FREEPORT-McMoRAN COPPER & GOLD

EXPANDING RESOURCES

Goldman Sachs

# Global Metals & Mining, Steel Conference

FCX LISTED NYSE


**Kathleen L. Quirk**

*Executive Vice President & CFO*


November 21, 2013

# Cautionary Statement Regarding Forward-Looking Statements

*This presentation contains forward-looking statements in which FCX discusses its potential future performance. Forward-looking statements are all statements other than statements of historical facts, such as projections or expectations relating to ore grades and milling rates, production and sales volumes, unit net cash costs, operating cash flows, capital expenditures, exploration efforts and results, development and production activities and costs, liquidity, tax rates, the impact of copper, gold, molybdenum, cobalt, oil and gas price changes, the impact of derivative positions, the impact of deferred intercompany profits on earnings, reserve estimates, future dividend payments and potential share purchases, and estimated EBITDA. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "intends," "likely," "will," "should," "to be," "potential" and any similar expressions are intended to identify those assertions as forward-looking statements. The declaration of dividends is at the discretion of FCX's Board and will depend on FCX's financial results, cash requirements, future prospects, and other factors deemed relevant by the Board.*

*FCX cautions readers that forward-looking statements are not guarantees of future performance and its actual results may differ materially from those anticipated, projected or assumed in the forward-looking statements. Important factors that can cause FCX's actual results to differ materially from those anticipated in the forward-looking statements include demand for and prices of copper, gold, molybdenum, cobalt, oil and gas, mine sequencing, production rates, drilling results, the outcome of ongoing discussions with the Indonesian government, the potential effects of violence in Indonesia, the resolution of administrative disputes in the Democratic Republic of Congo, labor relations, the ability to retain current or future lease acreage rights, unanticipated hazards for which we have limited or no insurance coverage, failure of third party partners to fulfill their capital and other commitments, adverse conditions that could lead to structural or mechanical failures or increased costs, changes in reserve estimates, currency translation risks, risks associated with the integration of recently acquired oil and gas operations, industry risks, regulatory changes, political risks, weather- and climate-related risks, environmental risks, litigation results, and other factors described in more detail under the heading "Risk Factors" in FCX's Annual Report on Form 10-K for the year ended December 31, 2012, filed with the U.S. Securities and Exchange Commission (SEC) as updated by FCX's subsequent filings with the SEC.*

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

*This presentation also contains certain financial measures such as unit net cash costs per pound of copper and per pound of molybdenum, oil and gas realized revenues, oil and gas revenues before derivatives and cash production costs per barrel of oil equivalent (BOE), which are not recognized under generally accepted accounting principles in the U.S. As required by SEC Regulation G, reconciliations of these measures to amounts reported in FCX's consolidated financial statements are available in FCX's 3Q 2013 press release on FCX's website, "www.fcx.com."*

# FCX – A Premier U.S. Based Natural Resource Company

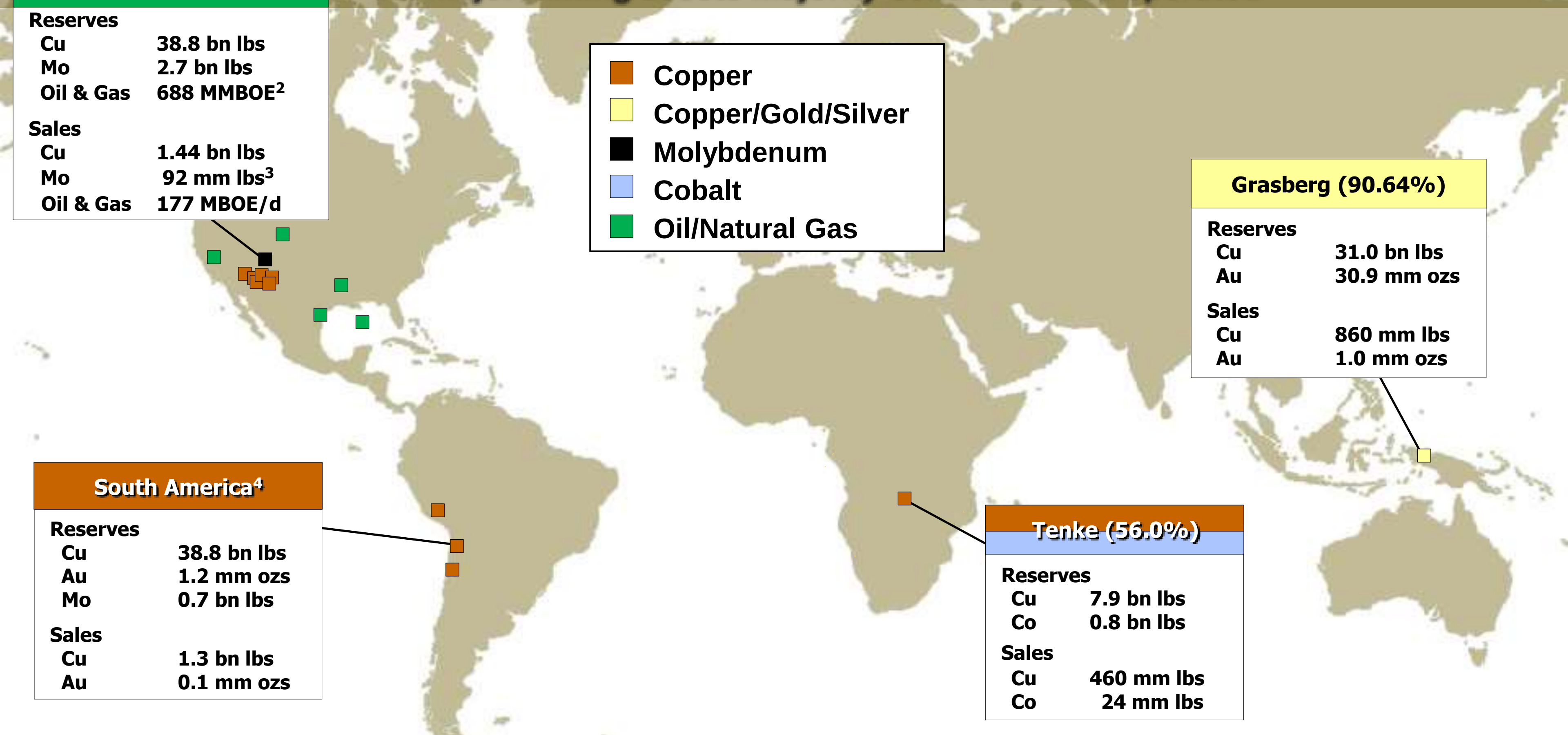
- World's Largest Publicly Traded Copper Producer
- High-Quality U.S. Based Oil & Gas Assets
- Strong Margins & Cash Flows
- Visible and Predictable Organic Growth
- Strong Technical Capabilities
- Track Record of Capital Discipline and Return Driven Investments

***Firmly Focused on Creating Shareholder Value***

# FCX's Global Footprint

## Major Operations & Development Projects

### All major mining assets majority-controlled and operated




**North America[1]**

| | |
|---|---|
| **Reserves** | |
| Cu | 38.8 bn lbs |
| Mo | 2.7 bn lbs |
| Oil & Gas | 688 MMBOE[2] |
| **Sales** | |
| Cu | 1.44 bn lbs |
| Mo | 92 mm lbs[3] |
| Oil & Gas | 177 MBOE/d |

**Grasberg (90.64%)**

| | |
|---|---|
| **Reserves** | |
| Cu | 31.0 bn lbs |
| Au | 30.9 mm ozs |
| **Sales** | |
| Cu | 860 mm lbs |
| Au | 1.0 mm ozs |

**South America[4]**

| | |
|---|---|
| **Reserves** | |
| Cu | 38.8 bn lbs |
| Au | 1.2 mm ozs |
| Mo | 0.7 bn lbs |
| **Sales** | |
| Cu | 1.3 bn lbs |
| Au | 0.1 mm ozs |

**Tenke (56.0%)**

| | |
|---|---|
| **Reserves** | |
| Cu | 7.9 bn lbs |
| Co | 0.8 bn lbs |
| **Sales** | |
| Cu | 460 mm lbs |
| Co | 24 mm lbs |

*Note: FCX consolidated reserves and annual sales; reserves as of December 31, 2012. Mining sales figures are based on 2013e; oil and gas estimate is based on 2H13e.*

*[1] Cu operations: Morenci (85%), Sierrita (100%), Bagdad (100%), Tyrone (100%), Safford (100%), Miami (100%) and Chino (100%); Primary Mo: Henderson (100%) and Climax (100%); Oil & Gas operations: onshore/offshore CA, Madden, Eagle Ford, Haynesville, GOM shelf & Deepwater*

*[2] 2P Reserves including Proved of 475 MMBOE and Probable of 213 MMBOE; Reserves are as of 12/31/12, adjusted for MMR 1Q13 divestitures*

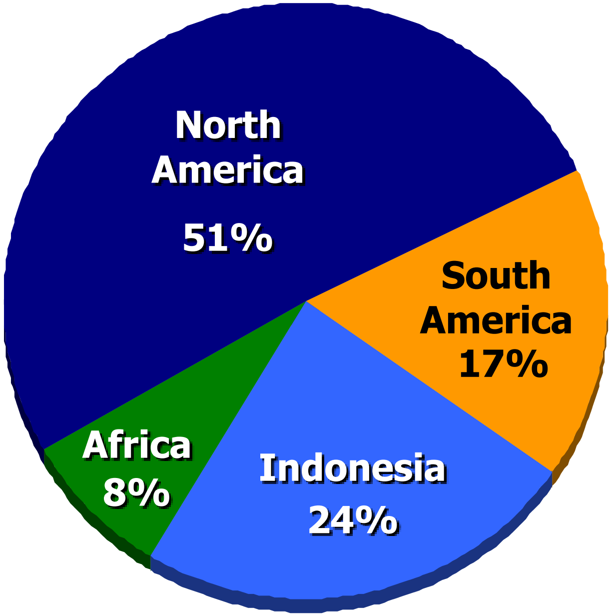
*[3] Includes moly sales from South America*

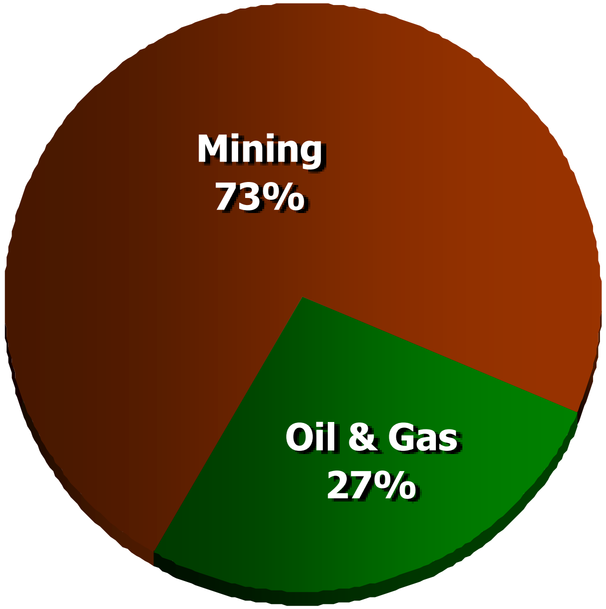
*[4] Cu operations: Candelaria/Ojos del Salado (80%), Cerro Verde (53.6%) and El Abra (51%)*

*e = estimate. See Cautionary Statement.*

# Geographic & Commodity Mix

## 2014e EBITDA (1)



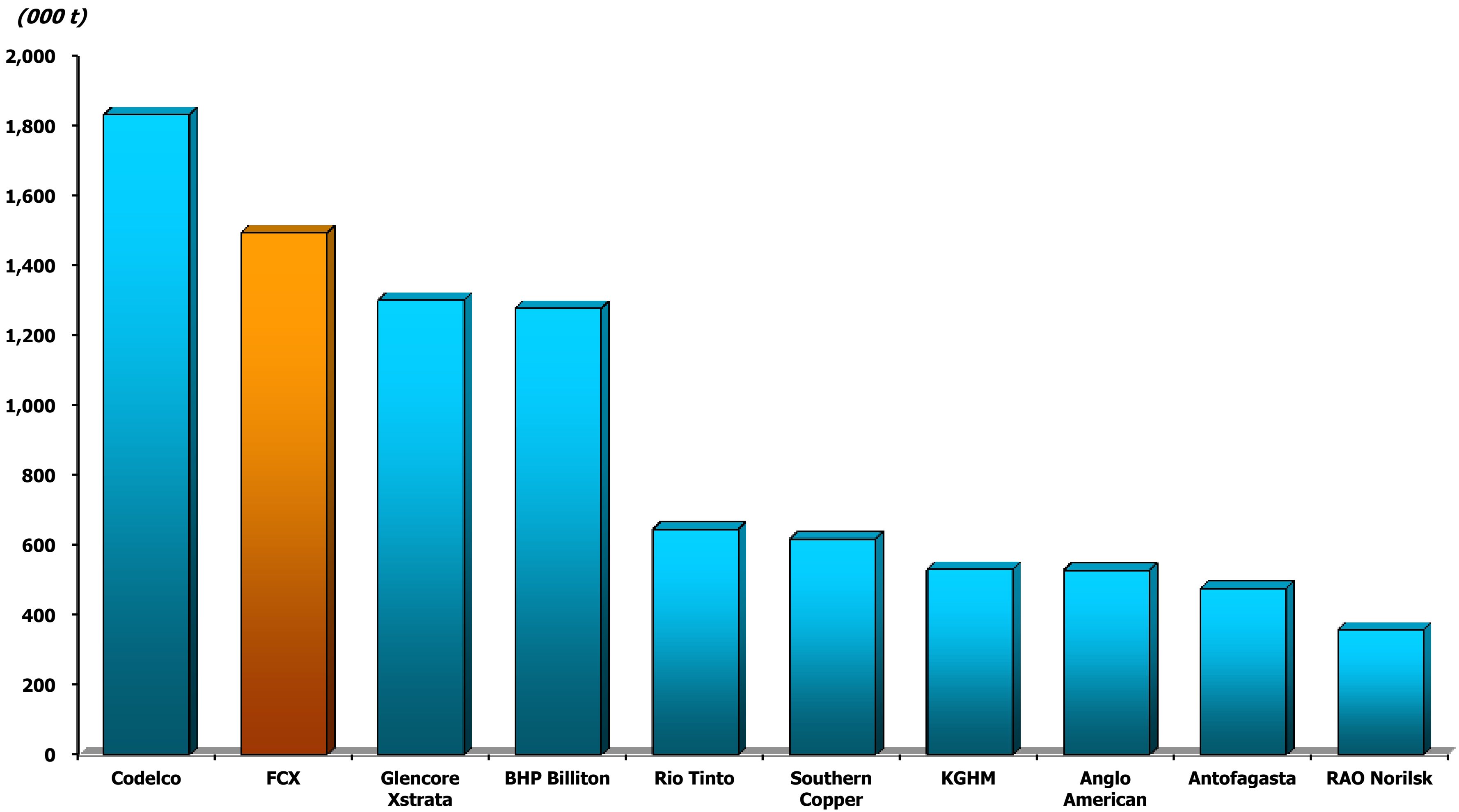




*(1) Based on 2014e EBITDA of ~$10.5 bn assuming annual pricing of $3.25/lb Cu, $1,300/oz Au, $10/lb Mo, $100/Bbl Oil (Brent) and $4.50/MMbtu natural gas. Each 25¢/lb change in copper would have an approximate $1.1 bn impact; each $10/Bbl increase in oil (net of diesel costs) approximates $315 MM.*

*e = estimate. See Cautionary Statement.*

# World's Leading Copper Producers

## Top 10 Copper Producers (2013e)



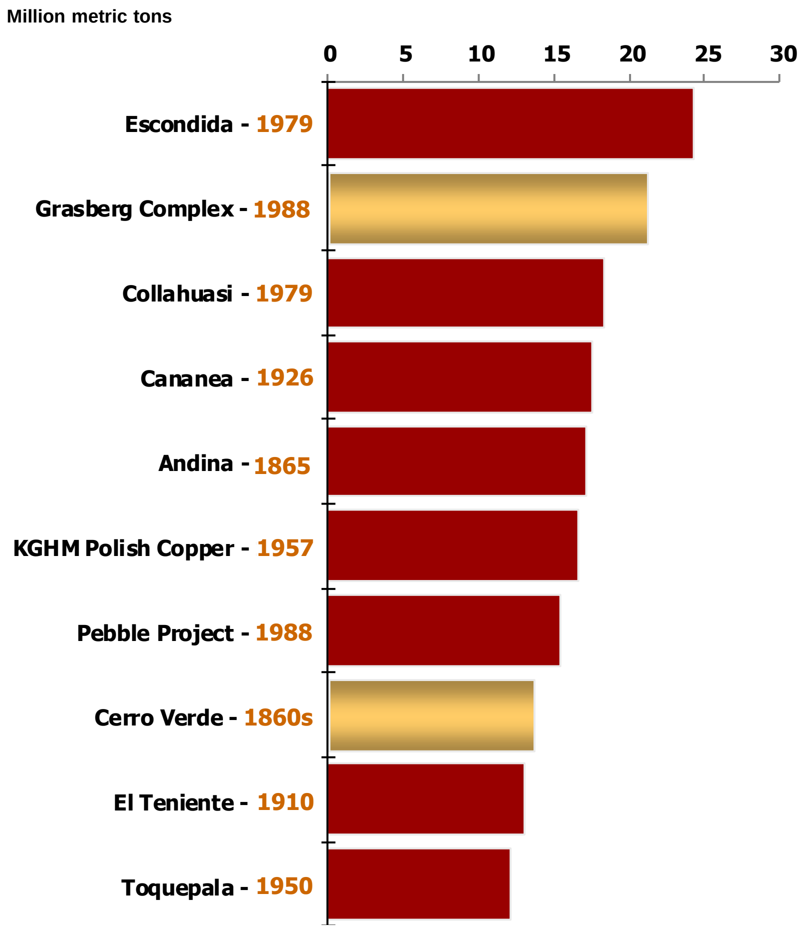

Source: Wood Mackenzie 3Q13. Rankings based on net equity ownership.
e=estimate

# Copper Market Commentary

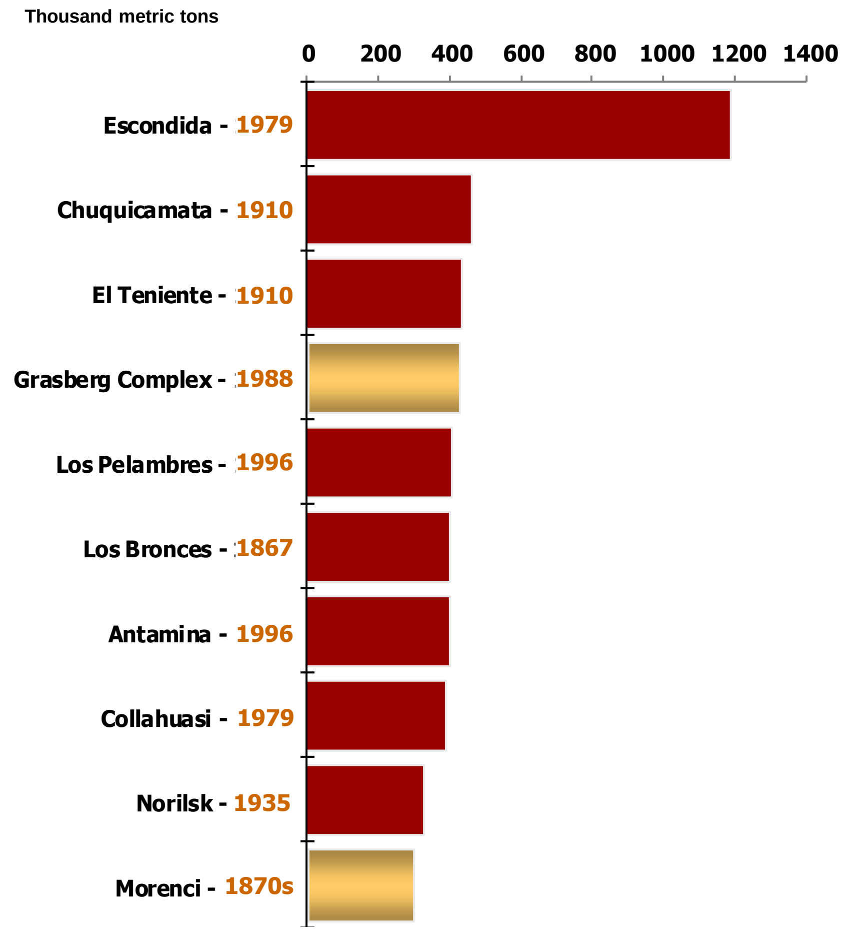
- **China Remains Important Demand Driver**
  - **Large Consumption Base Growing at a Sustainable Rate**
- **Continued Improvement in U.S. Demand**
  - **Automotive Production and Sales Back to Pre-crisis Levels**
  - **Improving Construction Activity**
- **European Demand Bottomed and Showing Signs of Improvement**
- **Lack of Scrap Availability Supporting Cathode Demand Globally**
- **Consumer Inventories Remain Low**
- **Rising Cathode Premiums Indicate Tight Cathode Market**
- **Near Term Supply Growth Not Indicative of Long Term Trend**
- **Positive Long-Term Fundamentals**

# World Class Copper Discoveries Are Extremely Rare

## Recoverable Copper Reserves




## 2013e Copper Production




*Source: Wood Mackenzie 3Q13*
*e=estimate*

# Visible Organic Growth

## Mining

- Targeting 5+ Billion Pounds Annual Cu Production by 2015 (37% Increase from 2012)
- Advanced Stage Brownfield Development
  - Proven Technology
  - Capital Efficiency
  - Attractive Risk Reward

## Oil & Gas

- Production Targeted to Double Over Next 5 Years
- Substantial Production Capacity from Existing Deepwater Infrastructure to Benefit Exploitation Opportunities
- Significant Exploration & Development Within Existing Portfolio

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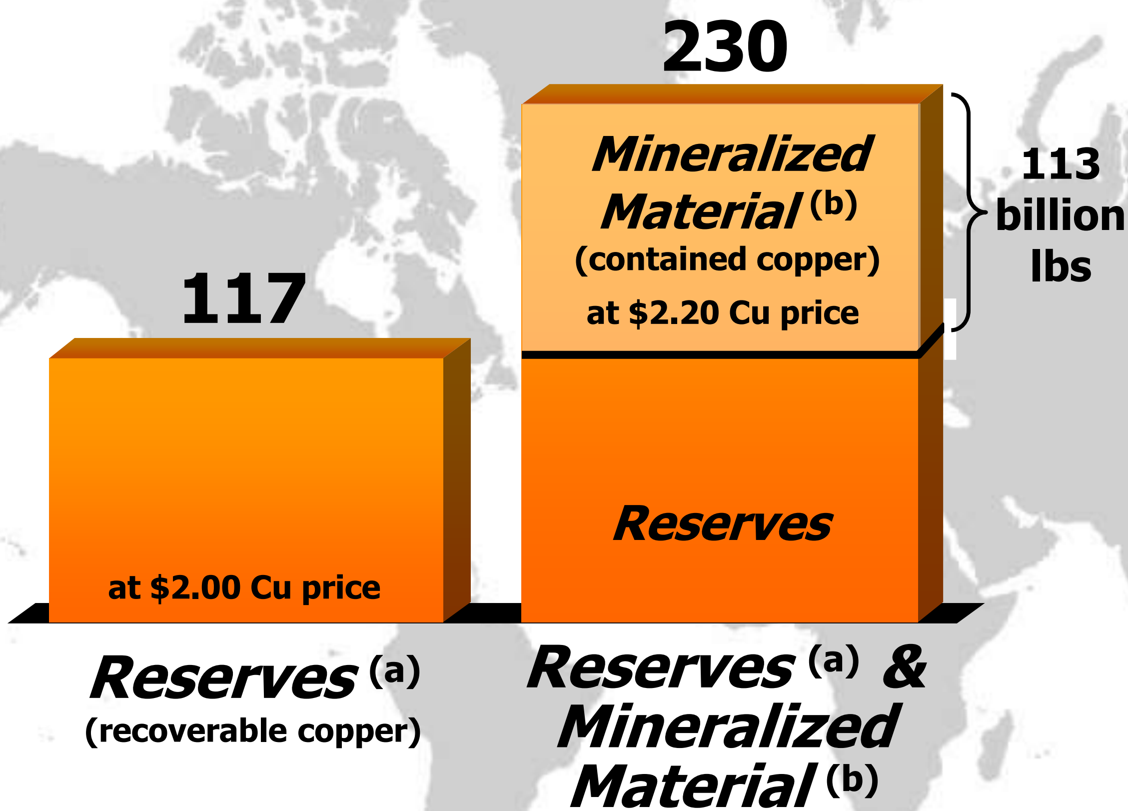
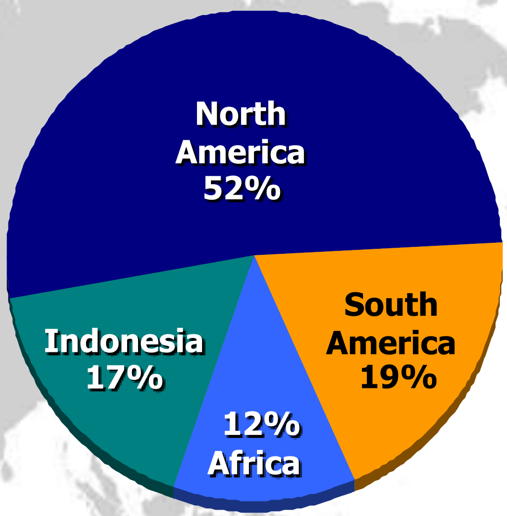
# Copper Reserves & Mineralized Material

## as of 12/31/12

*billion lbs of copper*




**12/31/12**
**Mineralized Material (b)**
**by Geographical Region**




(a) *Estimates of recoverable proven and probable copper reserves determined using a long-term average copper price of $2.00/lb; 93 billion pounds net to FCX's interest.*

(b) *Estimates of consolidated contained copper resources determined using a long-term copper price of $2.20/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.***

# Brownfield Development Projects

## Tenke Fungurume Phase II Expansion

**$0.9 billion***

- Completed on time & within budget
- Incremental 150 mm lbs of copper per annum (50% increase)
- Performing well
- $0.7 billion incurred to-date**


## Cerro Verde Mill Expansion

**$4.6 billion**

- Commenced construction in 1Q13
- Completion expected in 2016
- Expected to add 600 mm lbs of copper per annum
- $1.1 billion incurred to-date**


## Morenci Mill Expansion

**$1.6 billion**

- Construction in advanced stage
- Startup expected in 1H 2014
- Expected to add 225 mm lbs of copper per annum
- $0.8 billion incurred to-date**


***+1 billion pounds per annum increase by 2016***

- *Proven Technology*
- *Capital efficiency*
- *Higher risk-adjusted returns than greenfield*

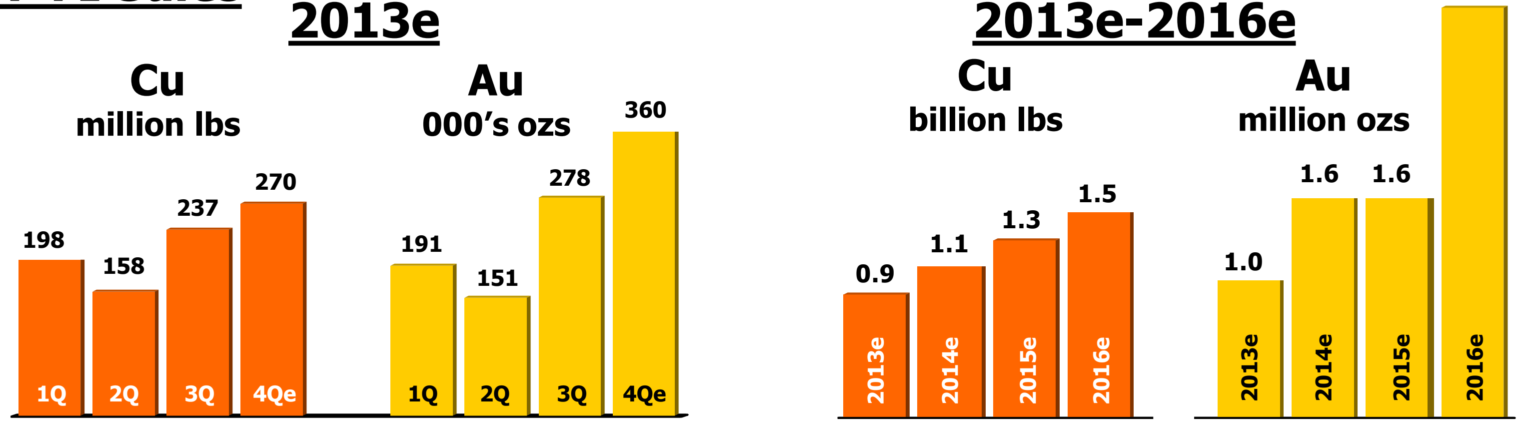
** includes a second sulphuric acid plant*
*** as of 9/30/2013*

# Grasberg Update

- **Improving productivity & performance metrics**

| | 1H13 | 3Q13 | % change |
|---|---|---|---|
| Mill rates (K t/d) | 157 | 198 | *+26%* |
| Cu grades (%) | 0.69 | 0.74 | *+7%* |
| Au grades (g/t) | 0.53 | 0.65 | *+23%* |
| Unit net cash cost ($/lb) | $1.95 | $0.99 | *-49%* |

***PT-FI Sales***




- **Cash costs expected to benefit as volumes increase**
- **Reached agreement on new 2-year Labor Agreement**

*e = estimate. See Cautionary Statement.*

# Oil & Gas Operating Assets

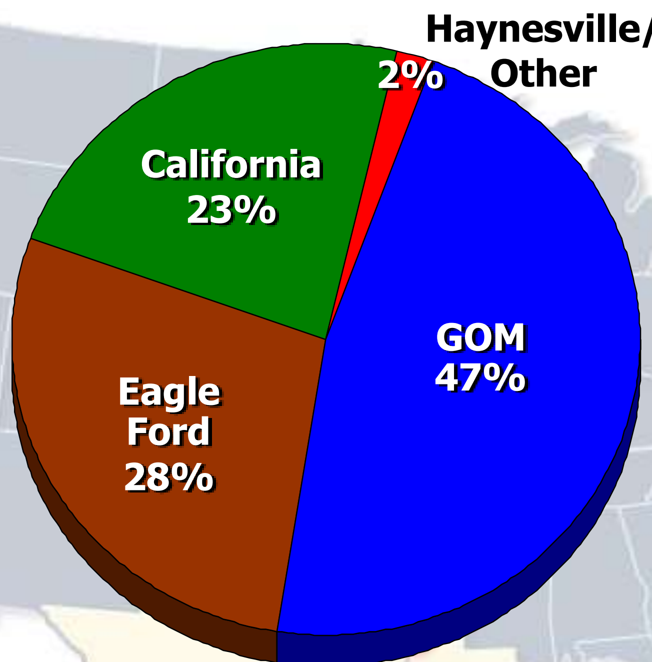
## California

- Long Established Oil Production History
- Strong Margins and Cash Flows
- Brent Based Pricing
- Activities Focused on Maintaining Stable Production

## Eagle Ford

- Large Oil/Liquids Rich Resource
- Flexible Structure
- LLS Based Pricing
- Near-term: Managing for Cash Flows

## 3Q 2013 Cash Operating Margin: $1.1 Billion




## Haynesville

- Significant Gas Resource (5+ Tcfe)
- Preserving Rights for Potential Improvements in Prices

## GOM Deepwater

- Significant Current Production with Upside
- Large Scale Infrastructure
- LLS Based Pricing
- Lucius Development - First Production Expected in 2H14
- Reactivating Holstein Platform Rig for Drilling in 2014

*NOTE: Cash operating margin reflects realized revenues less cash production costs. Realized revenues exclude unrealized gains (losses) on derivative contracts and cash production costs exclude accretion and other noncash costs. For a reconciliation of cash operating margin to the applicable amount reported in FCX's consolidated financial statements, refer to "Product Revenues and Production Costs" in FCX's 3Q13 press release which is available on FCX's website.*

# Deepwater Gulf Of Mexico

## 3Q 2013 Deepwater GOM Production: 59,600 BOE/D

### Holstein

**Capacity**

- 113,500 BOPD
- 142,300 MCFD

**Truss SPAR: 149 ft. diameter**

**Water Depth: 4,300 ft.**

### Marlin

**Capacity**

- 60,000 BOPD
- 235,000 MCFD

**Tension Leg Platform: Dry Tree & Subsea Production**

**Water Depth: 3,240 ft.**

### Horn Mountain

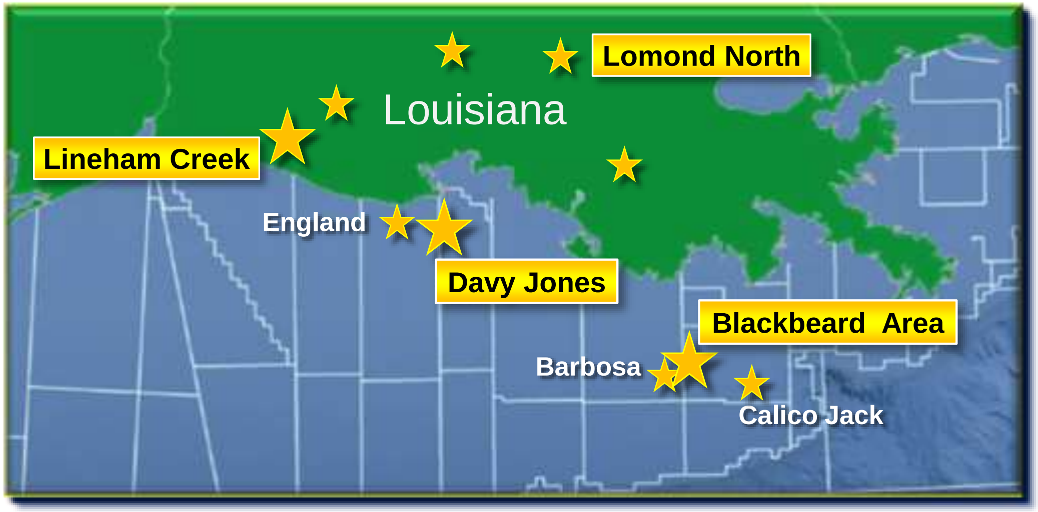
**Capacity**

- 75,000 BOPD
- 72,000 MCFD

**Truss SPAR: 106 ft. diameter**

**Water Depth: 5,400 ft.**

# *Ultra-Deep Activities*




- **Industry Leading Position in Emerging Trend**
- **Lomond North (72% WI) – Exploratory Well Onshore South La.**
  - **Drilling Below 27,500′ Towards PTD of 30,000′**
- **2014 Completions**
  - **Davy Jones #2 (75% WI)**
  - **Lineham Creek (36% WI)**
  - **Blackbeard West #2 (69% WI)**
- **Extensive Inventory of Large, High Quality Prospects**
- **Potential to Develop Long-term, Low-cost Source of Natural Gas**

# 2013 Outlook

- ***Sales Outlook:***
  - **Copper: 4.1 Billion lbs.**
  - **Gold: 1.1 Million ozs.**
  - **Molybdenum: 92 Million lbs.**
  - **Oil Equivalents(1): 37.5 MMBOE (~70% Oil)**
- ***Unit Cost:***
  - **$1.58/lb(2) of Copper in 2013e**
  - **$17/BOE**
- ***Operating Cash Flows (3):***
  - **~$6 Billion (@$3.25/lb Copper in 4Q13)**
  - **Includes $300 Million in Net Working Capital Uses and Changes in Other Tax Payments**
  - **Each 10¢/lb Change in Copper for the Remainder of 2013 = $90 Million**
- ***Capital Expenditures:***
  - **$5.5 Billion**

*(1) For the period June 1, 2013 through December 31, 2013. Includes 26.1 MMBbls of crude oil, 54.8 Bcf of natural gas and 2.3 MMBbls of NGLs.*
*(2) Assumes average prices of $1,300/oz gold and $9.50/lb molybdenum for 4Q2013. 4Q13e unit net cash costs are expected to approximate $1.46/lb.*
*(3) Assumes average prices of $1,300/oz gold, $9.50/lb molybdenum and $110/barrel for Brent crude oil for 4Q2013; each $100/oz change in gold would have an approximate $30 MM impact, each $2.00/lb change in molybdenum would have an approximate $15 MM impact; and each $5 increase in oil would have an approximate $30 mm impact.*

*e = estimate. See Cautionary Statement.*

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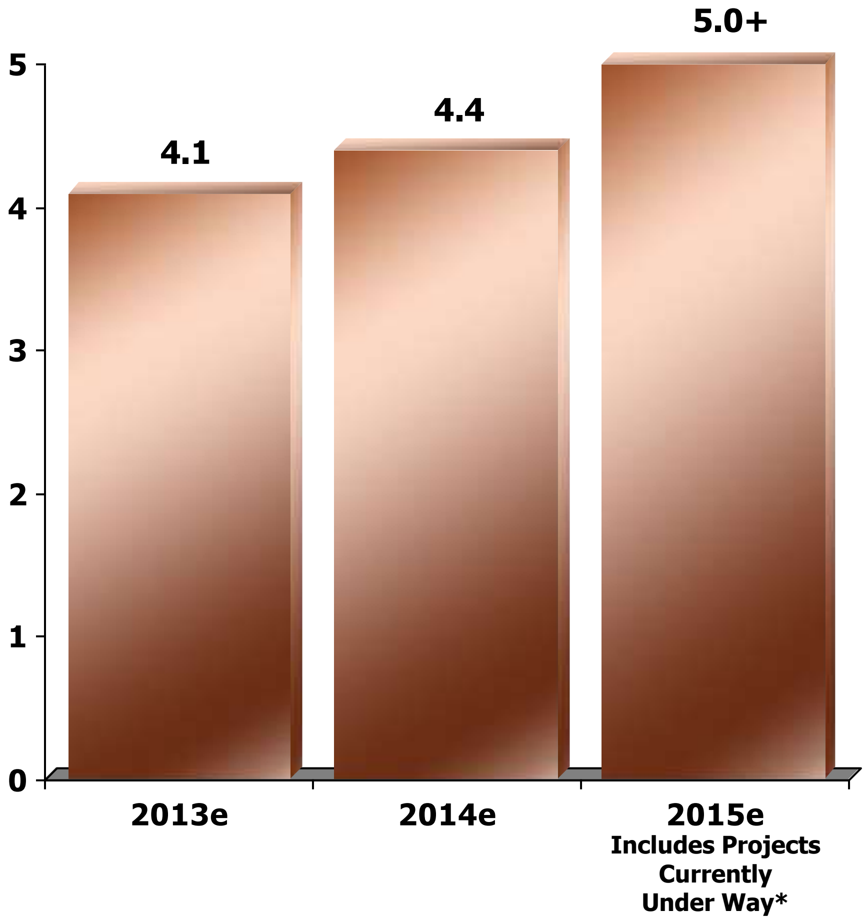
# Production Profile

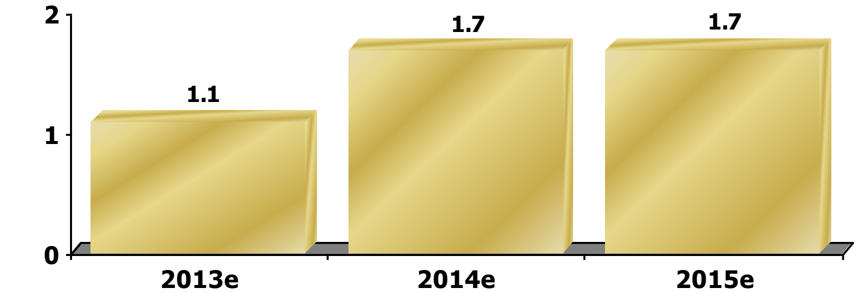
## Copper Sales (billion lbs)




Note: Consolidated copper sales include approximately 790 mm lbs in 2013e, 770 mm lbs in 2014e and 850+ mm lbs in 2015e for noncontrolling interest; excludes purchased copper.

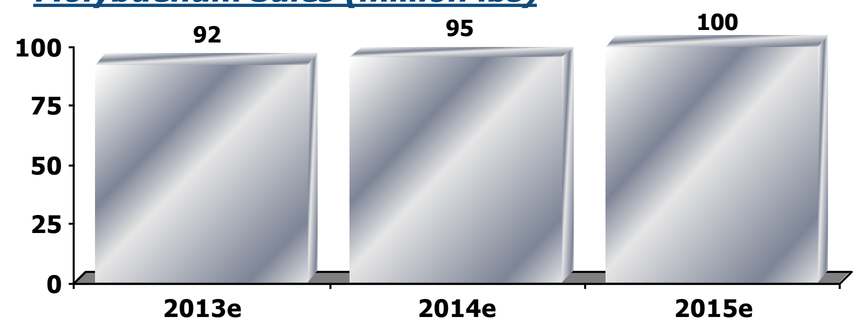
*Includes Cerro Verde expansion (2016 full rates) & Morenci mill expansion, targeted for 2014.
e = estimate. See Cautionary Statement.

## Gold Sales (million ozs)

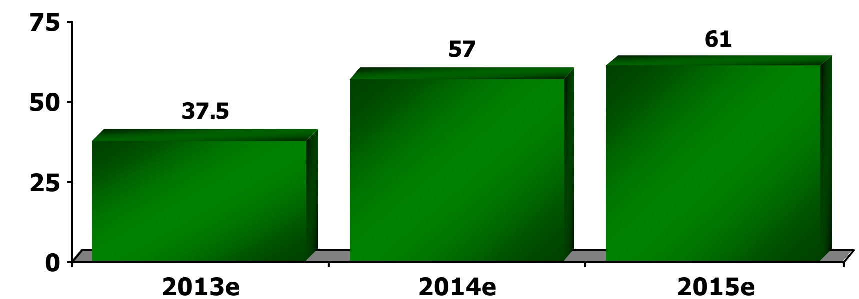



Note: Consolidated gold sales include approximately 110k ozs in 2013e, 170k ozs in 2014e and 170k ozs in 2015e for noncontrolling interest.

## Molybdenum Sales (million lbs)



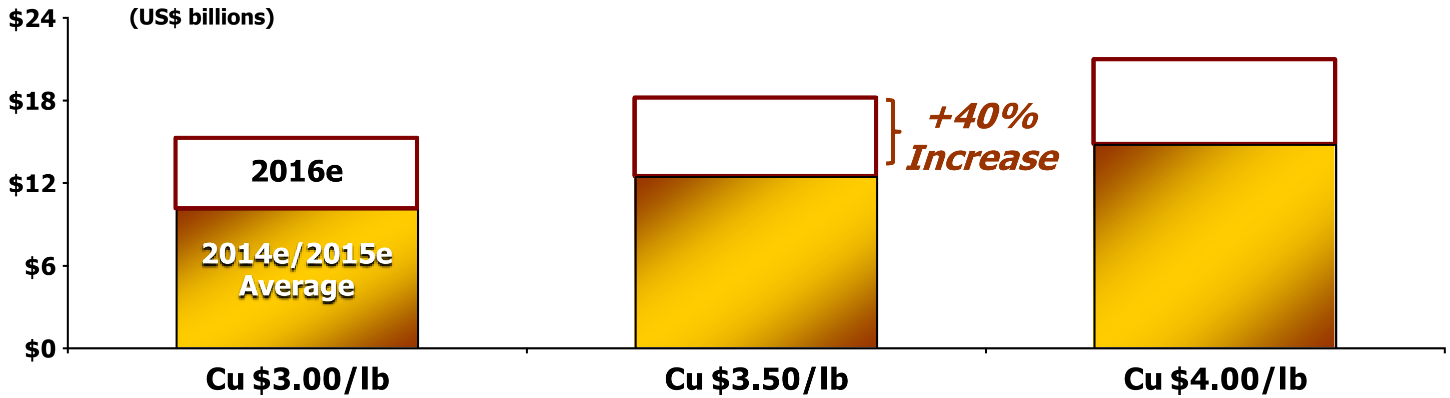

## Oil & Gas Sales (MMBOE)



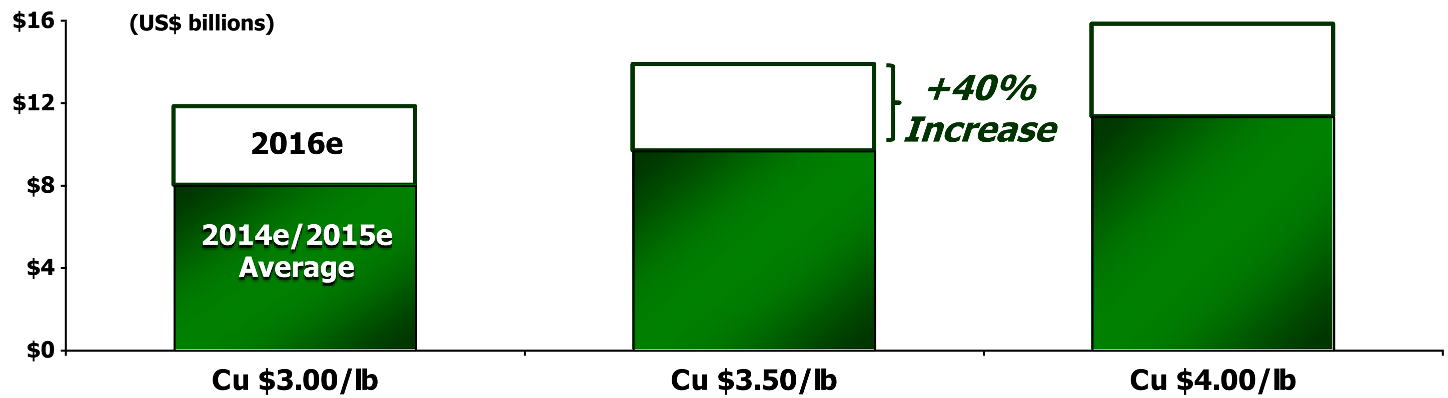

Note: 2013e is an estimate for period June 1, 2013 through December 31, 2013. 2014e/2015e exclude sales from the GOM Shelf, which totaled 1.2 MMBOE in 3Q13. FCX is evaluating a possible divestment of these properties.

# EBITDA and Cash Flow at Various Copper Prices

## Average EBITDA
**($1,300 Gold, $10 Molybdenum & $100 Oil)**




## Average Operating Cash Flow (excluding Working Capital changes)
**($1,300 Gold, $10 Molybdenum & $100 Oil)**




*Note: For 2014e/2015e average, each $50/oz change in gold approximates $75 million to EBITDA and $45 million to operating cash flow; each $1.00/lb change in molybdenum approximates $80 million to EBITDA and $65 million to operating cash flow; each $5.00/bbl increase in oil approximates $160 million to EBITDA and $140 million to operating cash flow. EBITDA equals operating income plus depreciation, depletion and amortization.*

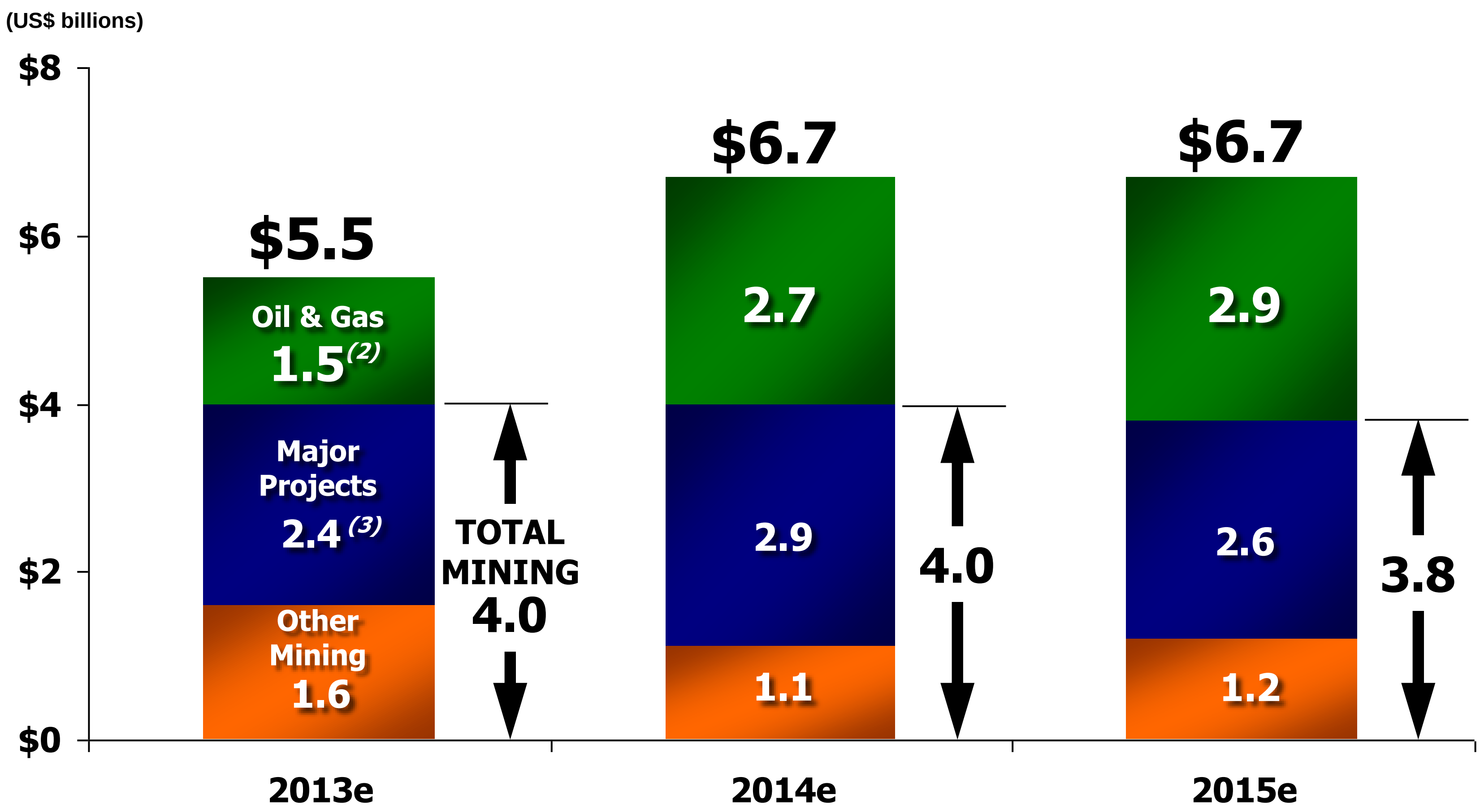
*e = estimate. See Cautionary Statement.*

# Sensitivities (US$ millions)

| | 2014e/2015e | |
|---|---|---|
| Change | EBITDA | Operating Cash Flow |
| Copper: +/- $0.10/lb | $465 | $325 |
| Molybdenum: +/- $1.00/lb | $80 | $65 |
| Gold: +/- $50/ounce | $75 | $45 |
| Oil Sales:[(1)] | | |
| + $10/bbl | $405 | $340 |
| - $10/bbl [(2)] | ($380) | ($325) |
| Oil Sales Net of Diesel Costs:[(1,3)] | | |
| + $10/bbl | $320 | $280 |
| - $10/bbl | ($295) | ($265) |
| Natural Gas:[(4)] +/- $1/Mcf | $45 | $35 |
| Currencies:[(5)] +/- 10% | $165 | $120 |

*(1) Oil sales sensitivity calculated using base Brent price assumption of $100/bbl in 2014 and 2015.*
*(2) Amounts are net of $73 mm related to hedging gain in 2014; no hedging impacts below $70/bbl because of limits in place on 2014 puts.*
*(3) Amounts are net of $85 mm (EBITDA) and $60 mm (c/f) for mining cost impacts of a $10/bbl change in oil prices.*
*(4) Natural gas sensitivity calculated using base NYMEX price assumption of $4.50/MMbtu in 2014 and 2015. Amounts net of $18 mm impact from hedging in 2014.*
*(5) U.S. Dollar Exchange Rates: 500 Chilean peso, 11,000 Indonesian rupiah, $1.00 Australian dollar, $1.28 Euro, 2.70 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: Based on 2014e/2015e averages. Operating cash flow amounts exclude working capital changes. e = estimate. See Cautionary Statement.*

# Capital Expenditures (1)




(1) Capital expenditure estimates include projects in progress. Project spending will continue to be reviewed and revised subject to market conditions.
(2) Estimate for the period June 1, 2013 through December 31, 2013.
(3) Primarily includes Cerro Verde expansion, Morenci mill expansion and Grasberg underground development.
Note: Includes capitalized interest.
e= estimate. See Cautionary Statement.

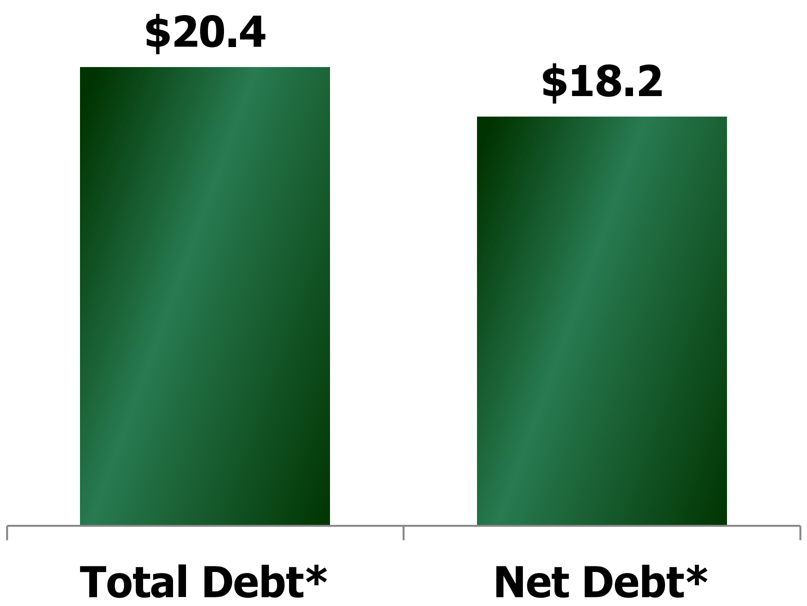
# Committed to Balance Sheet Management

## Strong Track Record

- Debt Targeted at $12 Billion Within 3-year Period
- Anticipate Continuing Current Common Stock Dividend Rate: $1.25/Share per Annum
- Large Resource Base with Strong Cash Flows and Capital Discipline
- Review of Divestitures Ongoing
- Prepared to Respond to Varying Market Conditions
- Seek Opportunities to Repay or Refinance Higher Cost Acquisition Debt

### 9/30/2013 Balances

*($ in bns)*




| | Total Debt* | Net Debt* |
|---|---|---|
| *Debt/EBITDA* | *2.1x* | *1.9x* |

*Average Interest Cost: 4.4%*

*Excludes fair value adjustments of $0.7 bn*

# Summary

## A Strong & Focused Organization

**Maximize Total Shareholder Returns**

**Strong Management of the Base**

- Operational Excellence
- Achieve Production Targets
- Effective Cost and Capital Management
- Manage HS&E and Other Inherent Risks

**Return Driven Growth**

- Prioritize Highest Value Opportunities
- Evaluate Best Uses of Cash
- Scalable, Long-lived, Low Cost Assets
- Strong Execution

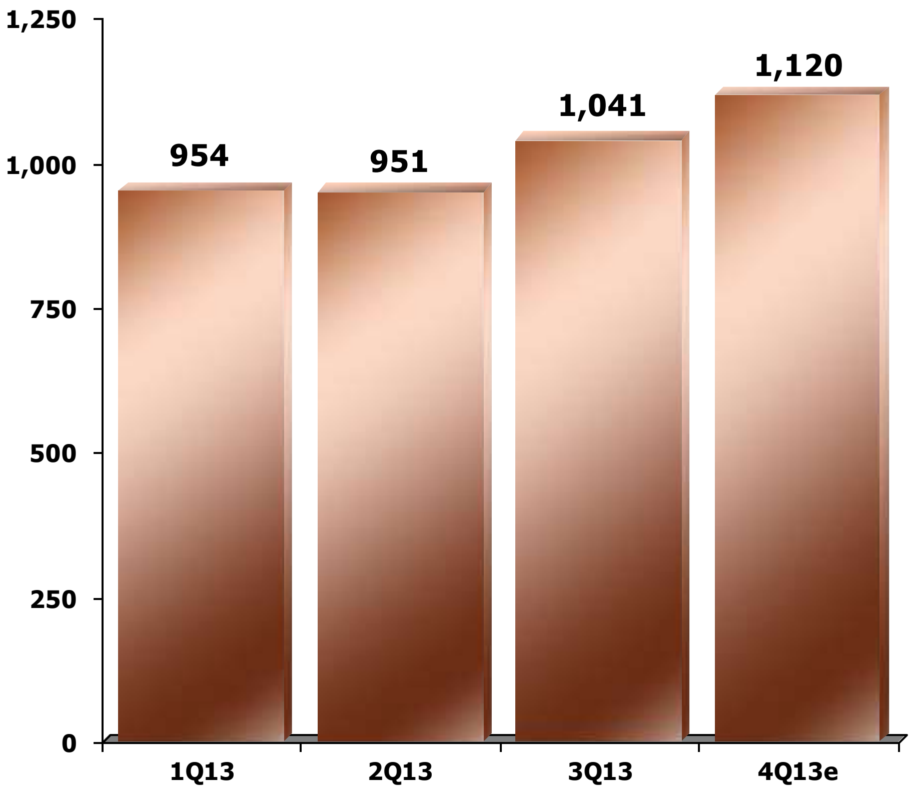
**Protect the Balance Sheet**

**Strong Cash Dividends**

# Reference Slides

# 2013e Quarterly Payable Metal Sales

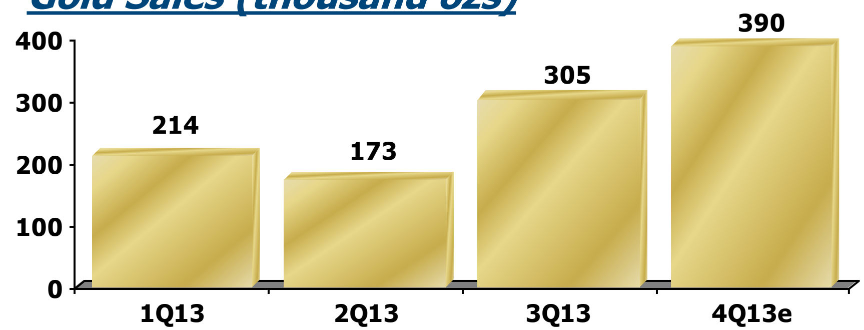
## Copper Sales (million lbs)




Note: Consolidated copper sales include approximately 182 mm lbs in 1Q13, 188 mm lbs in 2Q13, 198 mm lbs in 3Q13 and 222 mm lbs in 4Q13e for noncontrolling interest; excludes purchased copper.

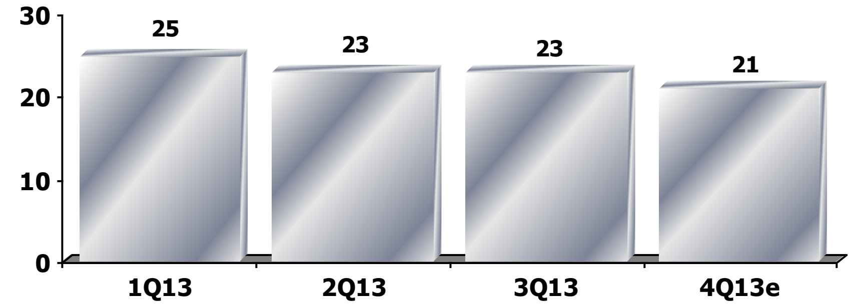
e = estimate. See Cautionary Statement.

## Gold Sales (thousand ozs)

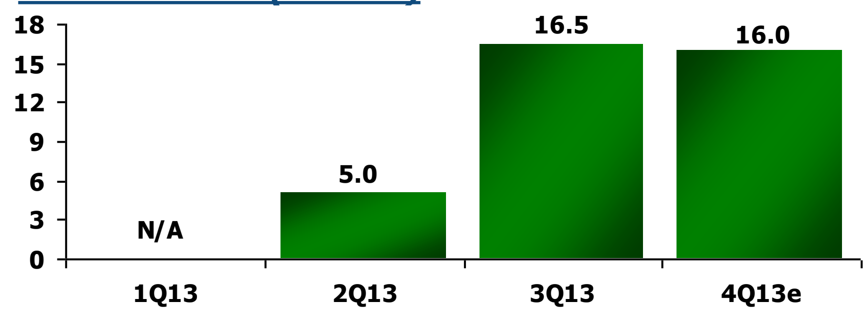



Note: Consolidated gold sales include approximately 22k ozs in 1Q13, 18k ozs in 2Q13, 31k ozs in 3Q13 and 39k ozs in 4Q13e for noncontrolling interest.

## Molybdenum Sales (million lbs)




## Oil & Gas Sales (MMBOE)



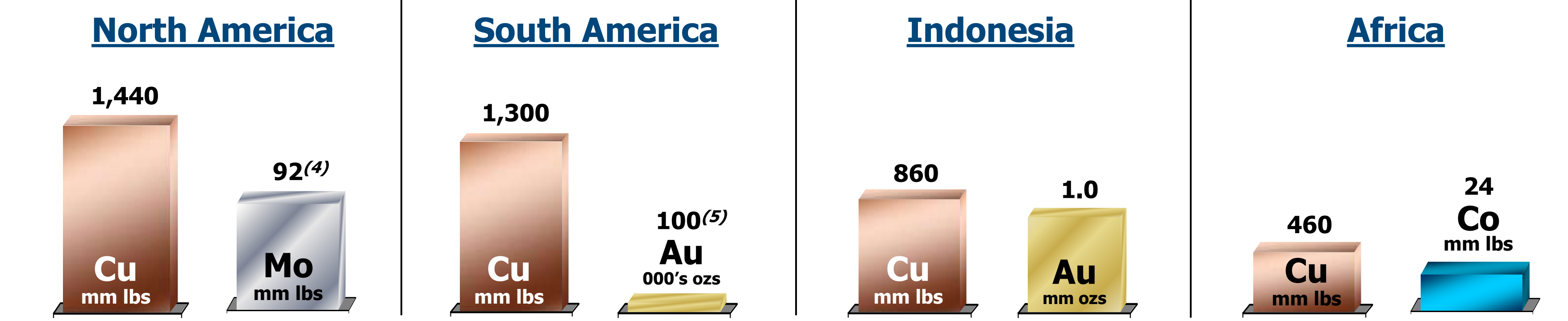

Note: 2Q13 reflects operating results for the period beginning June 1, 2013.

# 2013e Operating Estimates

## 2013e Unit Production Costs

| *(per pound of copper)* | North America | South America | Indonesia | Africa | Consolidated [3] |
|---|---|---|---|---|---|
| **Cash Unit Costs** [1] | | | | | |
| Site Production & Delivery [2] | $2.00 | $1.56 | $2.70 | $1.45 | $1.94 |
| By-product Credits | (0.24) | (0.27) | (1.58) | (0.28) | (0.53) |
| Treatment Charges | 0.10 | 0.17 | 0.22 | - | 0.14 |
| Royalties [2] | - | - | 0.12 | 0.07 | 0.03 |
| **Unit Net Cash Costs** | $1.86 | $1.46 | $1.46 | $1.24 | $1.58 |

## 2013e Sales by Region




(1) *Estimates assume average prices of $3.25/lb for copper, $1,300/oz for gold, $9.50/lb for molybdenum and $12/lb for cobalt for 4Q 2013. Quarterly unit costs will vary significantly with quarterly metal sales volumes. 4Q13e unit net cash costs are expected to approximate $1.46/lb.*

(2) *Production costs include profit sharing in South America and severance taxes in North America.*

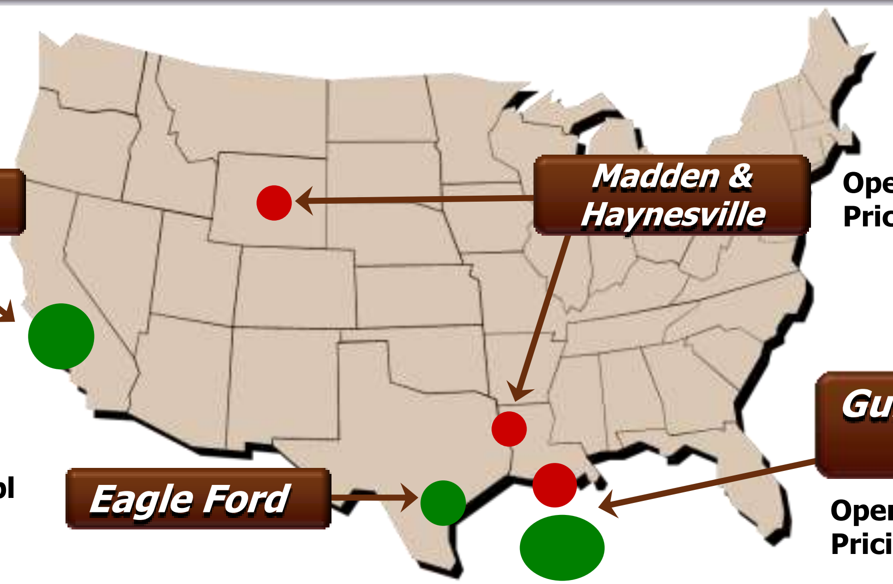
(3) *Higher 2014e Grasberg volumes would have an approximate $0.23/lb favorable impact on 2013e consolidated cash unit costs.*

(4) *Includes molybdenum produced in South America.*

(5) *Includes gold produced in North America.*

*Note: e = estimate. See Cautionary Statement.*

# 2nd Half 2013e Oil & Gas Operating Estimates



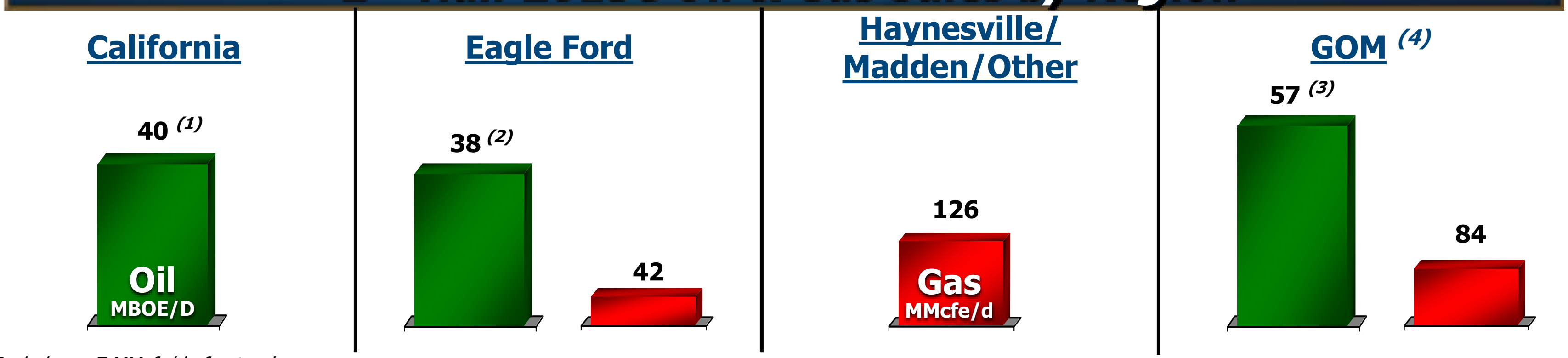

**California**
Operating Cost: $30/bbl
Pricing: Brent Based

**Madden & Haynesville**
Operating Cost: $1.65/Mcfe
Pricing: NYMEX

**Eagle Ford**
Operating Cost: $13/bbl
Pricing: LLS

**Gulf of Mexico Shelf/ Deepwater**
Operating Cost: $14/bbl
Pricing: LLS/NYMEX

## 2nd Half 2013e Oil & Gas Sales by Region

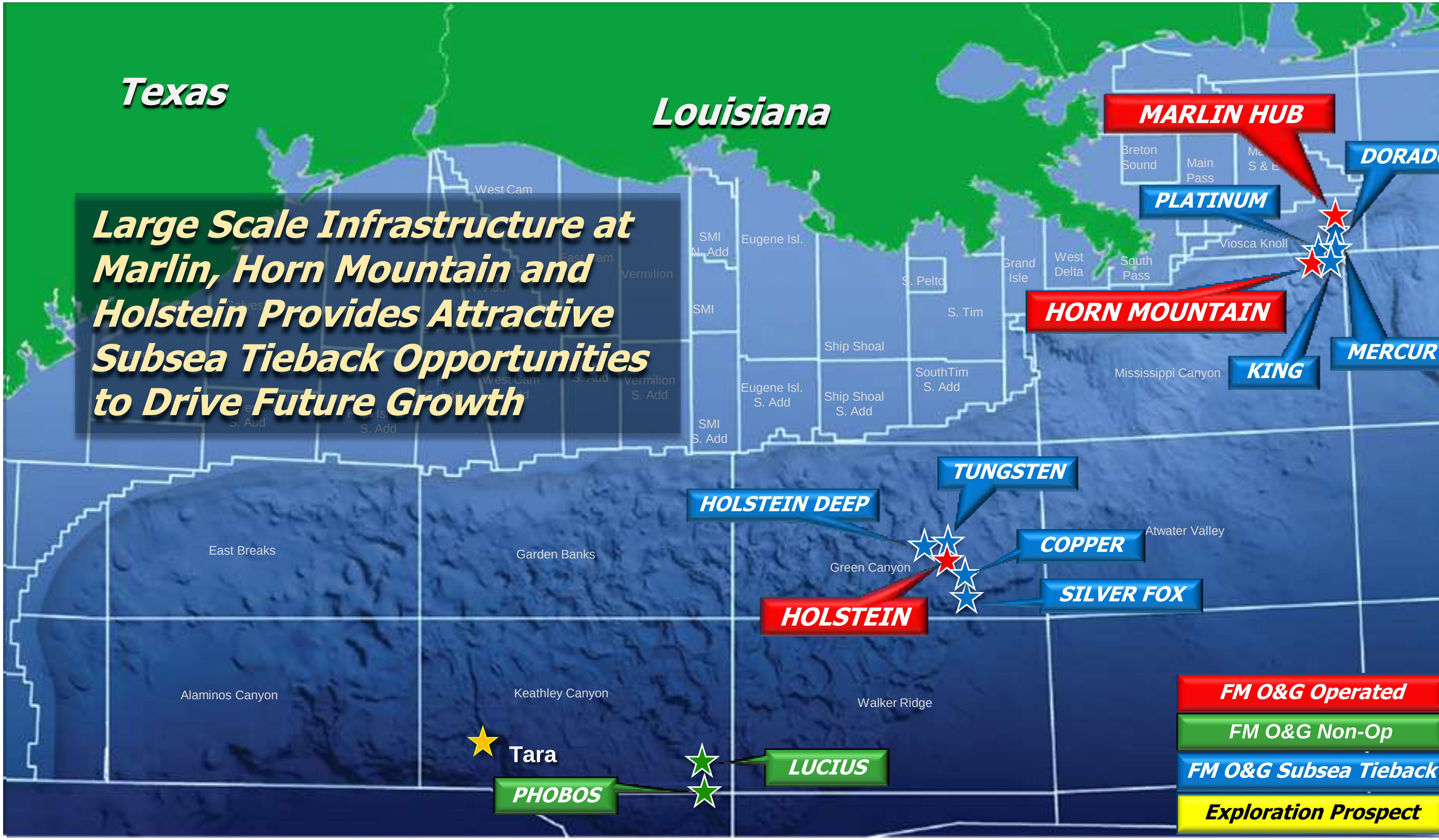



(1) Includes ~ 7 MMcfe/d of natural gas
(2) Includes ~ 5 MBOE/d of NGLs
(3) Includes ~ 5 MBOE/d of NGLs
(4) Includes GOM Shelf production

NOTE: Operating costs exclude DD&A and G&A. DD&A (including accretion) is expected to approximate $35/BOE. Oil realizations are expected to approximate 94% of Brent in 4Q13e.
e = estimate. See Cautionary Statement.

# Deepwater Infrastructure Provides Subsea Tieback Opportunities

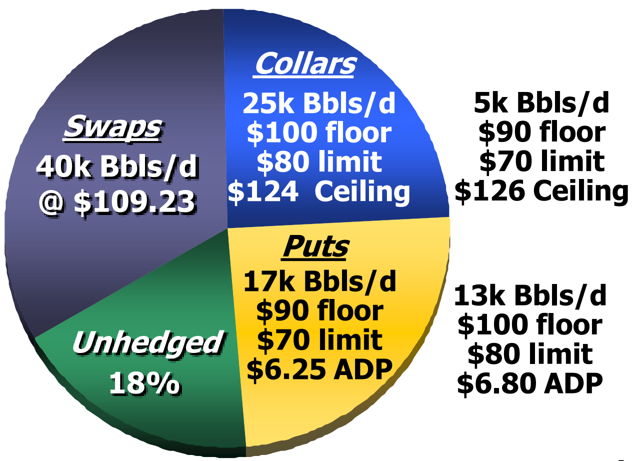
***Large Scale Infrastructure at Marlin, Horn Mountain and Holstein Provides Attractive Subsea Tieback Opportunities to Drive Future Growth***



# Oil & Natural Gas Hedging Positions

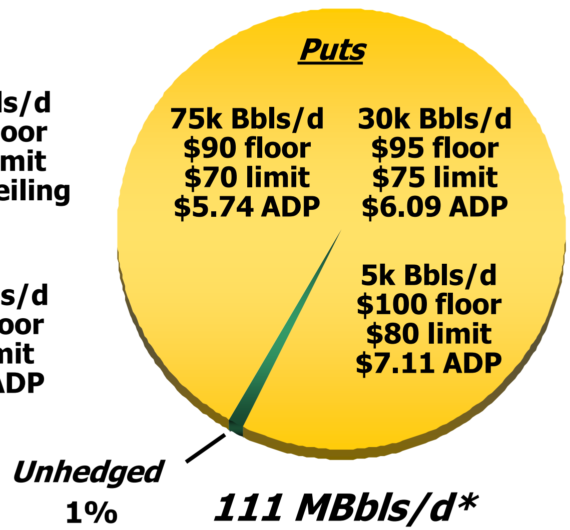
## Oil Hedges Indexed to Brent

### 4Q13



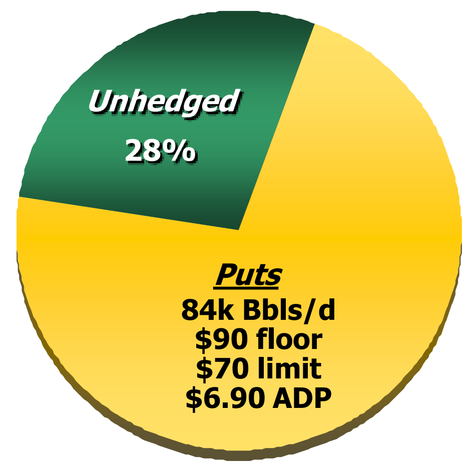

122 MBbls/d*

### 2014




111 MBbls/d*

### 2015




116 MBbls/d*

## Natural Gas Hedges Indexed to Henry Hub

### 4Q13

**Swaps – 110,000 MMBtu/d @ $4.27**

### 2014

**Swaps – 100,000 MMBtu/d @ $4.09**

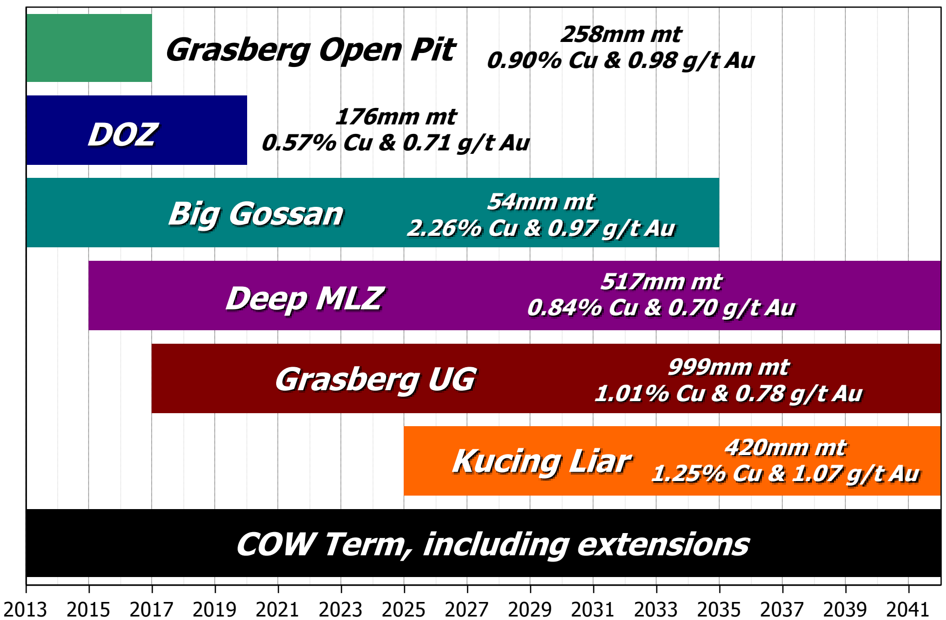
### 2015

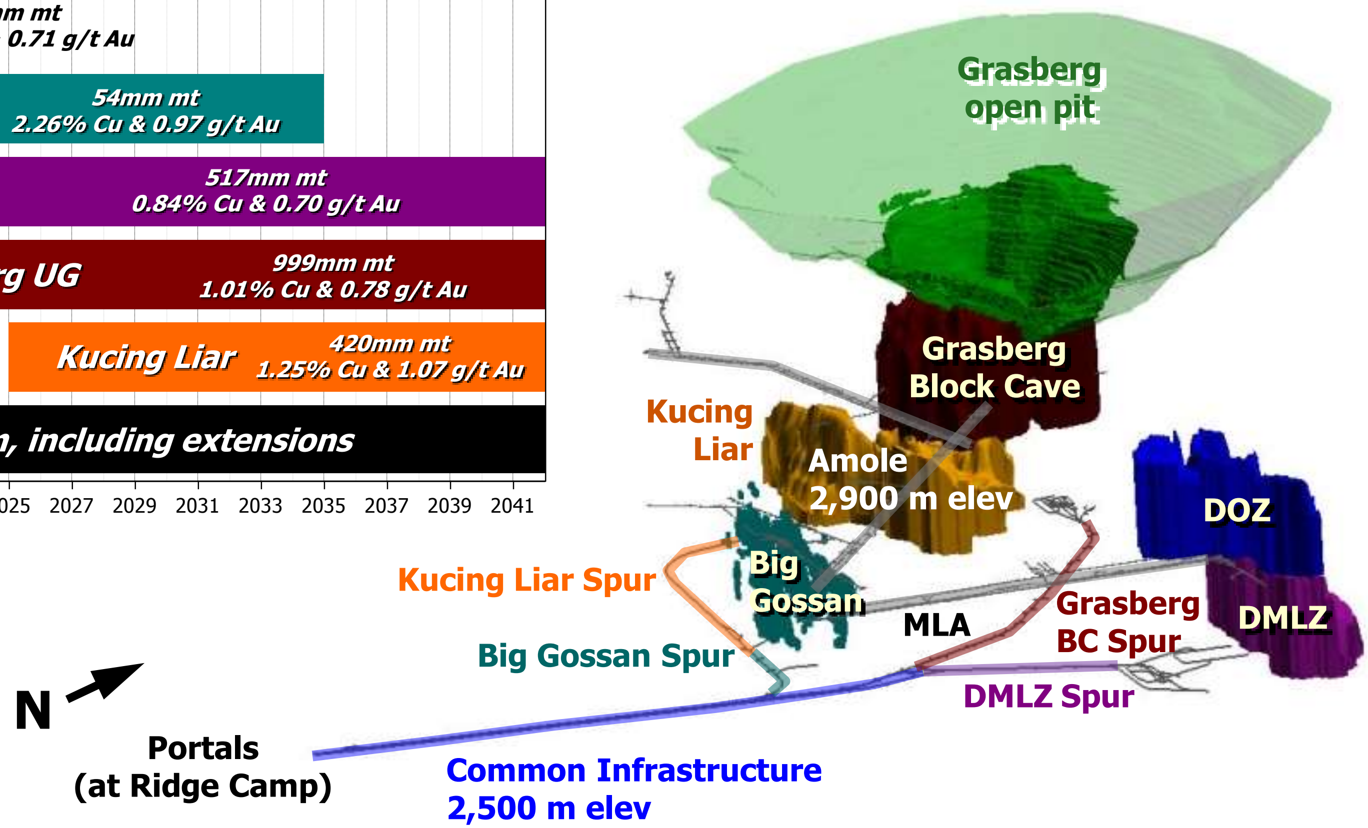
**No Hedges**

*NOTE: As of September 30, 2013; ADP = average deferred premium.*
** Estimated production for oil. See Cautionary Statement.*

# PT Freeport Indonesia
## Grasberg Minerals District

**Life-of-Mine Production Sequencing***




** aggregate reserves (tonnes and grades) at 12/31/2012*