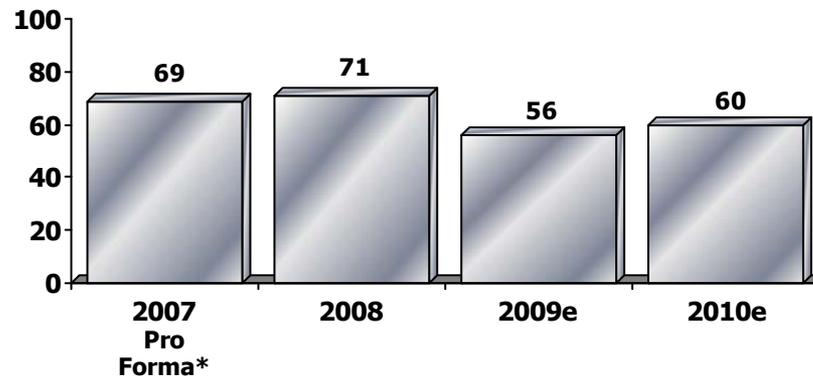
* 2007 includes pre-acquisition sales of 505 mm lbs of copper, 18 k oz of gold and 17 mm lbs of molybdenum

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

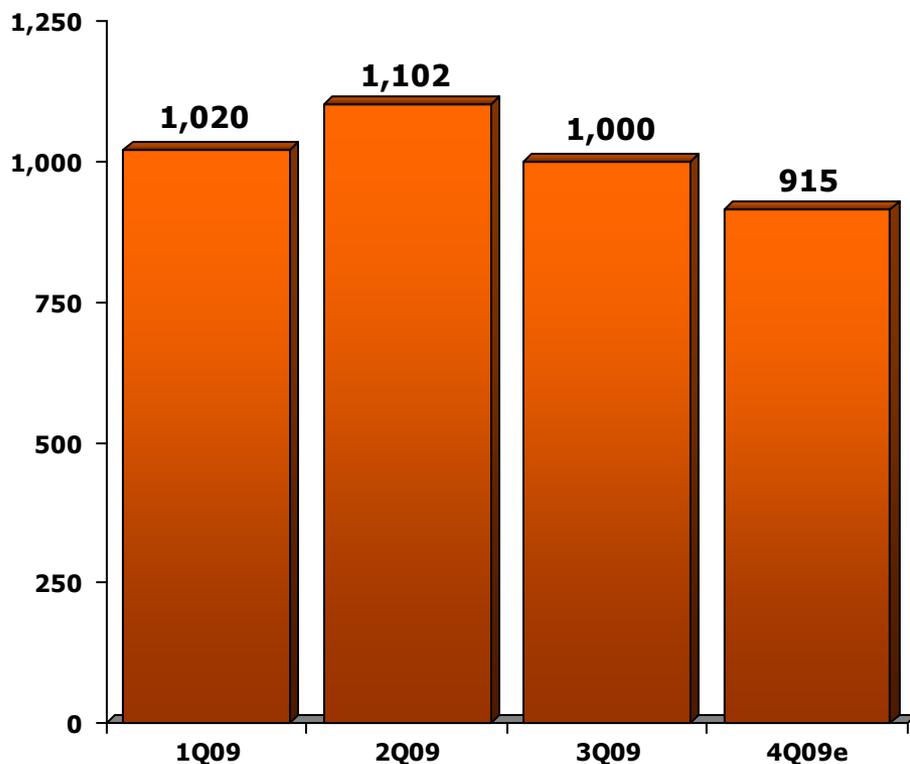
Molybdenum Sales (million lbs)



e = estimate. Please see Cautionary Statement.

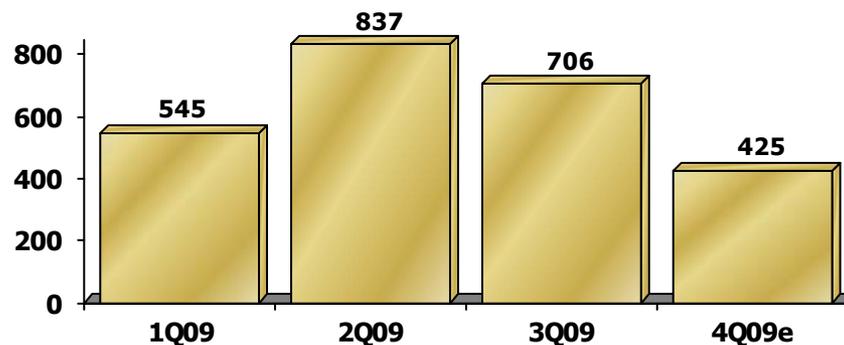
2009e Quarterly Payable Metal Sales

Copper Sales (million lbs)



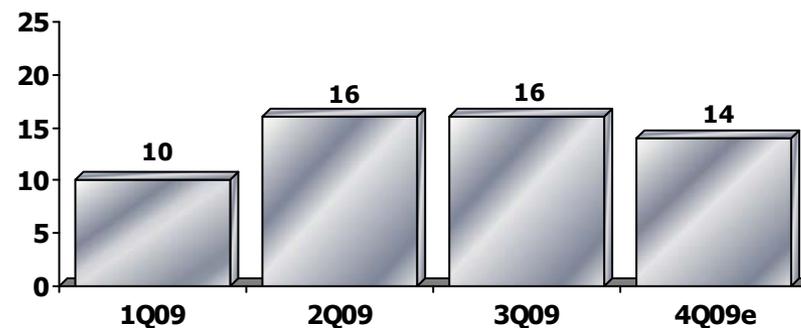
Note: Consolidated copper sales include approximately 174 mm lbs in 1Q09, 196 mm lbs in 2Q09, 180 mm lbs in 3Q09 and 190 mm lbs in 4Q09e for noncontrolling interest; excludes purchased copper

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)



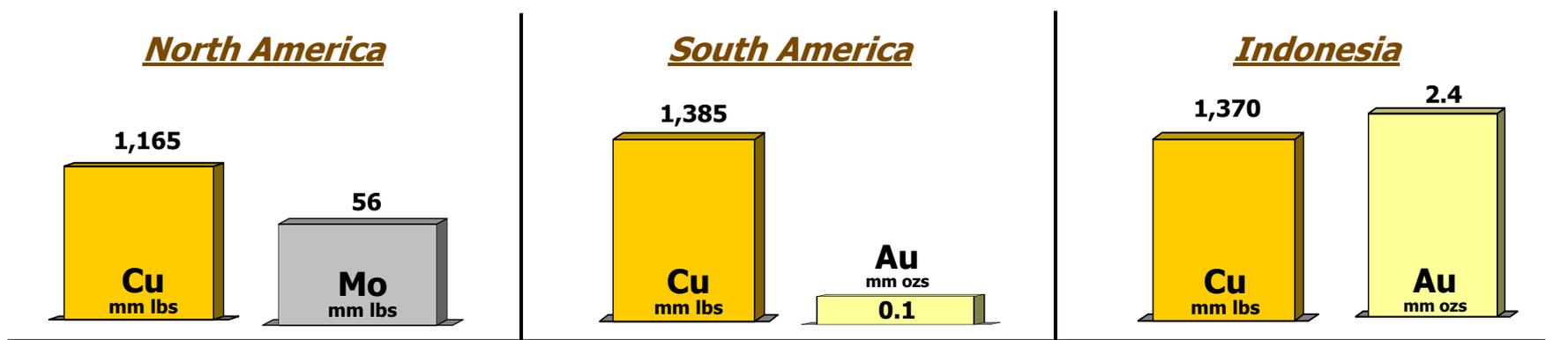
e = estimate. Please see Cautionary Statement.



2009e Sales and Unit Production Costs by Region

Core Assets

2009e Sales by Region ⁽¹⁾



	North America	South America	Indonesia	Consolidated ⁽³⁾
<i>(per pound of copper)</i>				
Cash Unit Costs ⁽²⁾				
Site Production & Delivery ⁽⁴⁾	\$1.26	\$1.08	\$1.07	\$1.13
Royalties ⁽⁴⁾	-	-	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>
Unit Net Cash Costs (Credits)	<u>\$1.12</u>	<u>\$1.11</u>	<u>\$(0.33)</u>	<u>\$0.60</u>

(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.

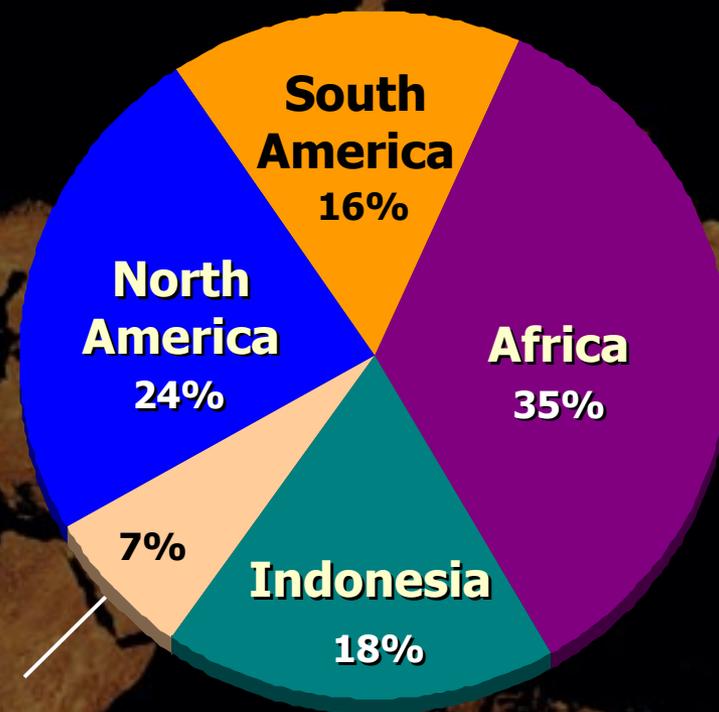
A World of Opportunities

Exploration Targets in Major Mineral Districts

Core Assets



**Exploration
in 2009e
\$75 million**



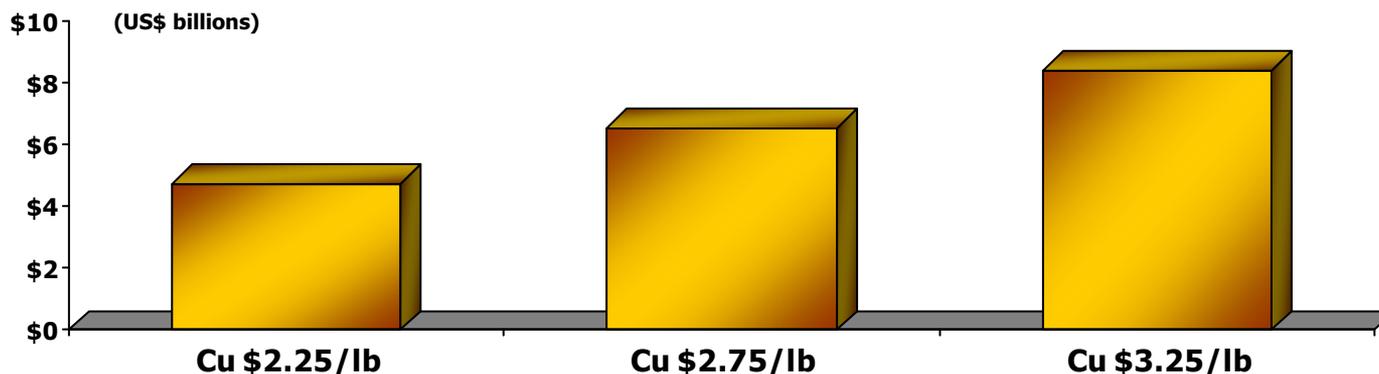
**Australasia
& Other Areas**

Activities focused on incorporating significant data obtained in 2007 and 2008 into our future plans

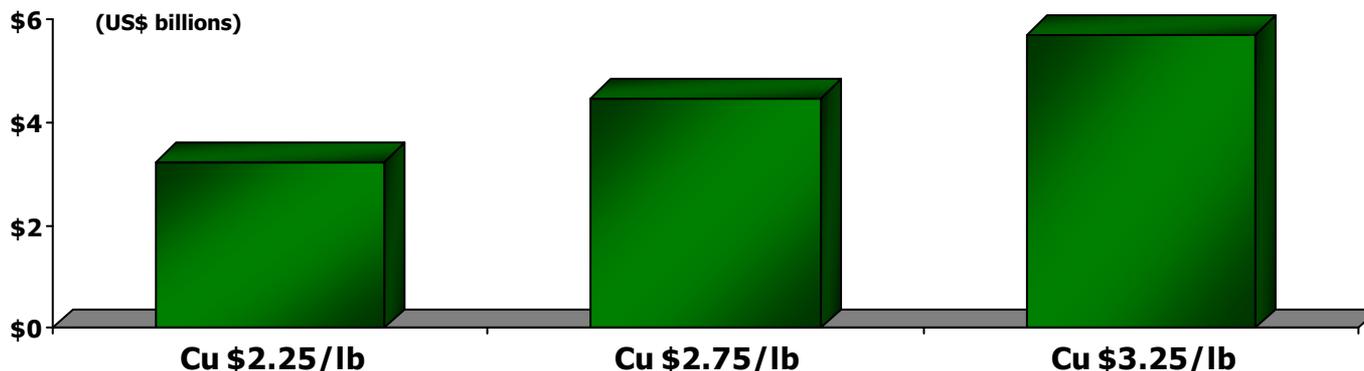
EBITDA and Cash Flow at Various Copper Prices

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.

Sensitivities 2010e

Core Assets

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 ⁽¹⁾: -/+ 10%	\$35	\$25
Purchased Power ⁽²⁾: -/+ 10%	\$40	\$25
Currencies ⁽³⁾: +/- 10%	\$110	\$70

(1) \$1.90/gallon base case assumption

(2) 6.6¢/kWh base case assumption

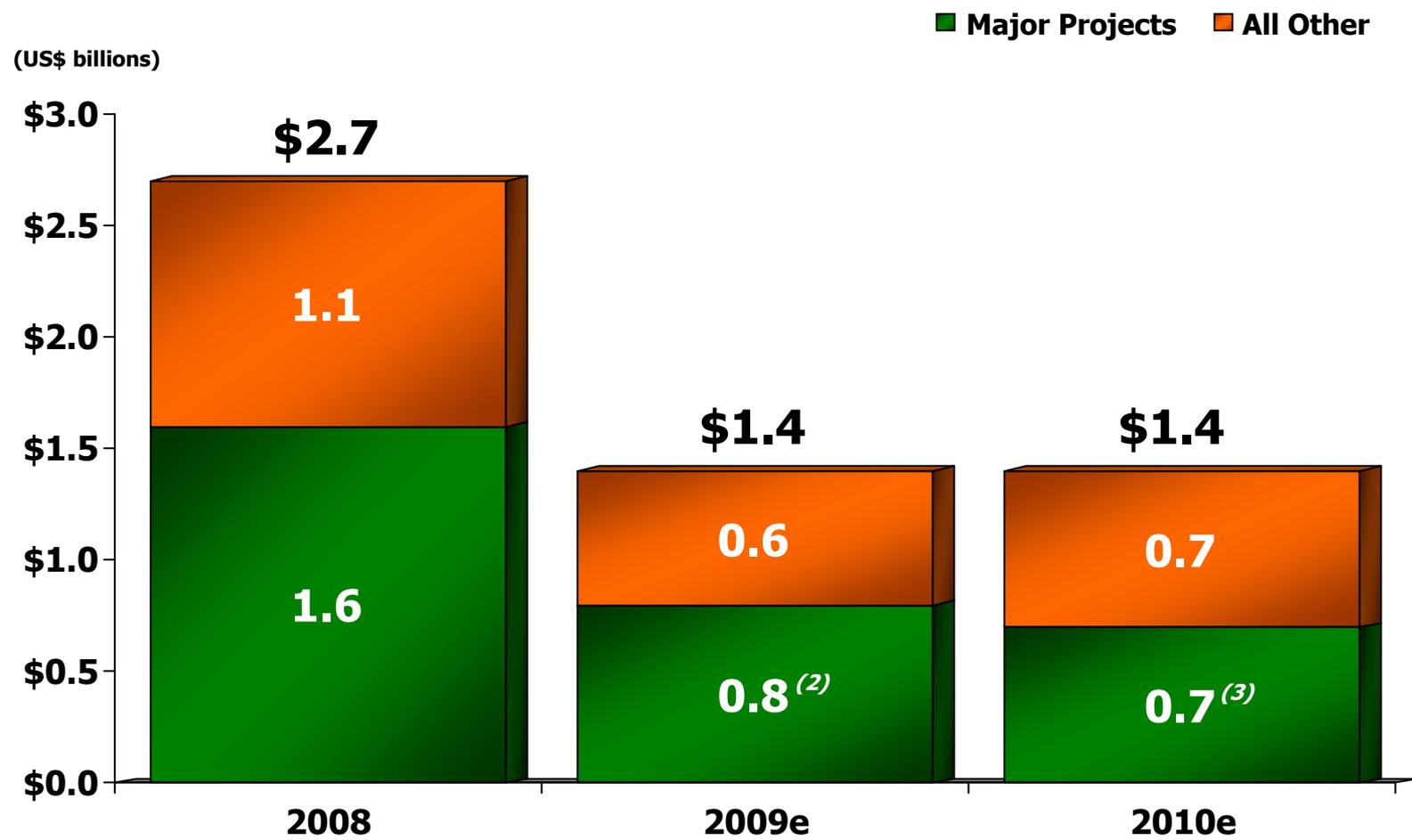
(3) U.S. Dollar Exchange Rates: 575 Chilean peso, 10,500 Indonesian rupiah, \$0.80 Australian dollar, \$1.40 Euro, 3.00 Peruvian Nuevo Sol base case assumption. Each +10% equals a 10% strengthening of the U.S. dollar; a strengthening of the U.S. dollar against foreign currencies equates to a cost benefit of noted amounts.

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



Core Assets

Capital Expenditures (1)



(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***

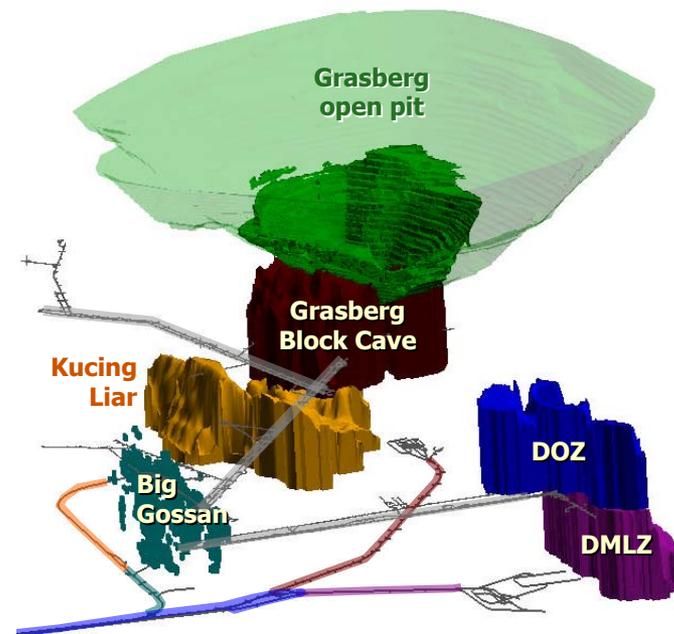


** approximately \$350mm remaining to be spent on the initial phase*

Long-Term Underground Mine Development in Indonesia

Core Assets

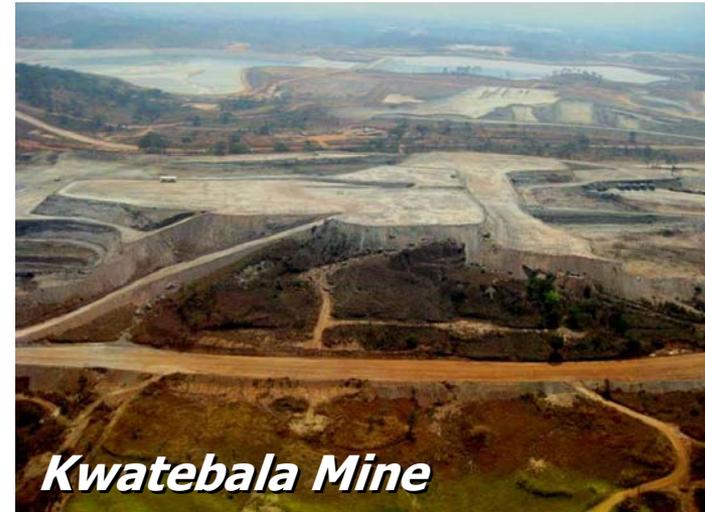
- **Several large-scale underground projects to develop significant underground reserves**
- **DOZ approaching expanded 80,000 t/d rates**
- **Big Gossan mine – small, high-grade mine with full rates by late 2012**
- **Grasberg Block Cave – continuing development to ramp-up upon completion of the open 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



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

Balance Sheet

Core Assets

- **Debt at 9/30/09: \$6.6 Billion; Cash at 9/30/09: \$2.3 Billion**
- **Significant Liquidity**
- **Strong Credit Metrics**
- **No Near-term Maturities**
- **\$638 MM in Senior Note Repayments Through October 20***
 - **\$340 MM in 6⁷/₈% Senior Notes**
 - **\$141 MM in 8.25% Senior Notes**
 - **\$157 MM in 8.375% Senior Notes**
- **Converted \$831 Million in Preferred Stock to Common Equity in September 2009**

* Includes \$107 MM since September 30, 2009

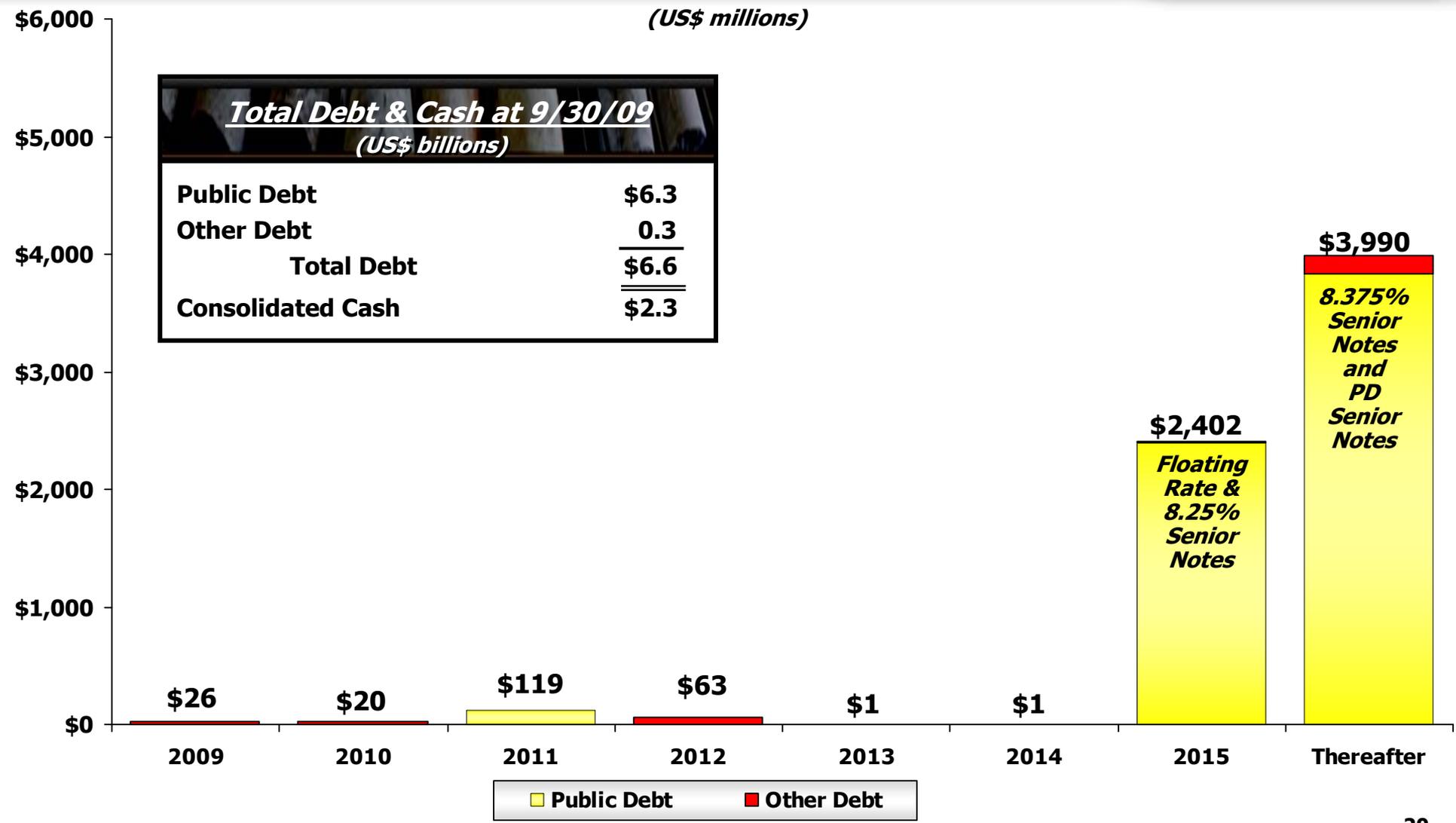


Core Assets

FCX Debt Maturities 9/30/09

(US\$ millions)

Total Debt & Cash at 9/30/09 (US\$ billions)	
Public Debt	\$6.3
Other Debt	0.3
Total Debt	\$6.6
Consolidated Cash	\$2.3



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 Dividend: \$0.60/share per annum**
- **Board to Review Financial Policy on an Ongoing Basis**

FCX Investment Summary

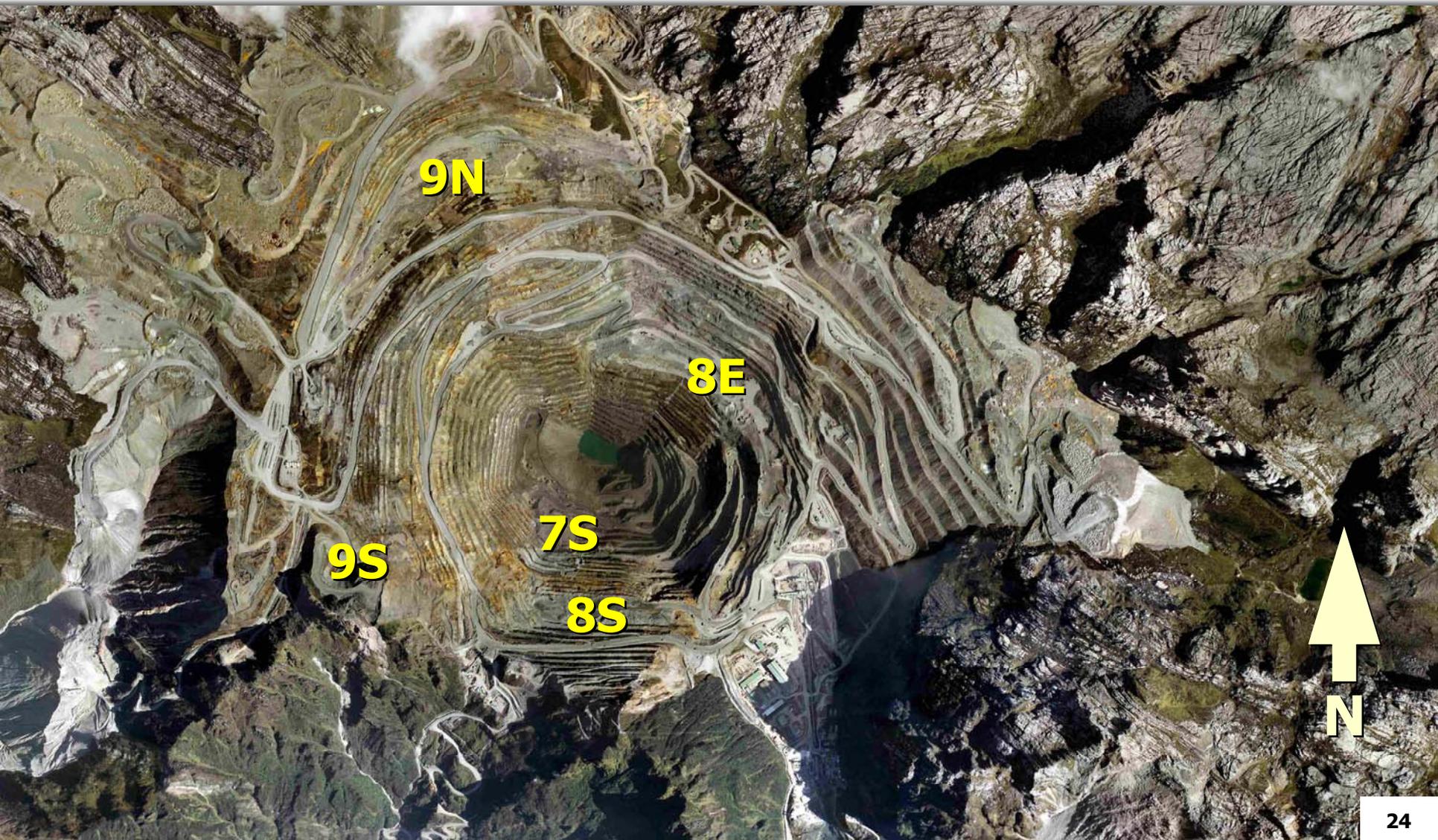
Core Assets

- **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**

Reference Slides

Grasberg Open Pit

Core Assets





Core Assets

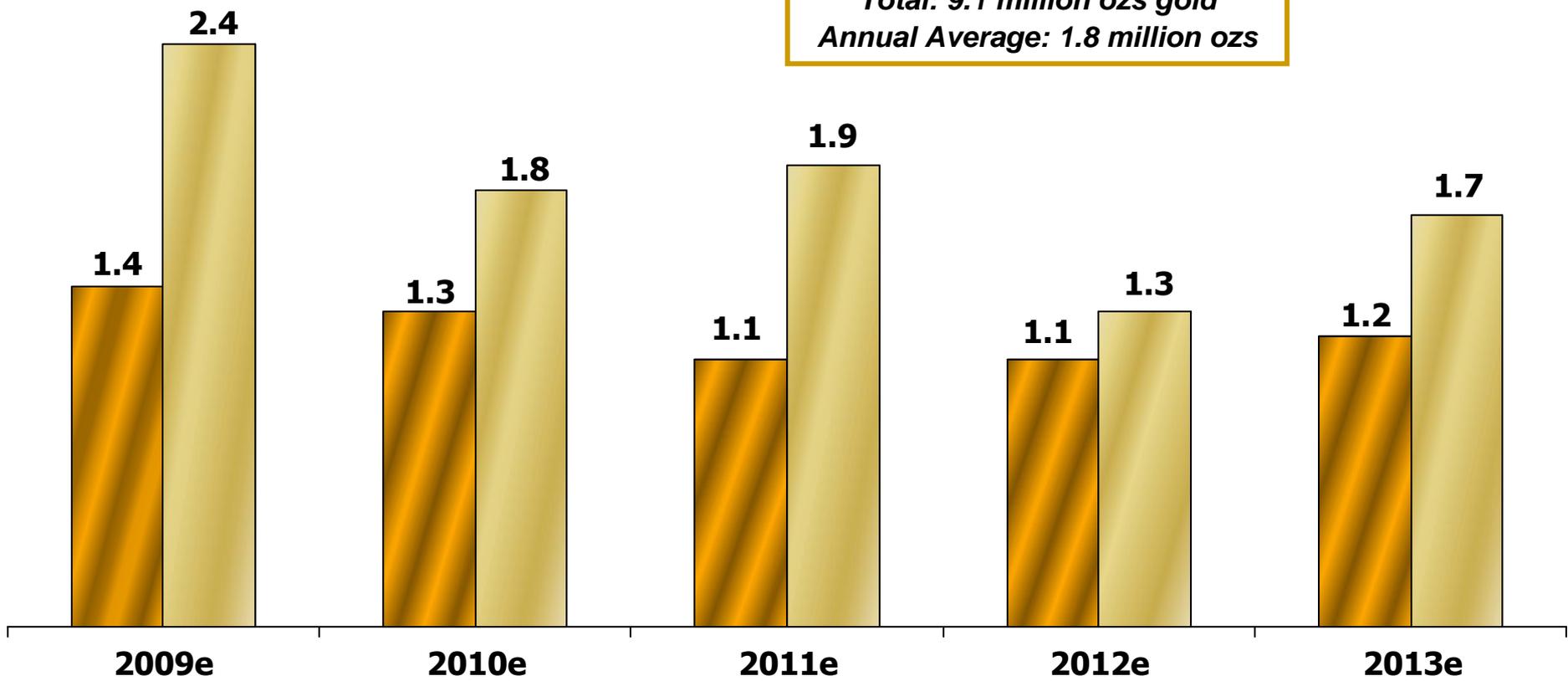
PT-FI Mine Plan

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

 **Copper, billion lbs**
 **Gold, million ozs**

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

2009e – 2013e PT-FI Share
Total: 9.1 million ozs gold
Annual Average: 1.8 million ozs

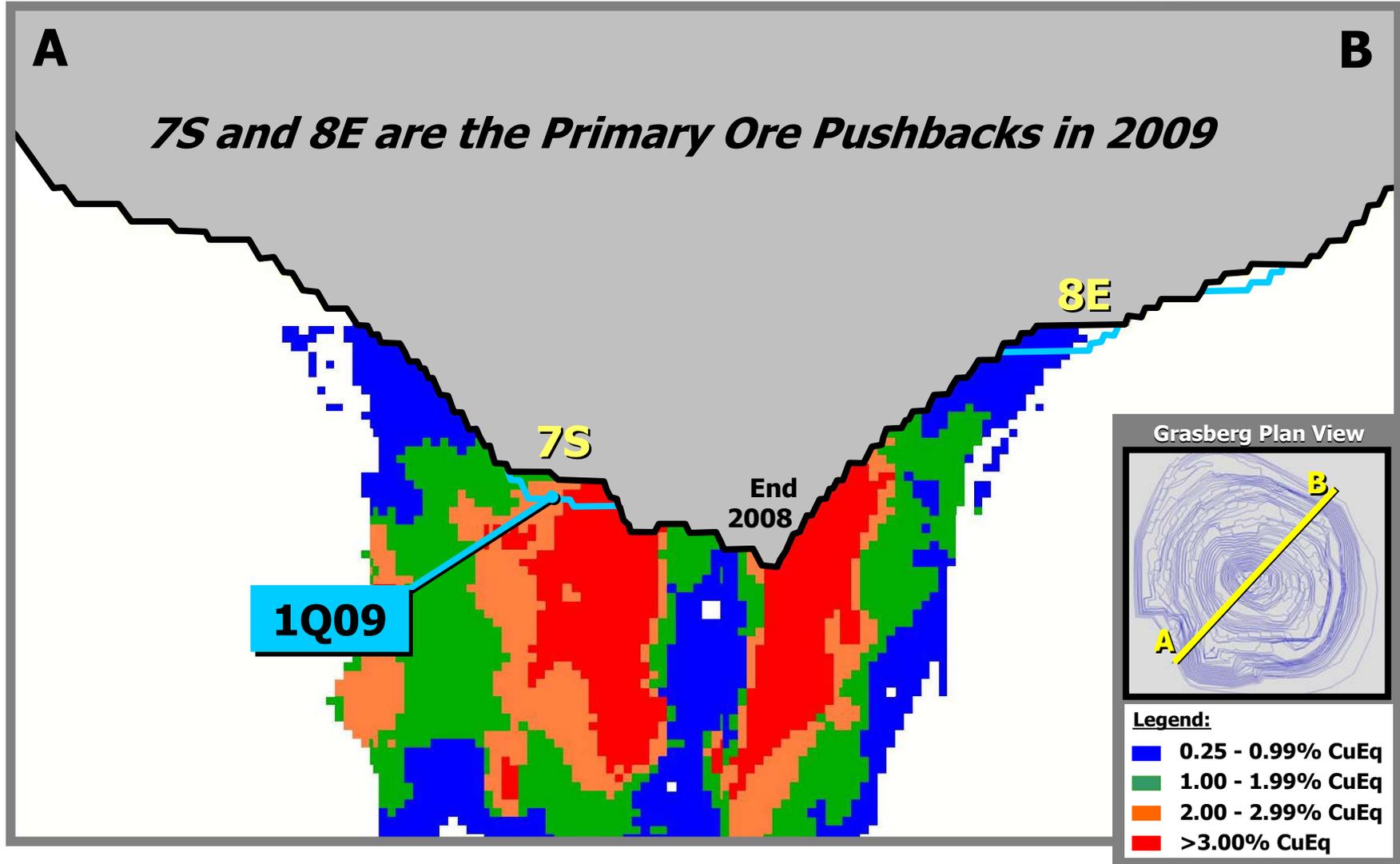


*e = estimate. Amounts are projections; see Cautionary Statement.
 Note: Timing of annual sales will depend upon mine sequencing, shipping schedules and other factors.*

Mining Sequence in 2009

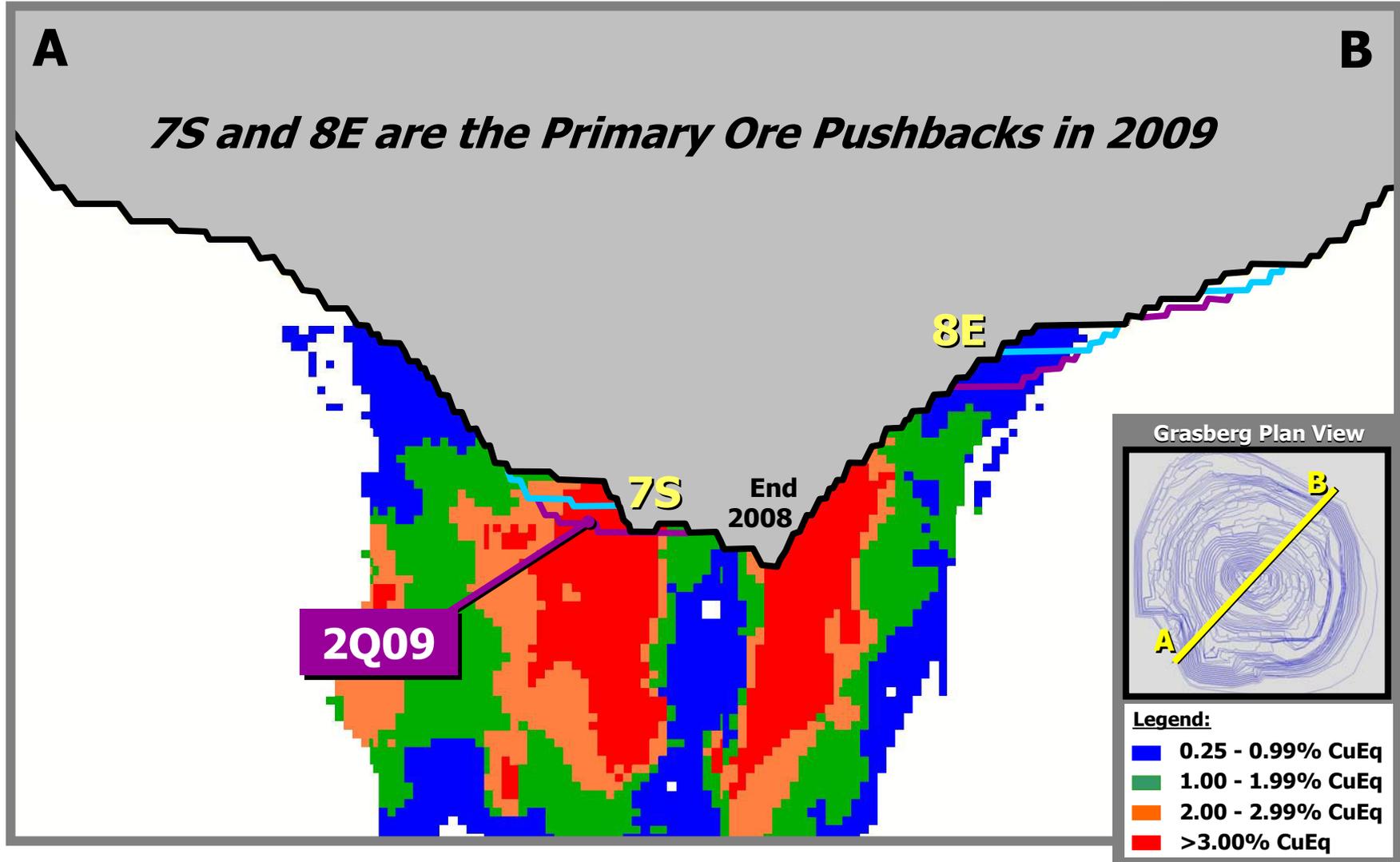
Copper Equivalent Cross Section

Core Assets



Mining Sequence in 2009

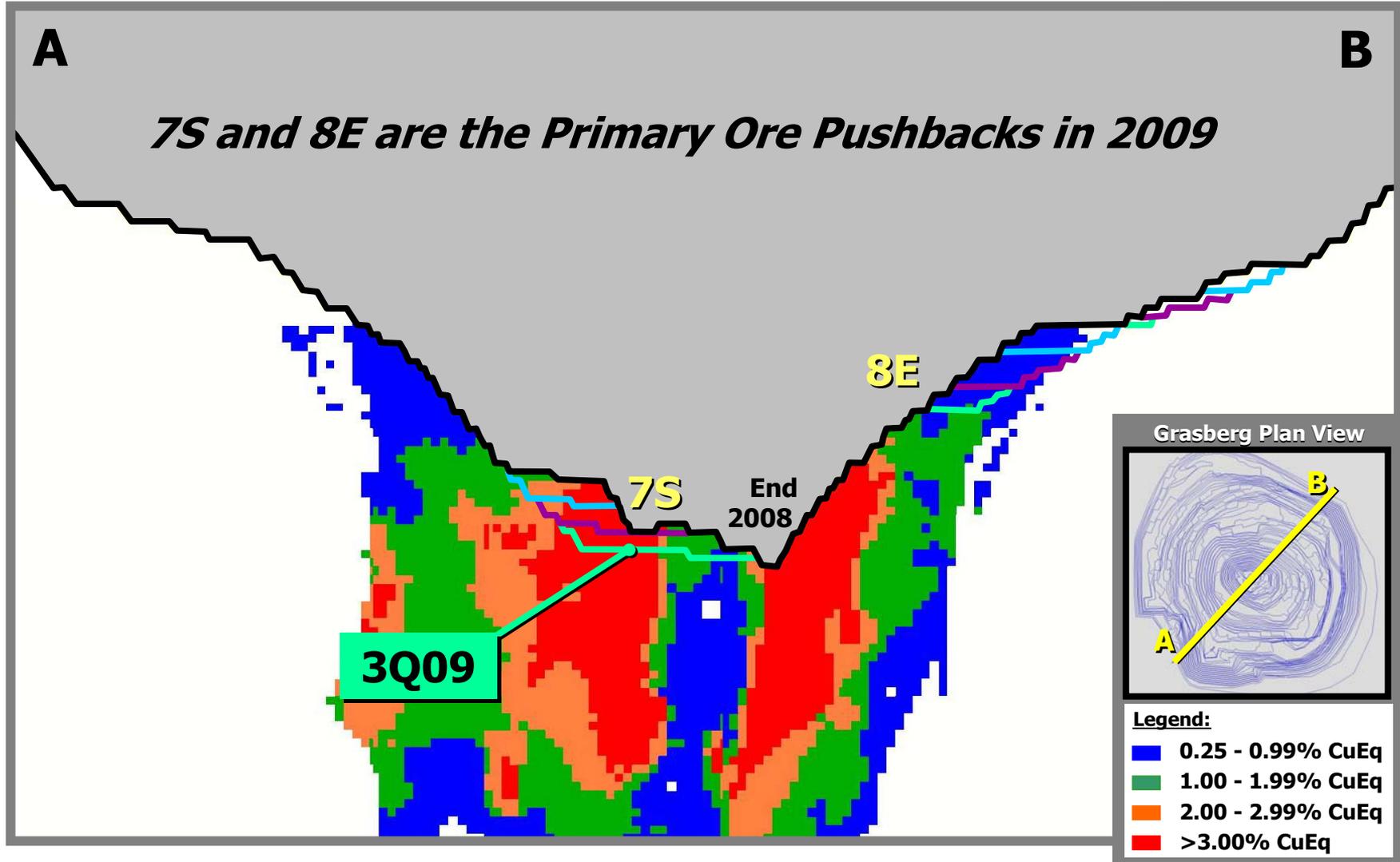
Copper Equivalent Cross Section



Mining Sequence in 2009

Copper Equivalent Cross Section

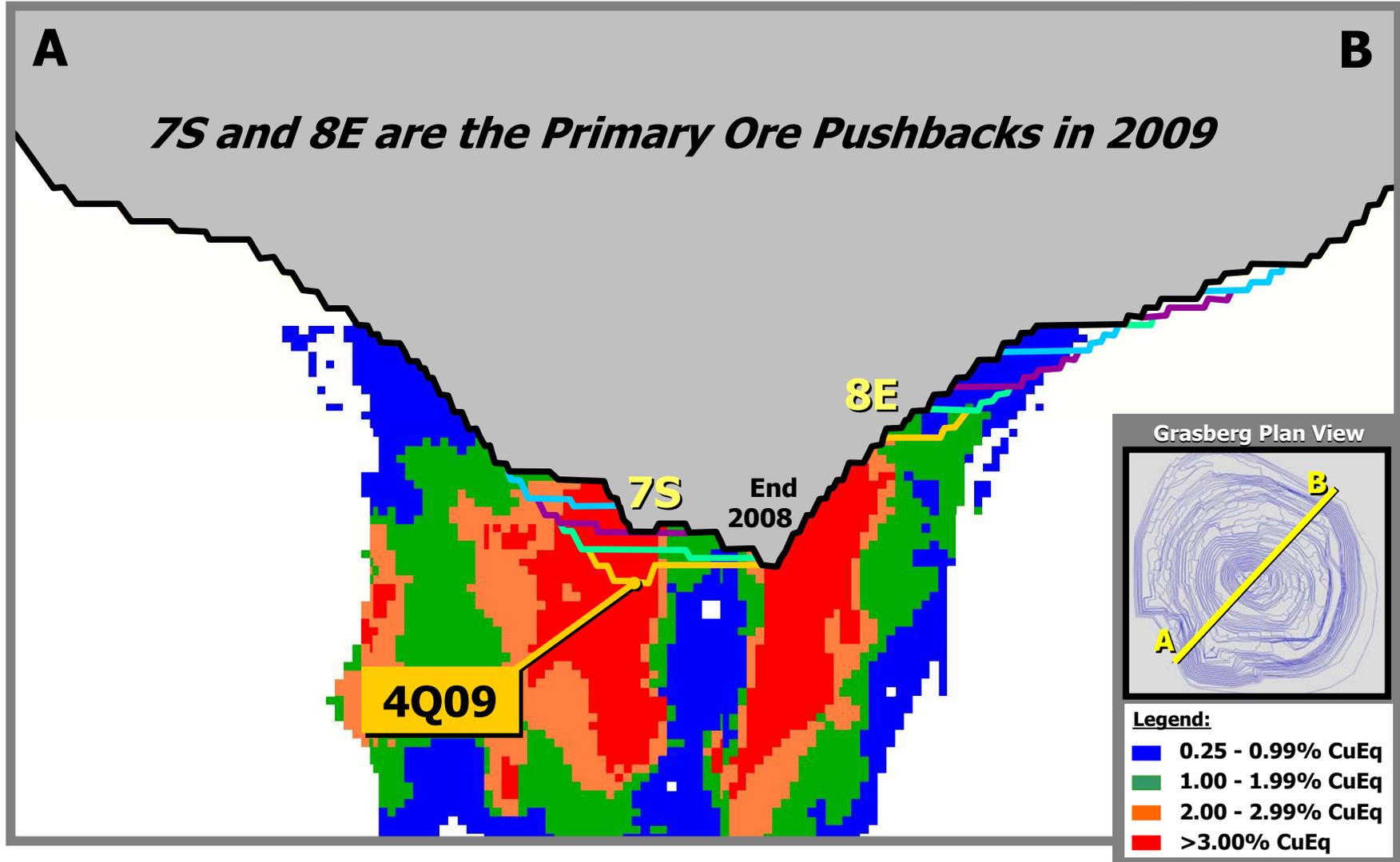
Core Assets



Mining Sequence in 2009

Copper Equivalent Cross Section

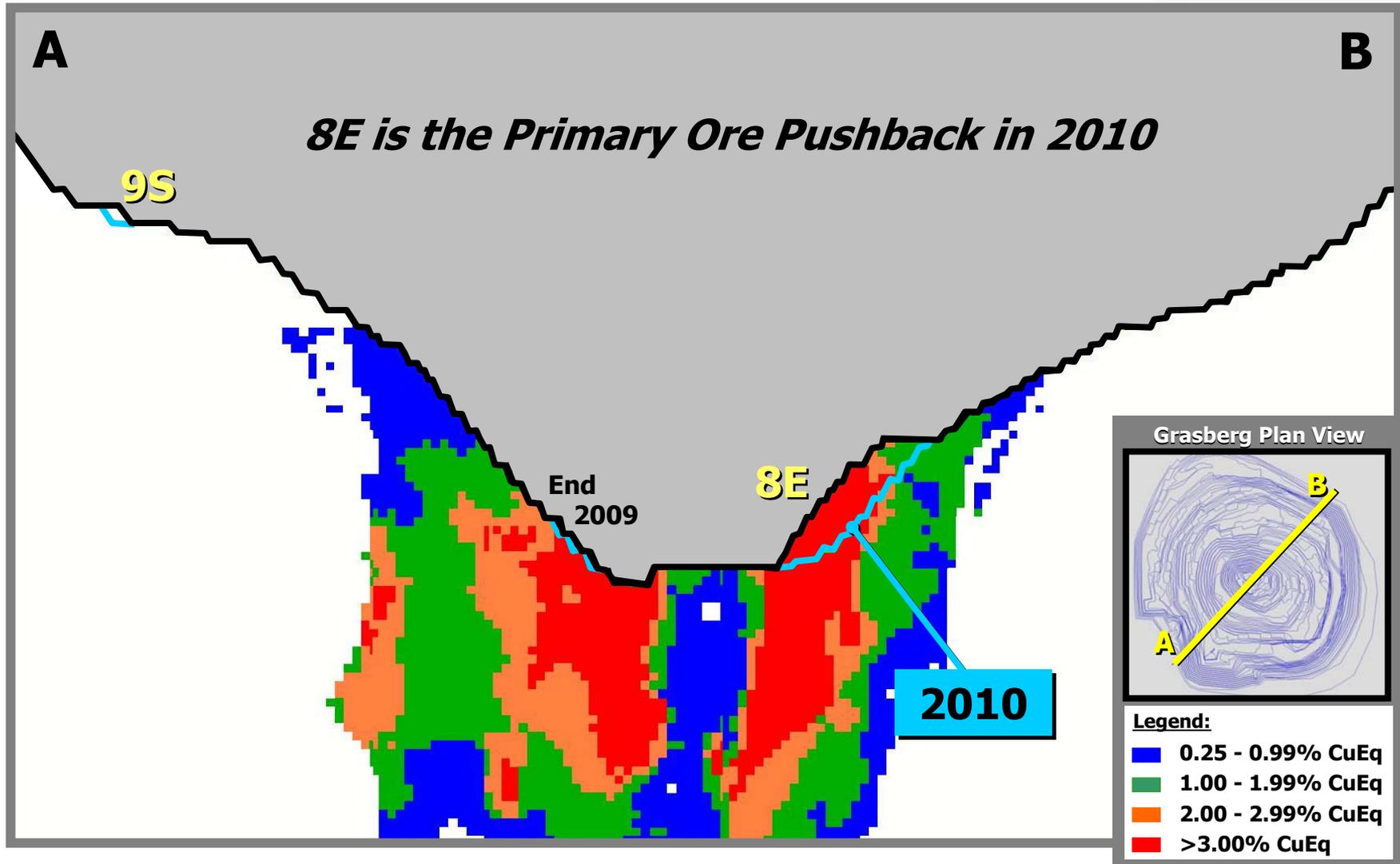
Core Assets



Mining Sequence in 2010

Copper Equivalent Cross Section

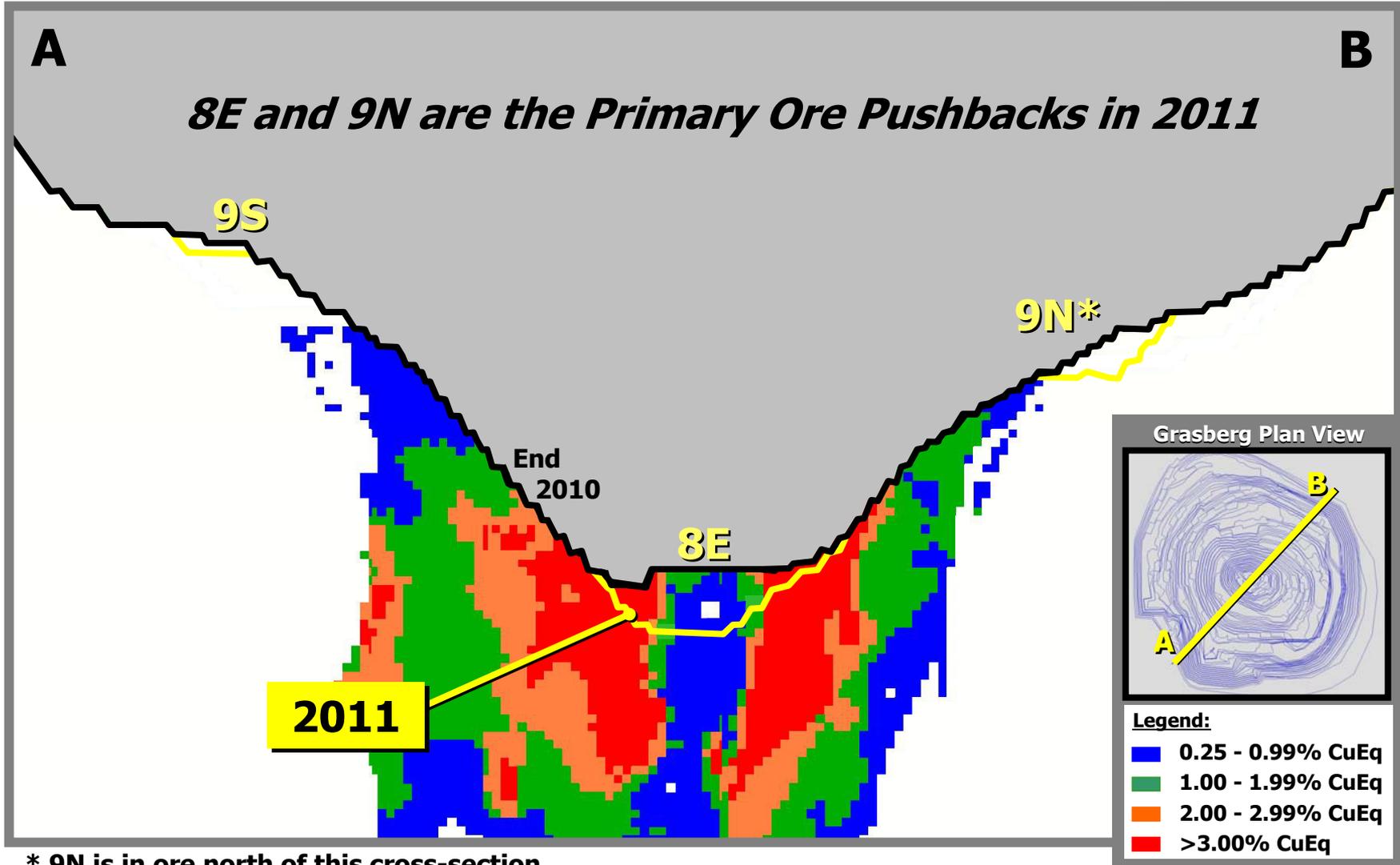
Core Assets



Mining Sequence in 2011

Copper Equivalent Cross Section

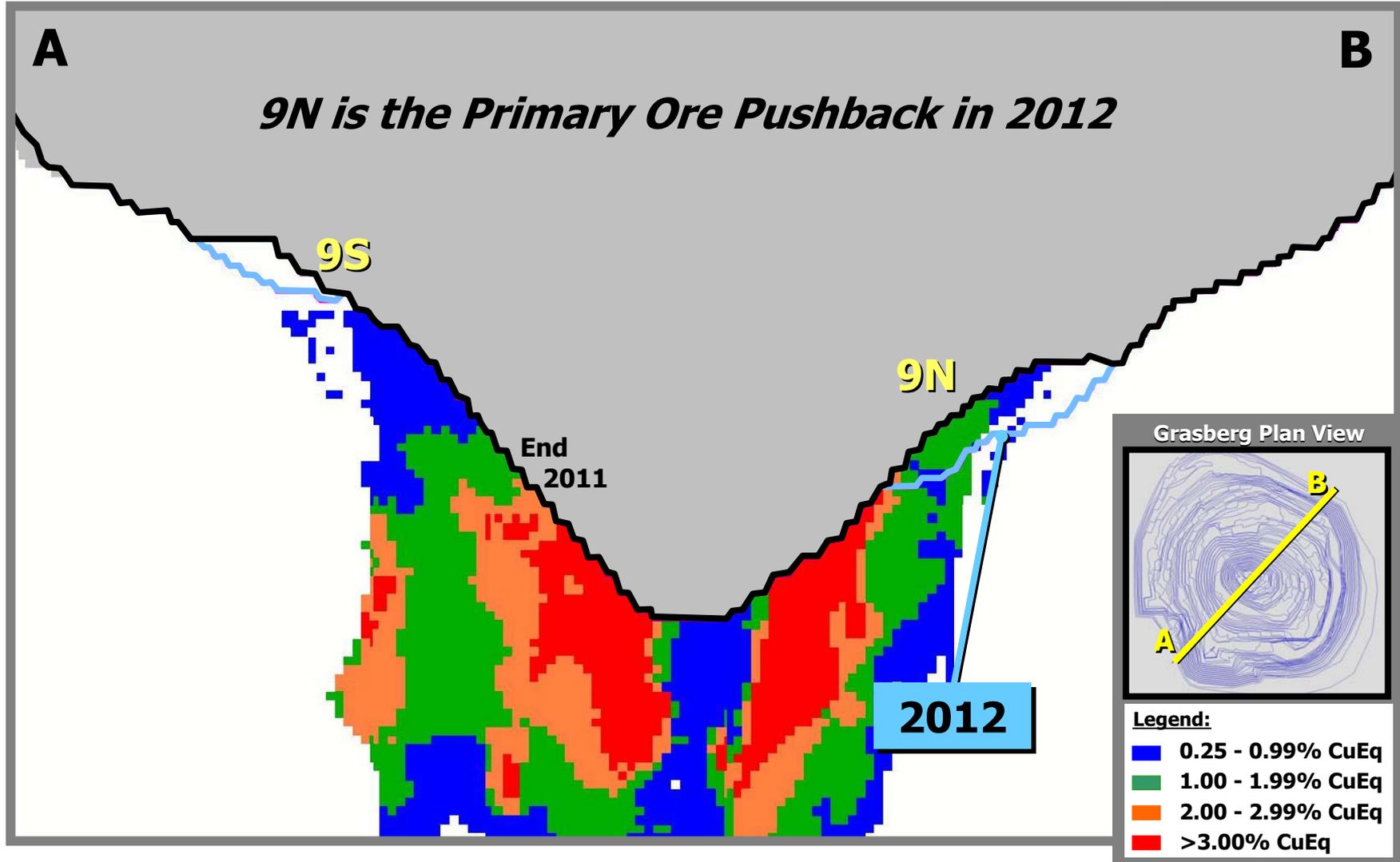
Core Assets



Mining Sequence in 2012

Copper Equivalent Cross Section

Core Assets



Mining Sequence in 2013

Copper Equivalent Cross Section

Core Assets

