



*Global Metals, Mining &  
Materials Conference*

*"Copper Dynamics: Turning  
Brownfields Into Greenfields"*

*James R. Moffett*  
*Chairman of the Board*

**PROVEN PERFORMANCE**  
**SHINING FUTURE**

*November 17, 2010*

# Cautionary Statement Regarding Forward-Looking Statements

*This presentation contains forward-looking statements in which we discuss factors we believe may affect our potential performance in the future. Forward-looking statements are all statements other than statements of historical facts, such as statements regarding projected ore grades and milling rates, projected production and sales volumes, projected unit net cash costs, projected operating cash flows, projected capital expenditures, the impact of copper, gold, molybdenum and cobalt price changes, reserve estimates, anticipated closing of the investment in McMoRan Exploration Co., potential prepayments of debt, projected EBITDA, future dividend payments and potential share purchases. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "intends," "likely," "will," "should," "to be" and any similar expressions are intended to identify those assertions as forward-looking statements. 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. This presentation also includes forward-looking statements regarding mineralized material not included in reserves. The mineralized material described in this presentation will not qualify as reserves until comprehensive engineering studies establish their economic feasibility. Accordingly, no assurance can be given that the estimated mineralized material not included in reserves will become proven and probable reserves.*

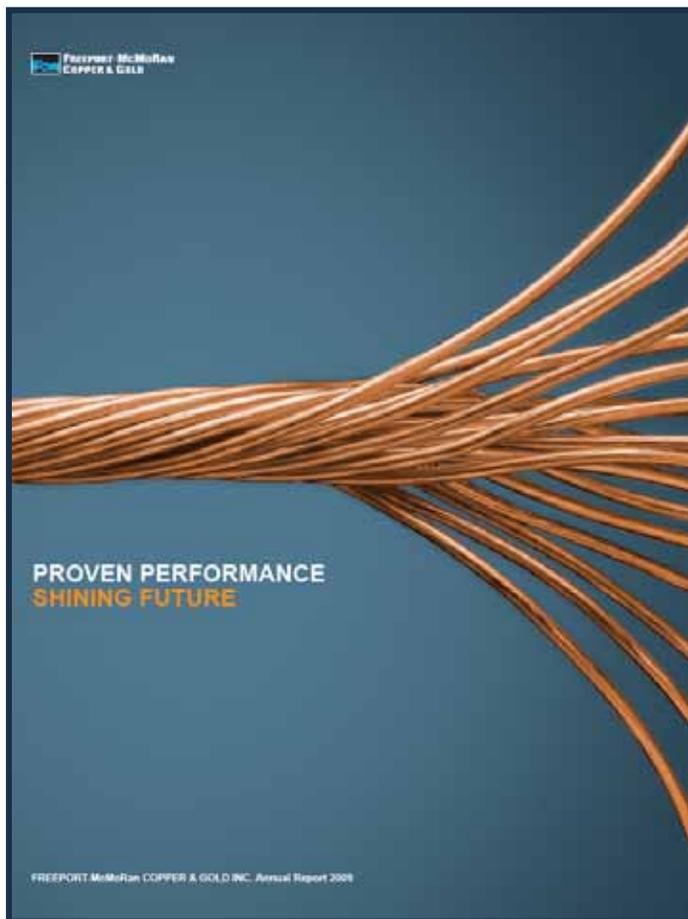
*In making any forward-looking statements, the person making them believes that the expectations are based on reasonable assumptions. We caution readers that those statements are not guarantees of future performance and our actual results may differ materially from those anticipated, projected or assumed in the forward-looking statements. Important factors that can cause our future results to differ from results anticipated by forward-looking statements include commodity prices, mine sequencing, production rates, industry risks, regulatory changes, political risks, potential effects of violence in Indonesia, documentation of the outcome of the contract review process and the resolution of administrative disputes in the Democratic Republic of Congo, risks related to the investment in McMoRan Exploration Co., weather-related risks, labor relations, environmental risks, litigation results, currency translation risks and other factors described in more detail under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2009, filed with the Securities and Exchange Commission (SEC).*

*Investors are cautioned that many of the assumptions on which our forward-looking statements are based are likely to change after our forward-looking statements are made, including for example commodity prices, which we cannot control, and production volumes and costs, some aspects of which we may or may not be able to control. Further, during the quarter, we may make changes to our business plans that could or will affect our results for the quarter. We caution investors that we do not intend to update our forward-looking statements more frequently than quarterly, notwithstanding any changes in our assumptions, changes in our business plans, our actual experience, or other changes, and we undertake no obligation to update any forward-looking statements.*

*The SEC requires oil and gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Beginning with year-end reserves for 2009, the SEC permits oil and gas companies, in their filings with the SEC, to disclose probable and possible reserves, as such terms are defined by the SEC. We use certain phrases and terms in this presentation, such as "gross unrisks potential" and "reserve potential," which the SEC's guidelines prohibit us from including in filings with the SEC. "Gross unrisks potential" and "reserve potential" do not take into account the certainty of resource recovery, which is contingent on exploration success, technical improvements in drilling access, commerciality and other factors, and are therefore not indicative of expected future resource recovery and should not be relied upon. We urge you to consider closely the disclosure of proved reserves included in McMoRan's Annual Report on Form 10-K for the year ended December 31, 2009.*

# *Proven Performance, Shining Future*

## *Investment Highlights*

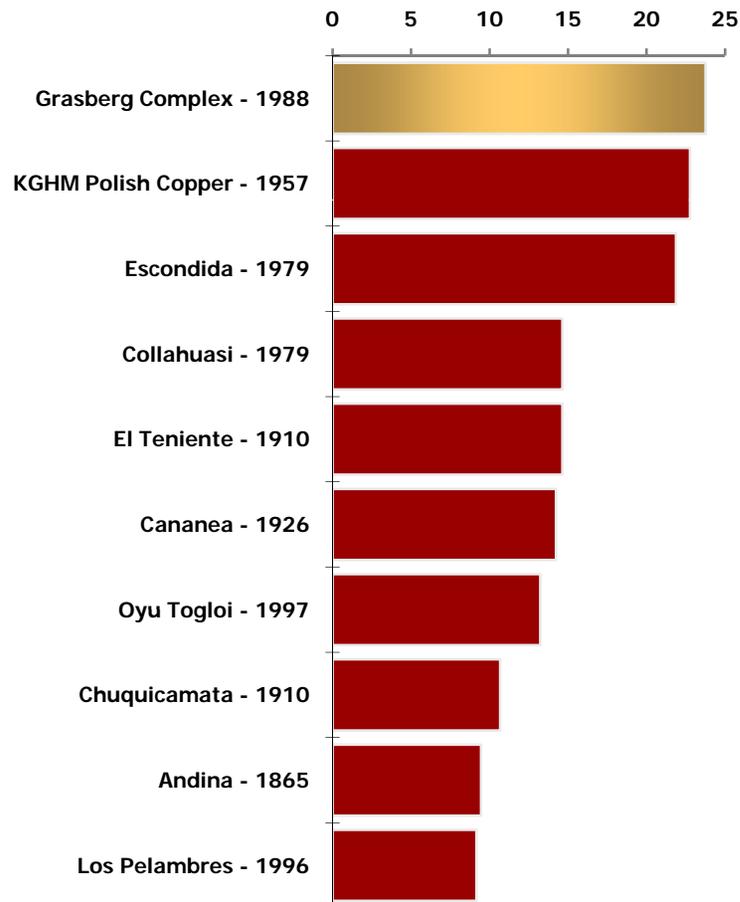


- Premier Copper, Gold & Molybdenum Producer
- Long-Lived Reserves with Growth Options
- Flexible Operating Structure
- Geographically Diverse
- *Significant Exploration Potential*
- Strong Financial Position
- Experienced Team

# World Class Copper Discoveries Are Extremely Rare

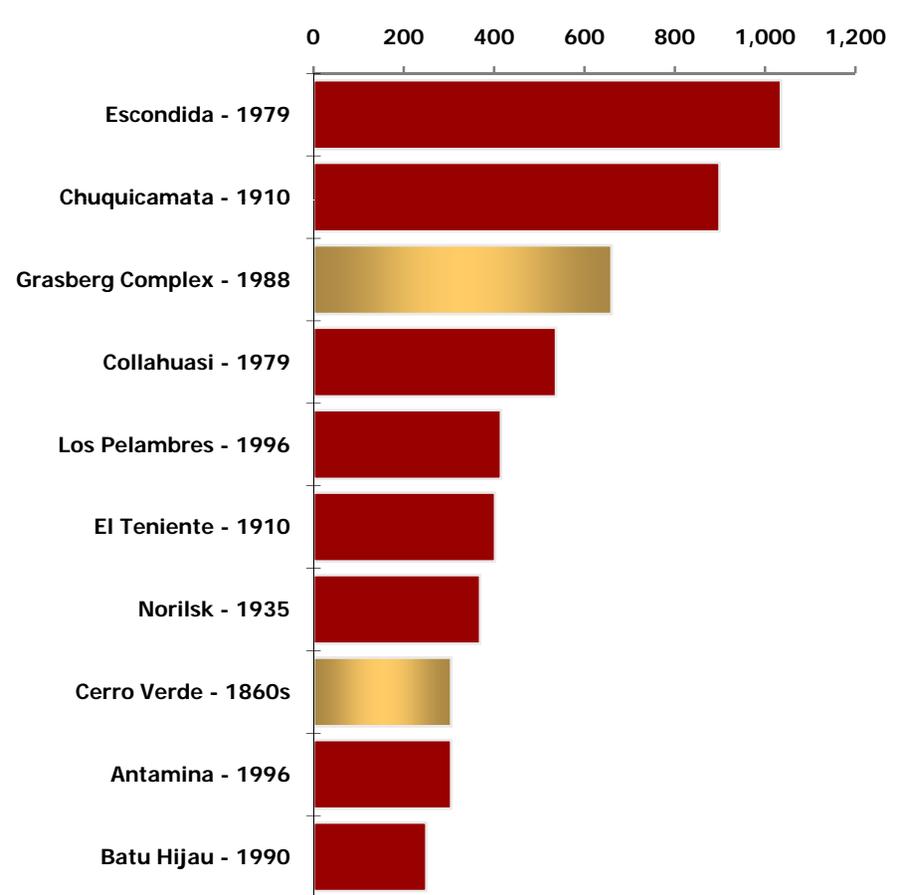
## Recoverable Copper Reserves

Million metric tons



## 2010e Copper Production

Thousand metric tons



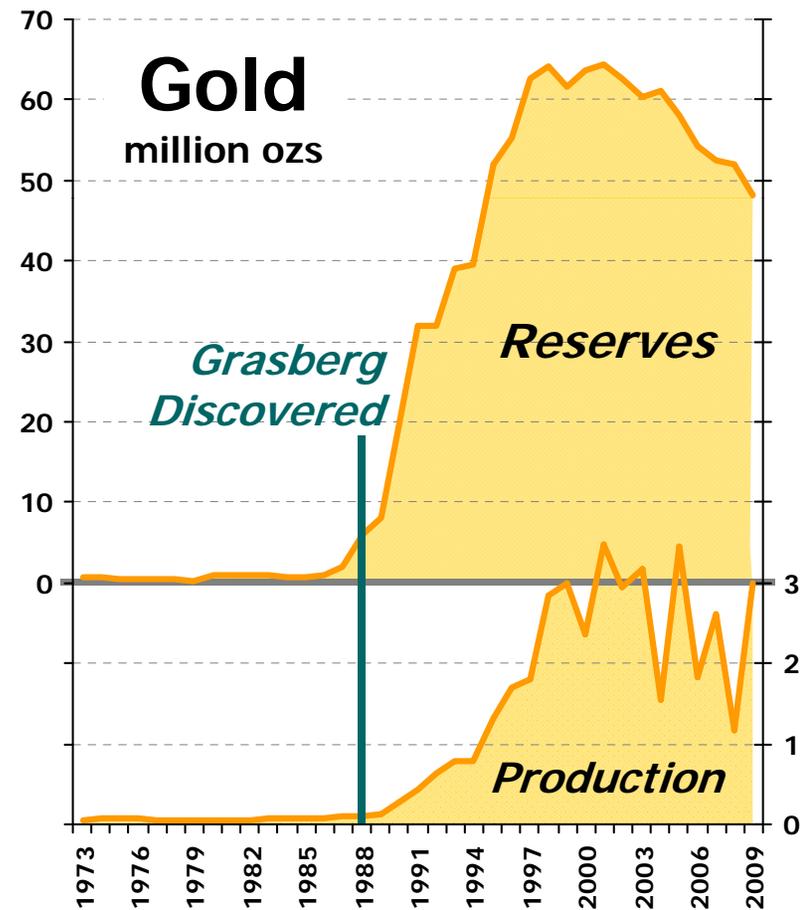
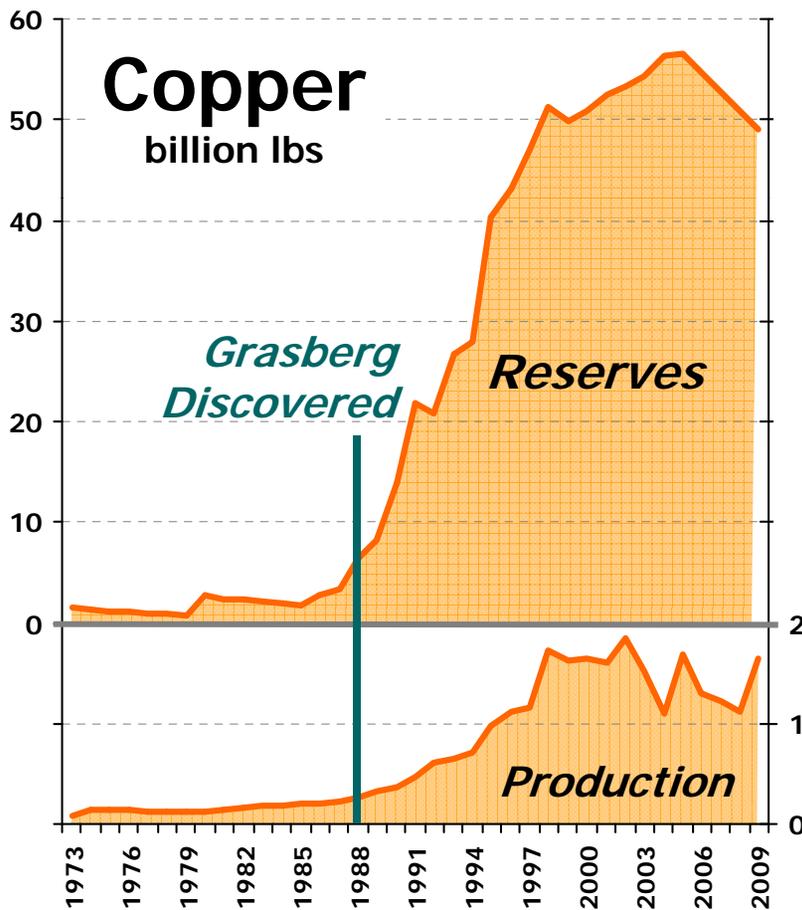
Source: Brook Hunt

e=estimate

# Grasberg Case Study

## Indonesia

### Reserve Growth = Expanded Production

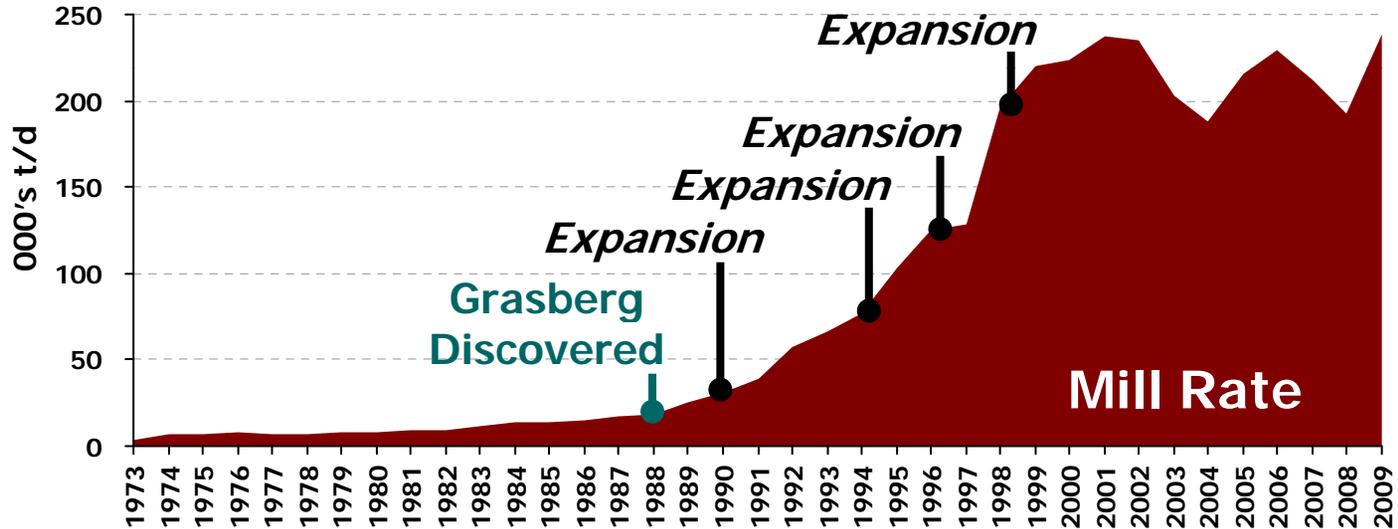


Note: aggregate reserves and production

# Grasberg 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." 1989*



## *Exploration Results Driving Future Growth*

- **Significantly Increased Exploration Activities on Phelps Dodge Properties Following Merger in 2007**
- **Invested ~\$550 MM on Exploration Since Merger, Principally Focused on Existing Mineral Districts**
- **Drilled Over 1.6 MM Meters in Core Holes**
- **Results Confirmed Initial View of Significant Future Potential from Sulfide Mineralization**
- **Added 23 bn lbs of Copper Reserves Since Merger Through YE 2009 – Nearly 2x Production**
- **Potential to Add ~20 bn lbs\* in 2010**

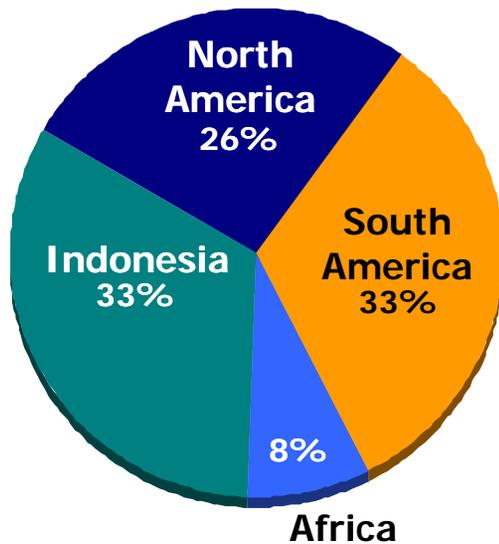
*\* Based on a long-term average copper price of \$2.00/lb. Estimates of proven and probable reserves for 12/31/10 are being completed and will be reported in January 2011. See Cautionary Statement.*

# Copper Reserves & Mineralized Material

as of 12/31/09

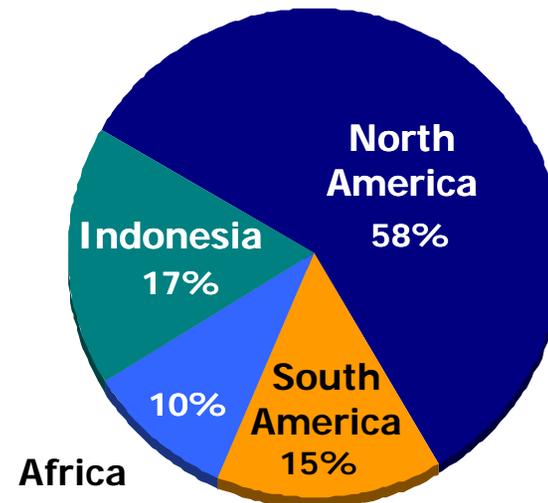
## Copper Reserves by Geographical Region

104 Bn lbs <sup>(a)</sup>



## Mineralized Material by Geographical Region

122 Bn Incremental lbs <sup>(b)</sup>



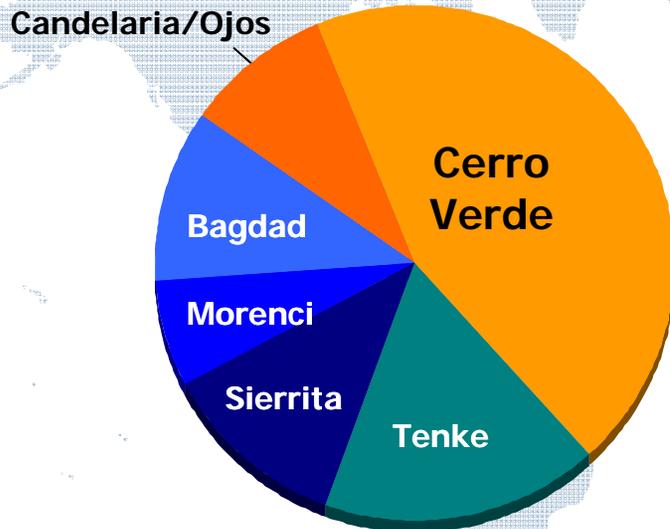
(a) recoverable proven and probable copper reserves were estimated using a long-term average copper price of \$1.60/lb; 83 billion pounds net to FCX's interest

(b) contained copper; consolidated copper resources using a long-term copper price of \$2.00/lb. **Mineralized Material is not included in reserves and will not qualify as reserves until comprehensive engineering studies establish their economic feasibility. Accordingly, no assurance can be given that the estimated mineralized material will become proven and probable reserves. See Cautionary Statement.**

# Significant Reserve Additions

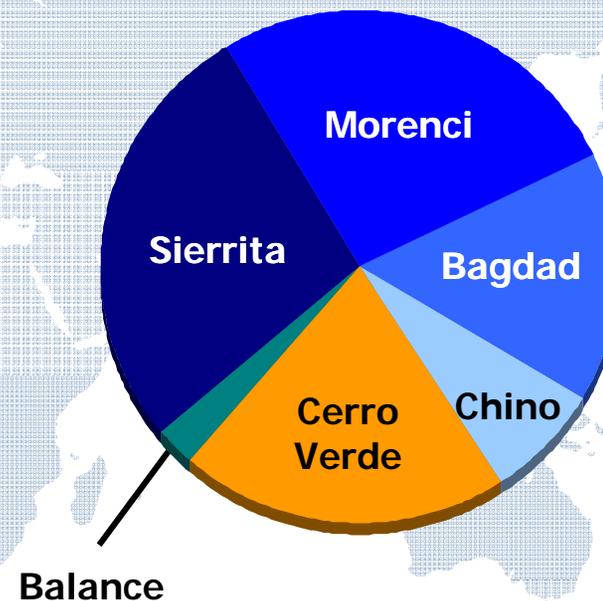
## Recent Reserve Additions

23 billion lbs copper  
Since Merger through 12/31/09 <sup>(1)</sup>



## Potential 2010 Reserve Additions

~20 billion lbs copper <sup>(2)</sup>

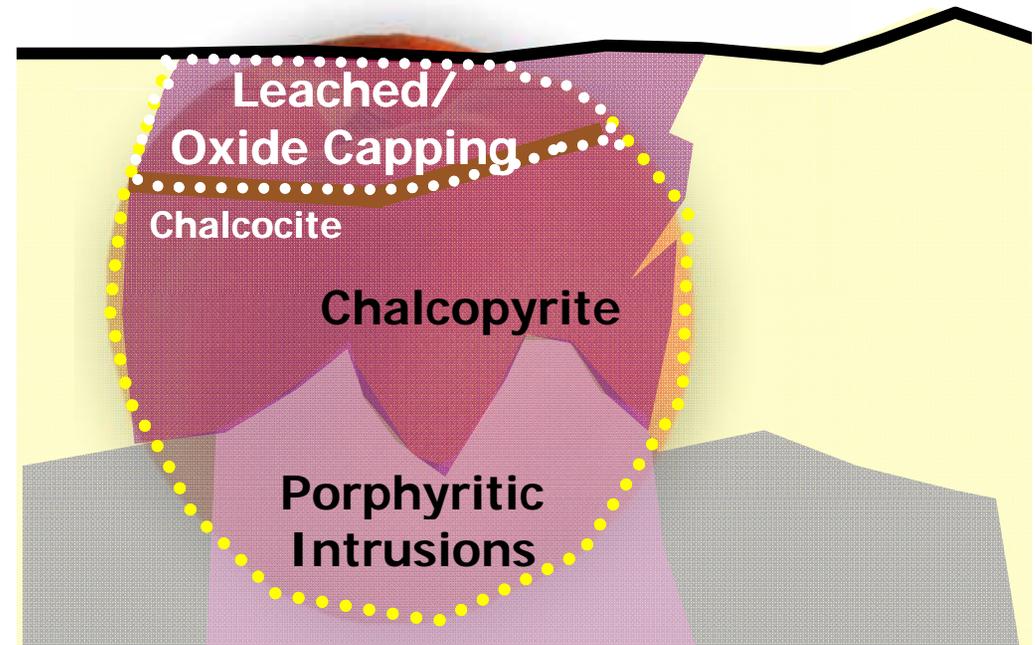
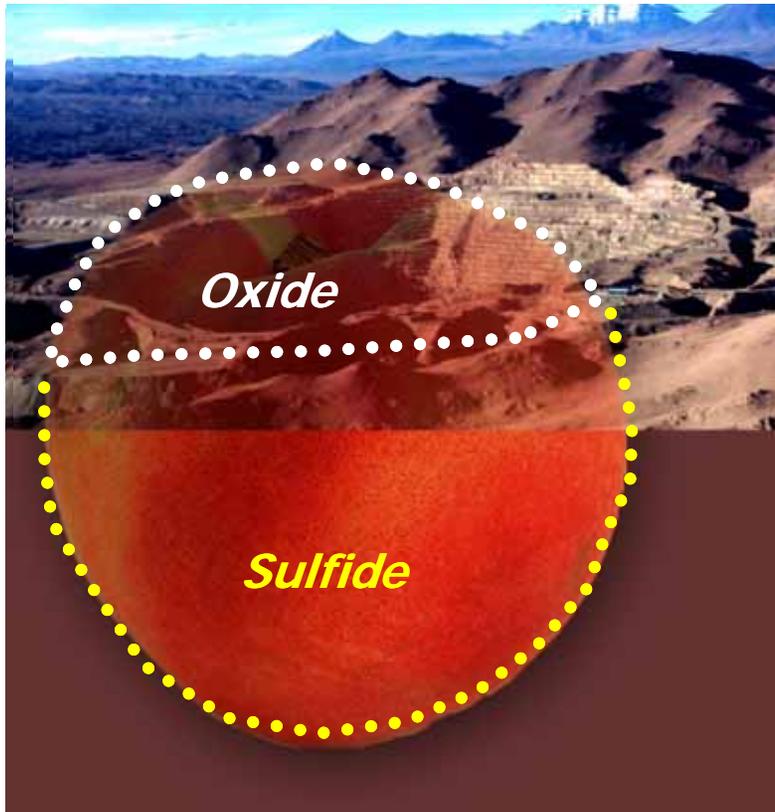


(1) Proven and probable reserves as of 12/31/09 totaled 104 bn lbs. and were based on long-term average copper price of \$1.60/lb.

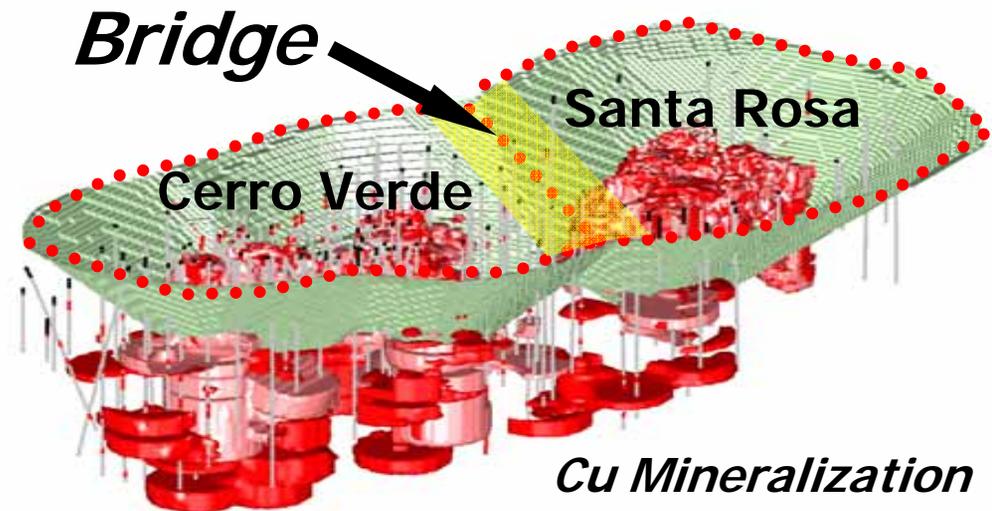
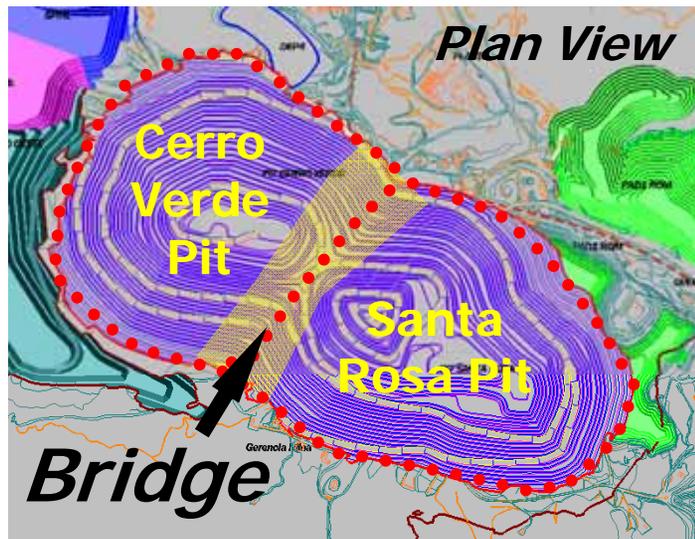
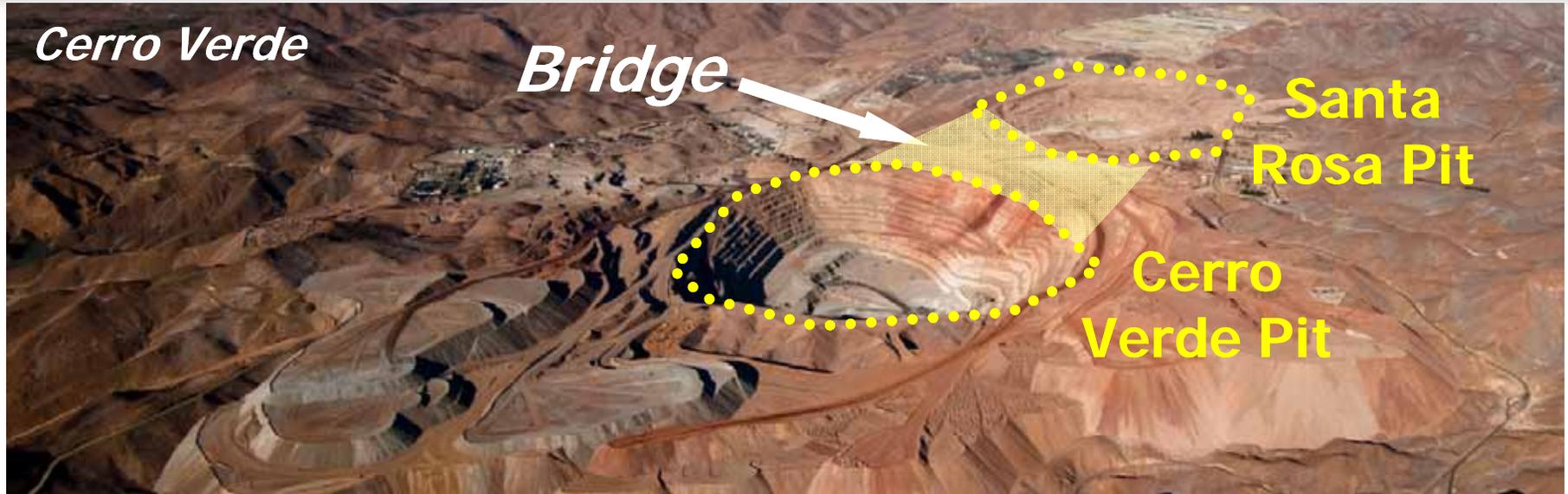
(2) Based on a long-term average copper price of \$2.00/lb. Estimates of proven and probable reserves for 12/31/10 are being completed and will be reported in January 2011.

See Cautionary Statement.

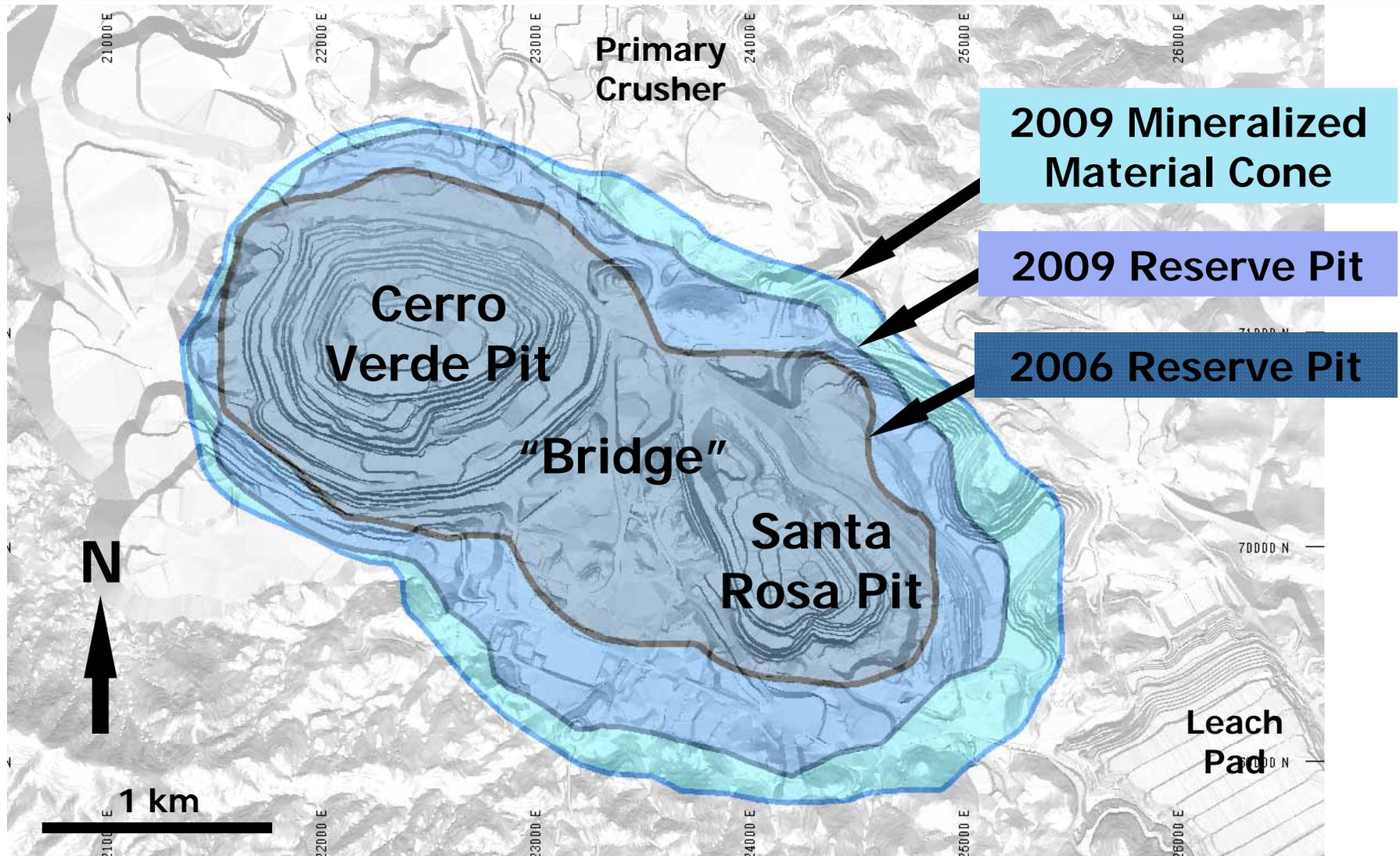
# *Defining the Sulfide Potential*



# Expanding Footprints – Cerro Verde Example

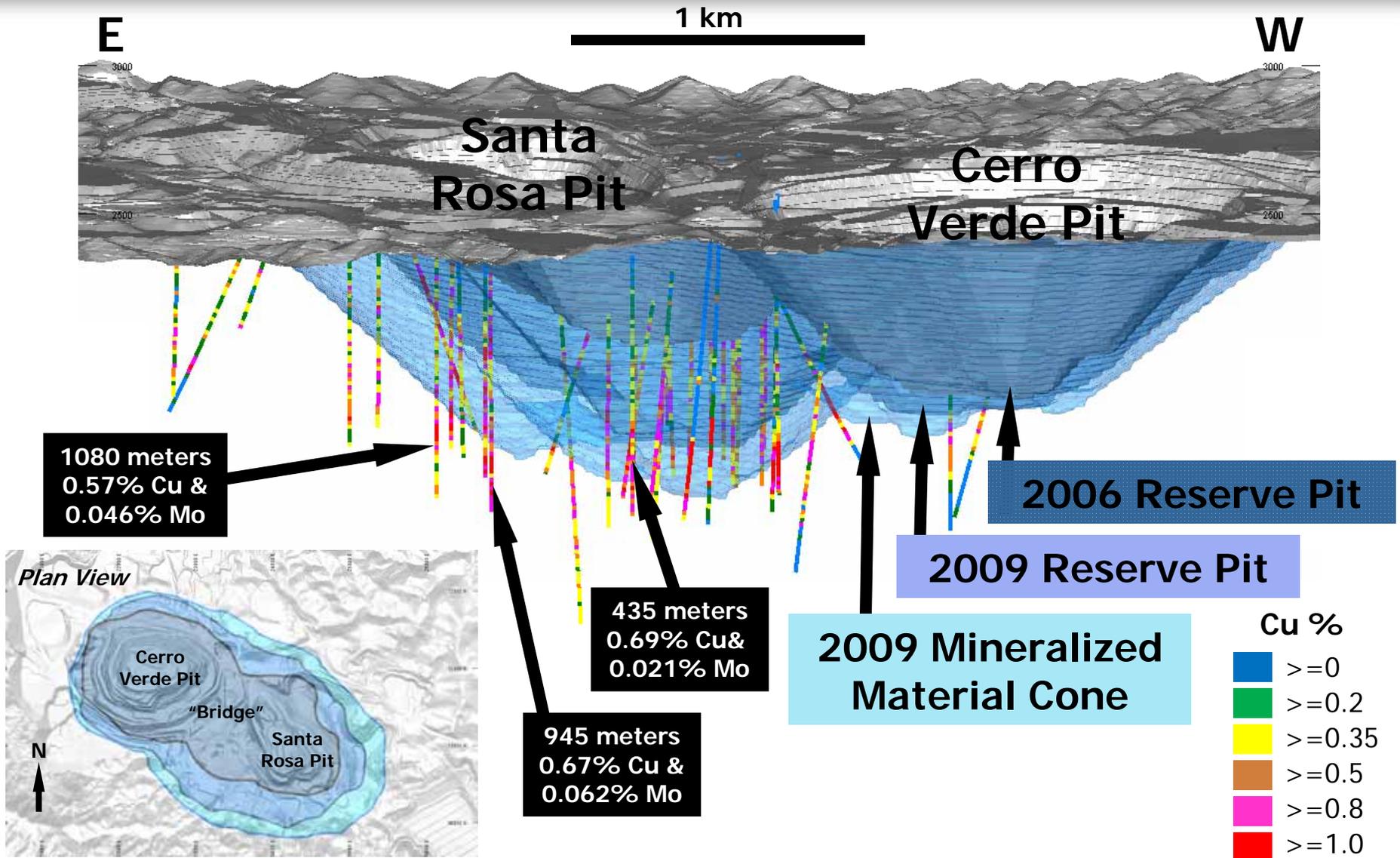


# Cerro Verde Brownfield Opportunities

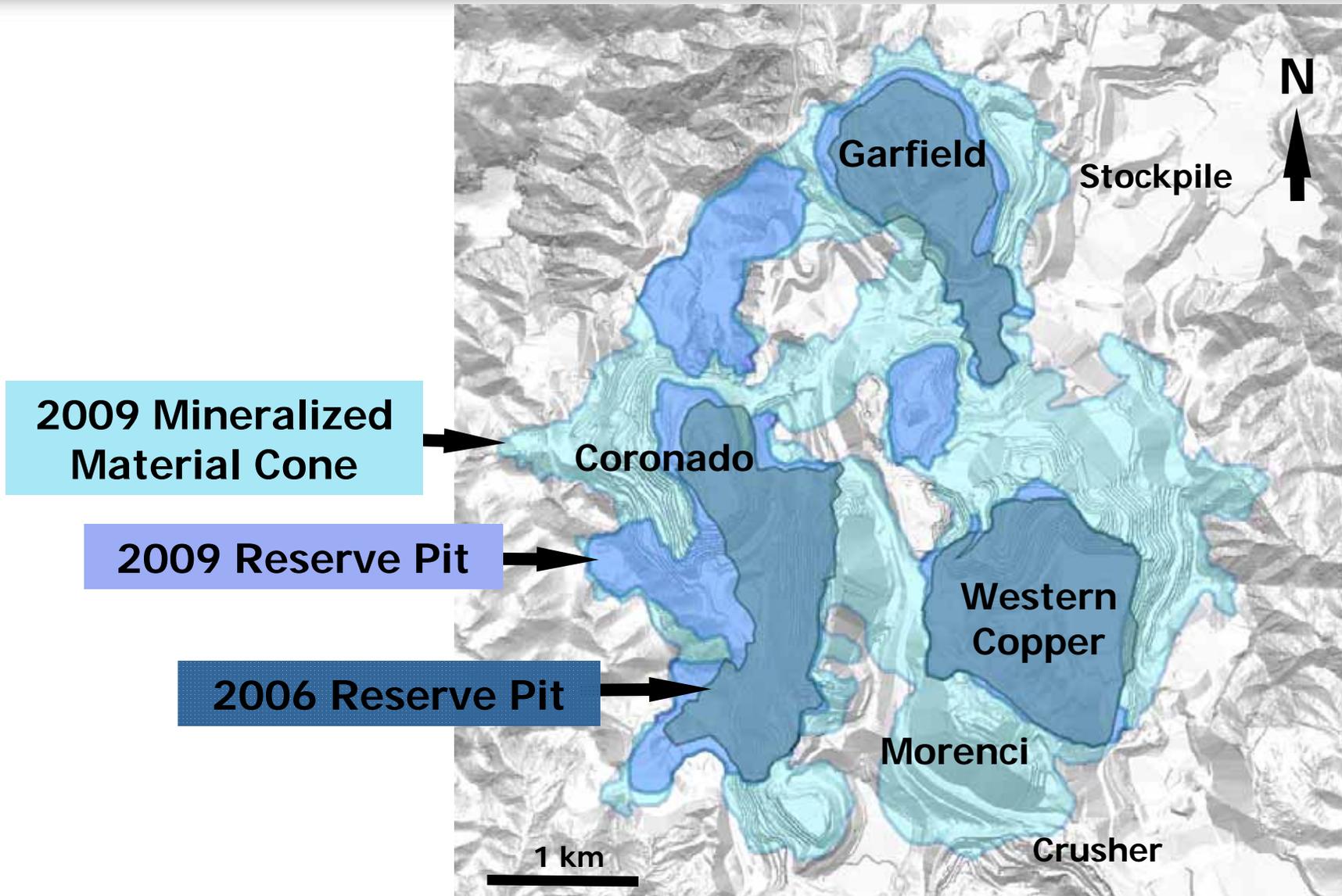


# Cerro Verde X-Section

## Significant Intercepts

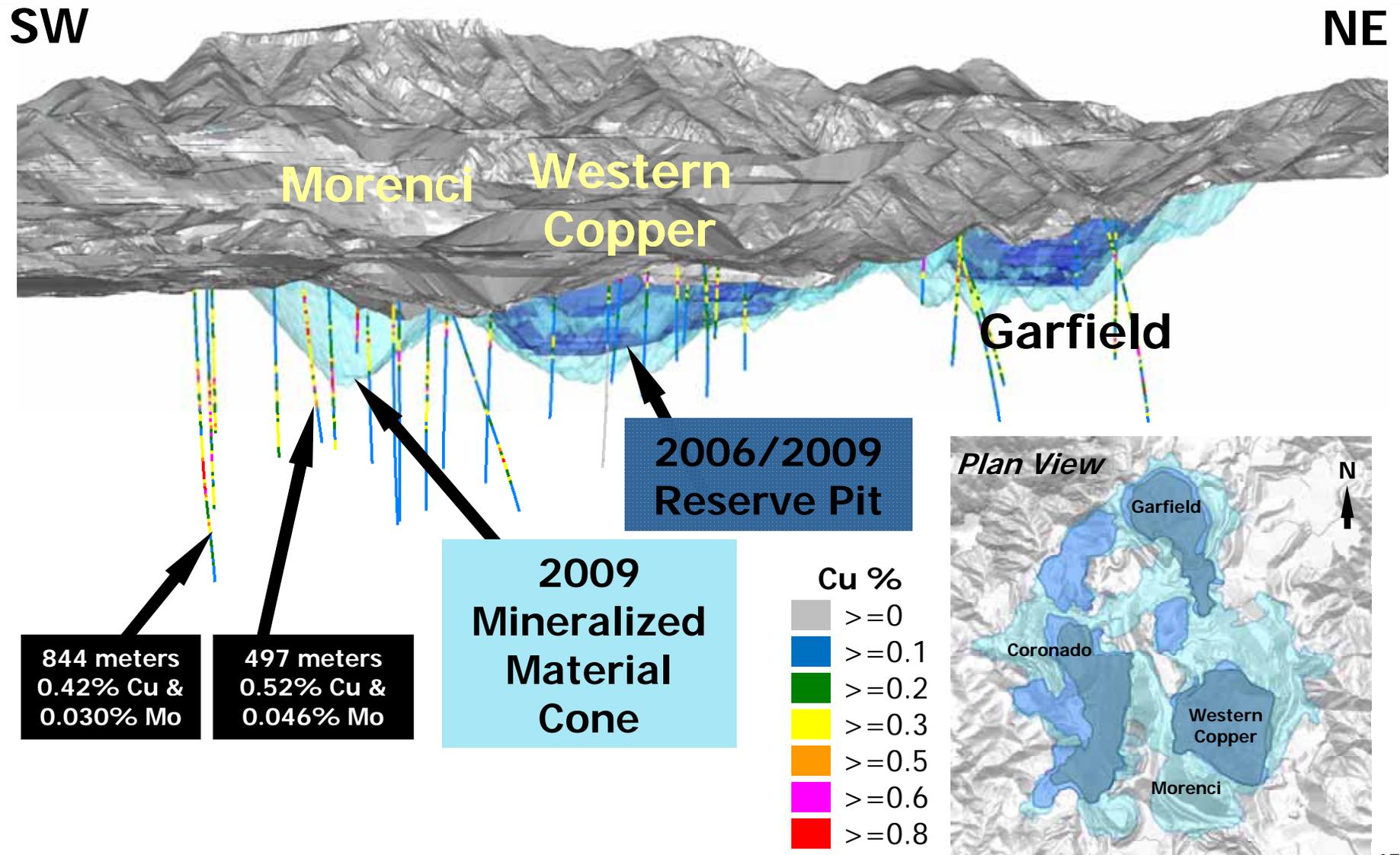


# Morenci Brownfield Opportunities



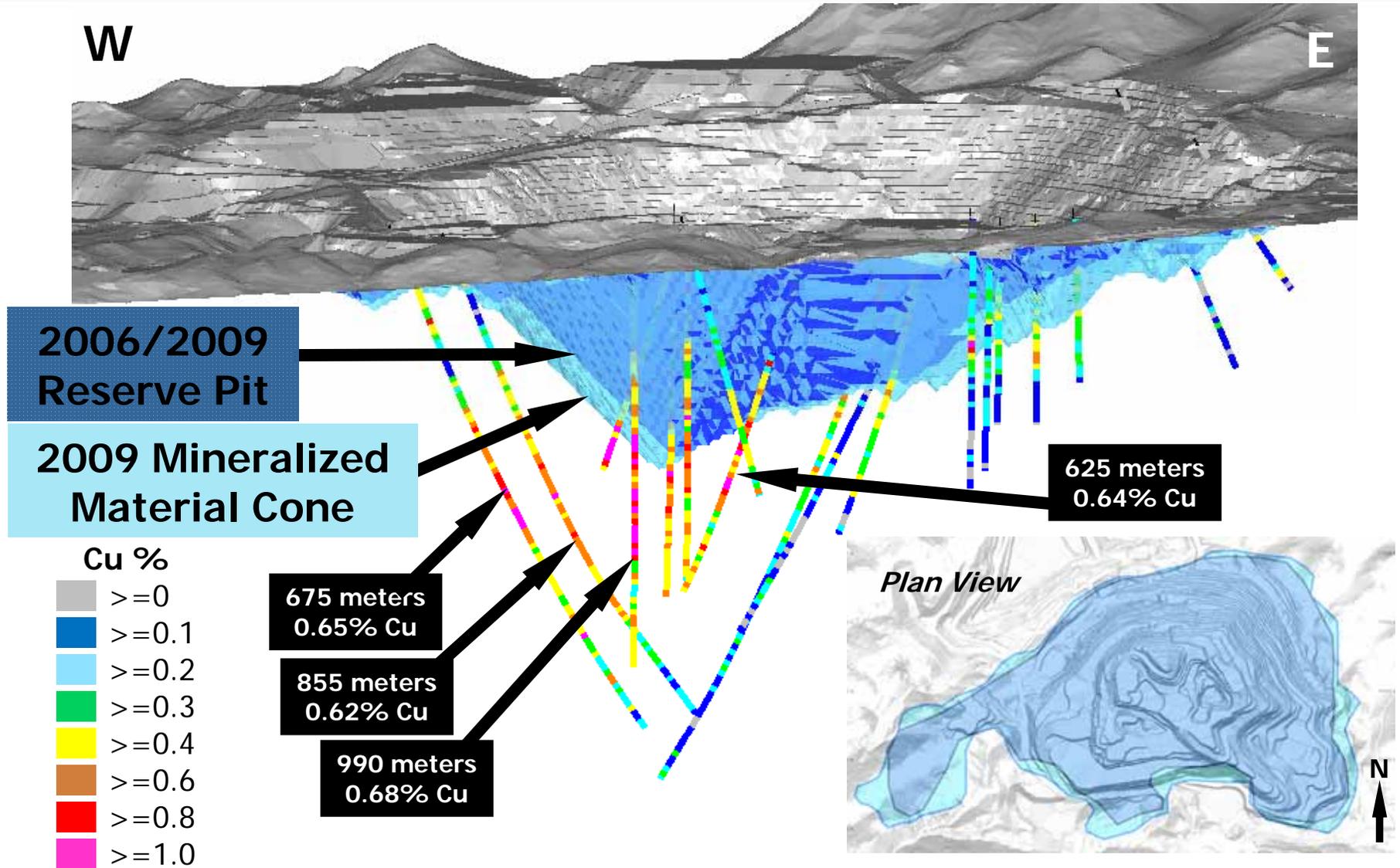
# Morenci X-Section

## Significant Intercepts



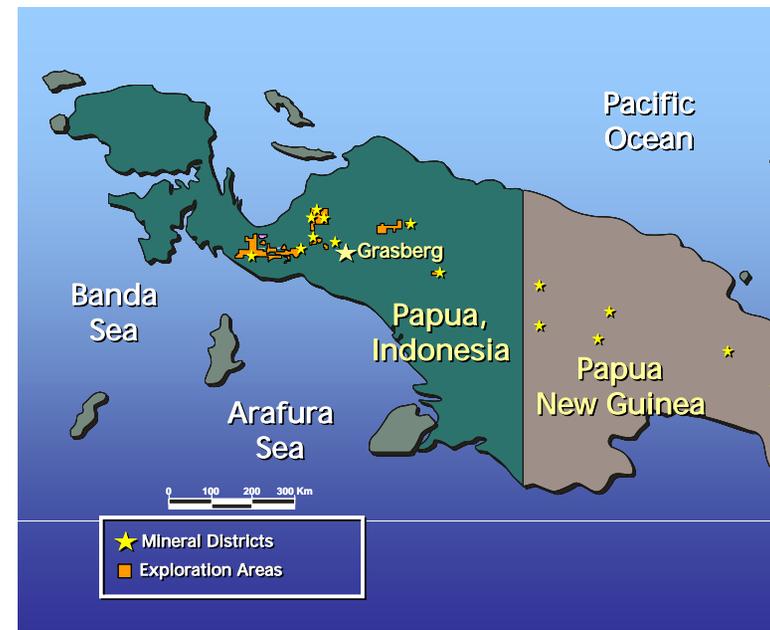
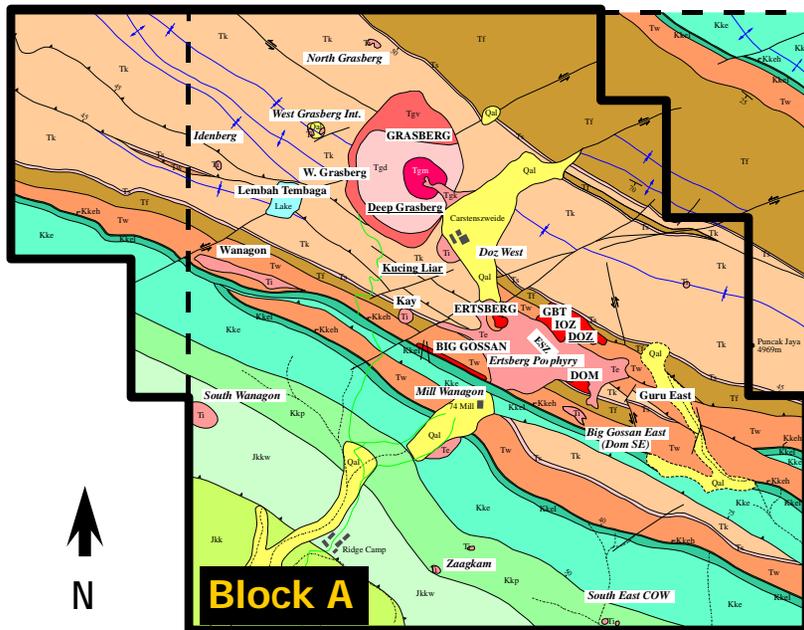
# El Abra X-Section

## Significant Intercepts



# Papua Opportunities

- Drill programs adjacent to existing ore bodies as well as in highly prospective exploration areas outside current operations
- Opportunities to add to reserves in Indonesia

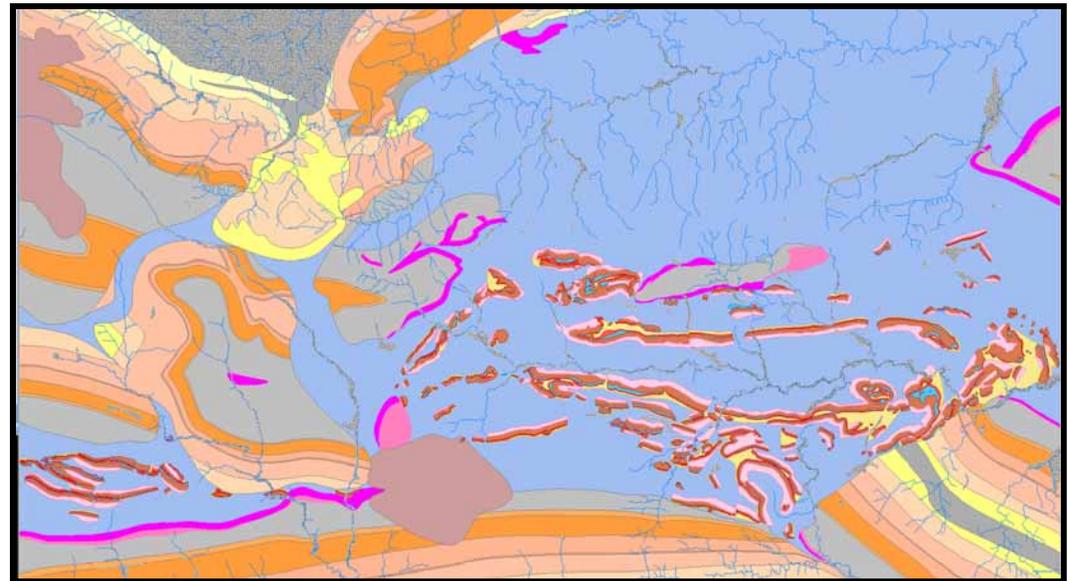


# *Tenke Fungurume Sulfides Exploration Potential Greater than Oxides*

- *600 square mile concession*
- *Resource potential is multiples of existing reserves*
- *Future exploration is required to define the resource*

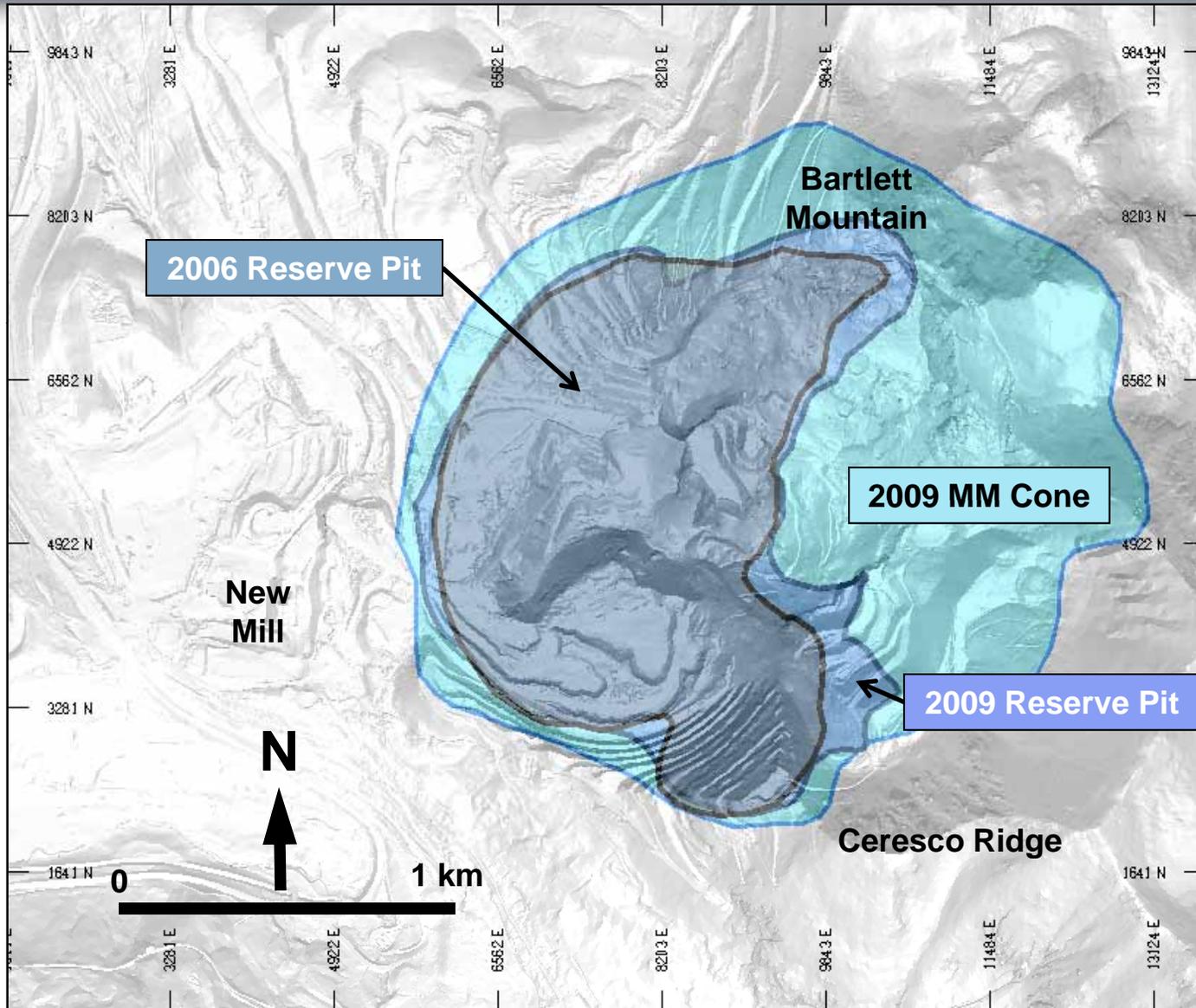


## *Geology of Central Camp & Greater Pumpi*



*Mines series target host lithology  
Total strike length: 154 km*

# *Climax Molybdenum*

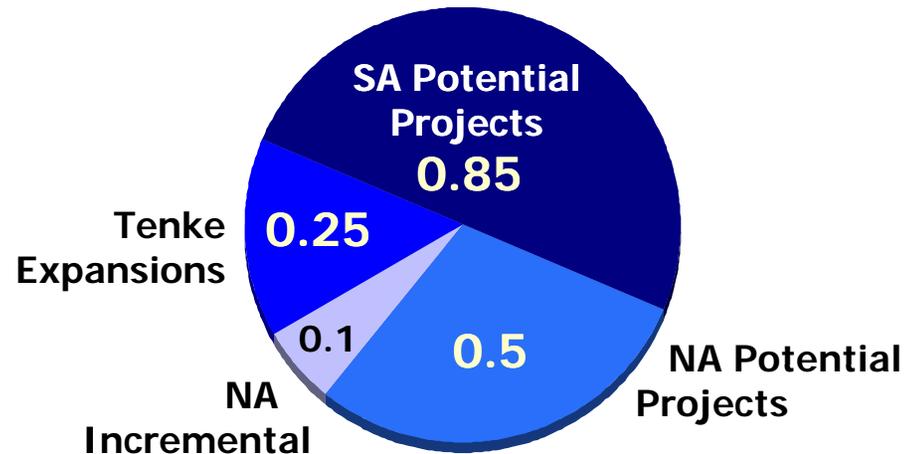


# *Exploration Drives the Mine Plan*

*FCX Brownfield Exploration Results =  
Greenfield Expansion Opportunities*



## *New Copper Sources*



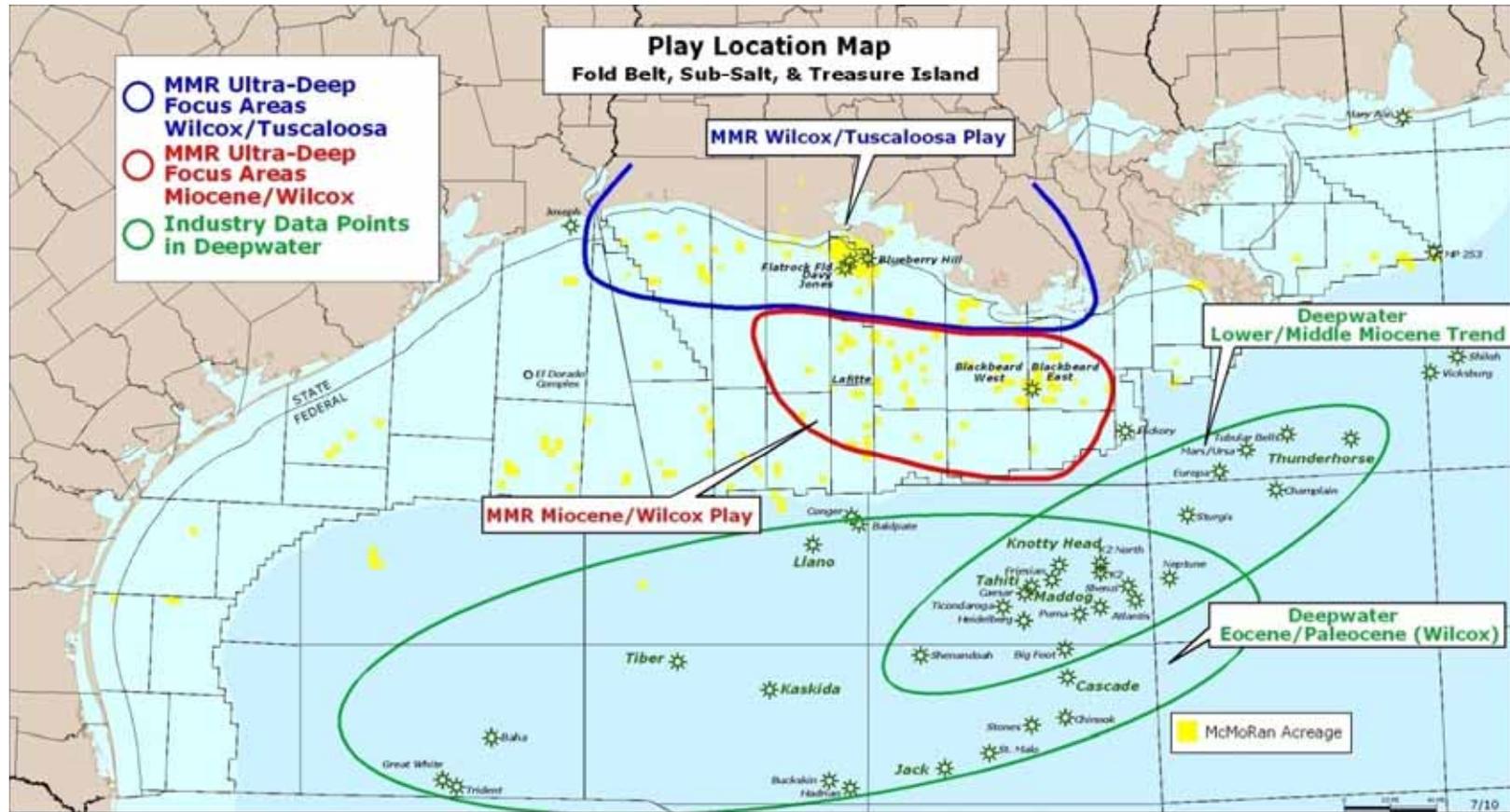
**1.7 billion lbs Cu Annually**



# MMR Ultra-Deep Focus Areas on the Shelf of Gulf of Mexico



Generated 15 Prospects on Large Structures on Shelf with Ties to the Deepwater.



**Unrisked Potential for Ultra-Deep Focus Area: 30+ Tcfe Gross, 14+ Tcfe Net\*  
Gross Potential Could Exceed 100 Tcfe**

\* Assumes MMR has rights to 48% NRI; actual WI & NRI are pending unitization and parties' participation on a per prospect basis

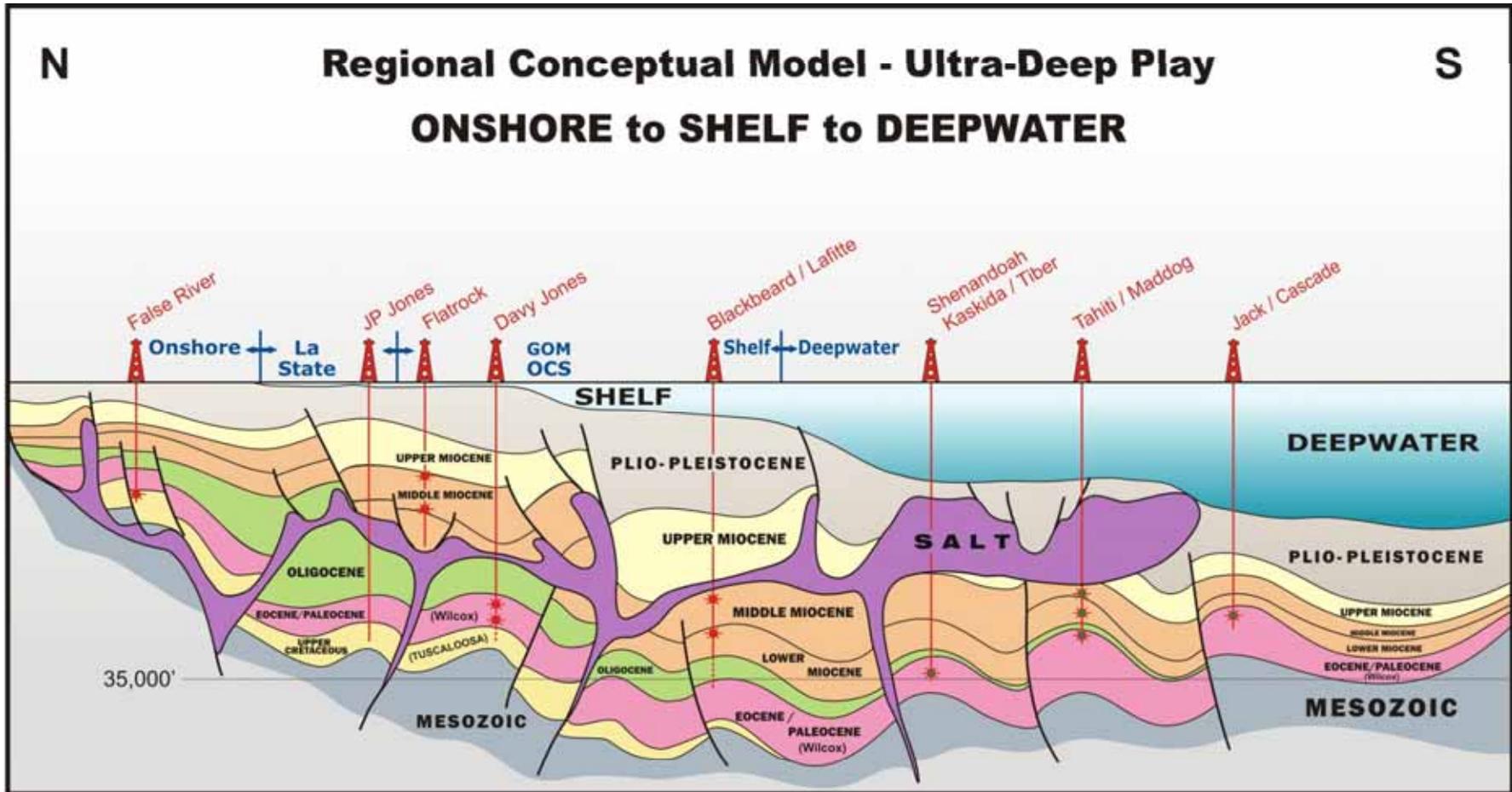
NOTE: MMR uses certain phrases and terms in this presentation, such as "gross and net unrisked potential," which the SEC's guidelines strictly prohibit it from including in filings with the SEC. See Cautionary Statement.



# Conceptual Model - Ultra-Deep Play



*MMR Broadly Recognized as Industry Leader in This New Exploration Frontier*



*Data received to date from Davy Jones/Blackbeard West & East confirm MMR's original geologic modeling, which correlates the objective sections on the Shelf below the salt weld in the Miocene and older age sections to those productive sections seen in deepwater discoveries by other industry participants.*



MCMORAN EXPLORATION CO.

# *Davy Jones 3-D Image*

