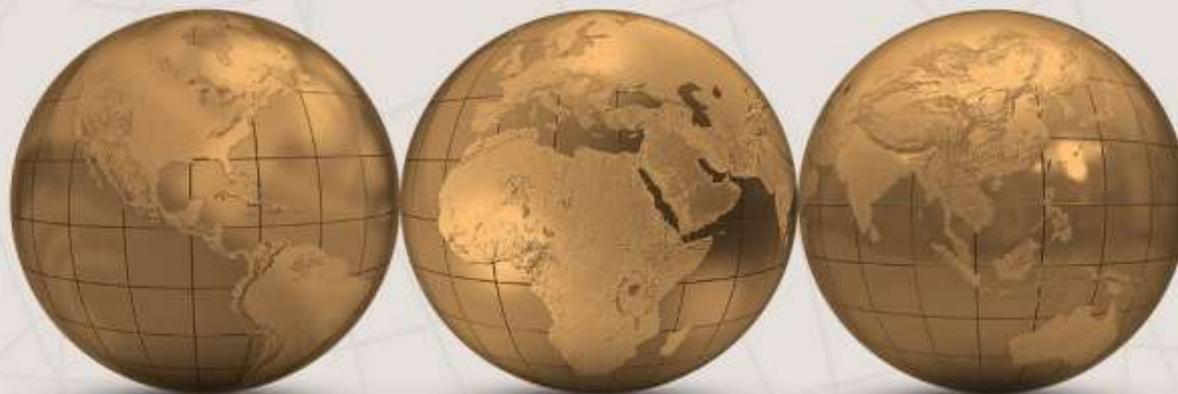


PROVING OUR  
**METTLE**



**Deutsche Bank** 

**7<sup>th</sup> Annual Global  
Industrials & Materials Summit**

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

**June 8, 2016**

A member of  
**ICMM**  
International Council  
on Mining & Metals

**FCX**  
**LISTED**  
**NYSE**

fcx.com

# 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, cash production costs per barrel of oil equivalents (BOE), operating cash flows, capital expenditures, debt reduction initiatives, exploration efforts and results, development and production activities and costs, liquidity, tax rates, the impact of copper, gold, molybdenum, cobalt, crude oil and natural gas price changes, the impact of deferred intercompany profits on earnings, reserve estimates, future dividend payments, and share purchases and sales. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "to be," "potential" and any similar expressions are intended to identify those assertions as forward-looking statements. Under its Term Loan and Revolving Credit Facility, as amended, FCX is not permitted to pay dividends on common stock on or prior to March 31, 2017. The declaration of dividends is at the discretion of the Board, subject to restrictions under FCX's credit agreement, 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 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 supply of and demand for, and prices of, copper, gold, molybdenum, cobalt, crude oil and natural gas, mine sequencing, production rates, drilling results, potential effects of cost and capital expenditure reductions and production curtailments on financial results and cash flow, completion of Tenke sale and other potential sales, the outcome of FCX's debt reduction initiatives, potential additional oil and gas property impairment charges, potential inventory adjustments, potential impairment of long-lived mining assets, the outcome of ongoing discussions with the Indonesian government regarding PT Freeport Indonesia's (PT-FI) Contract of Work, PT-FI's ability to obtain renewal of its export license after August 8, 2016, the potential effects of violence in Indonesia generally and in the province of Papua, the resolution of administrative disputes in the Democratic Republic of Congo, industry risks, regulatory changes, political risks, labor relations, 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, 2015, 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 upon which FCX's forward-looking statements are based are likely to change after the 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 not be able to control. Further, FCX may make changes to its business plans that could affect its results. FCX cautions investors that it does not intend to update forward-looking statements more frequently than quarterly notwithstanding any changes in its assumptions, changes in business plans, actual experience or other changes, and FCX undertakes no obligation to update any forward-looking statements.*

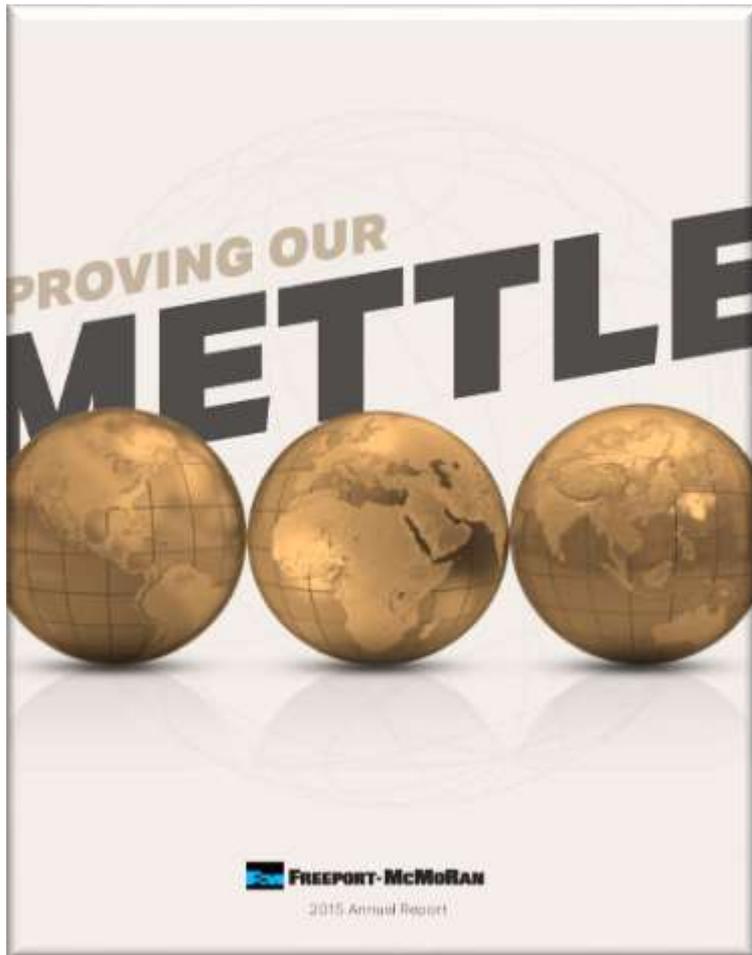
*This presentation also includes forward-looking statements regarding mineralized material and potential resources not included in proven and probable mineral reserves. The mineralized material and potential resources described in this presentation will not qualify as reserves until comprehensive engineering studies establish their economic feasibility. Accordingly, no assurance can be given that the estimated mineralized material and potential resources not included in reserves will become proven and probable reserves.*

*This presentation also contains certain financial measures such as unit net cash costs per pound of copper and molybdenum, oil and gas realized revenues, cash production costs, cash operating margin and Adjusted EBITDA, 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 in the supplemental schedules of FCX's 1Q 2016 press release, which are available on FCX's website, "fcx.com."*



# “Proving Our Mettle”

**met·tle** /'medl/ *n*: 1. a person’s ability to cope well with difficulties or to face a demanding situation in a spirited and resilient way.



## *2015 Annual Report Highlights*

- **Executing Clearly Defined Strategy**
- **Maintaining Cost Focus and Capital Discipline**
- **Strengthen Balance Sheet**
- **Highly Attractive Portfolio of Assets**
  - **Provides Opportunities for Significant Asset Sale Proceeds at Attractive Valuations**
  - **Retain High Quality Portfolio to Build Future Values**
- **Industry Leading Copper Position – Attractive Long-Term Fundamentals**



# Premier Portfolio of Long-Lived, Geographically Diverse Global Mining Assets

**NORTH AMERICA  
MORENCI**



**Largest Copper Mine in North America**

**Cu Reserves: 34 bn lbs  
Mo Reserves: 2.4 bn lbs  
Mineralized Mat.: 47 bn lbs  
Implied Life: 38 yrs**

**SOUTH AMERICA  
CERRO VERDE**



**World's Largest Concentrating Facility**

**Cu Reserves: 31 bn lbs  
Mo Reserves: 0.7 bn lbs  
Mineralized Mat.: 24 bn lbs  
Implied Life: 37 yrs**

**INDONESIA  
GRASBERG**



**One of Largest Copper/ Gold Reserves in World**

**Cu Reserves: 28 bn lbs  
Au Reserves: 27 mm ozs  
Mineralized Mat.: 21 bn lbs  
Implied Life: 31 yrs**

**AFRICA  
TENKE  
FUNGURUME**



**High Grade Copper/ Cobalt Resource**

**Cu Reserves: 7 bn lbs  
Co Reserves: 0.9 bn lbs  
Mineralized Mat.: 13 bn lbs  
Implied Life: 36 yrs**

***Five Mines with Potential Capacity for 1 billion lbs of copper per annum\****

*NOTE: North America amounts include Cu operations: Morenci (currently 85%), Sierrita, Bagdad, Tyrone, Safford, Miami and Chino; Primary Mo: Henderson and Climax; South America amounts include Cu operations: Cerro Verde and El Abra. Implied life equals reserves plus mineralized material divided by 2016e production. On May 9, 2016, FCX entered into an agreement to sell its interest in Tenke to CMOG for \$2.65 bn in cash and up to \$120 mm in contingent consideration.*

*\* Grasberg, Cerro Verde & Morenci (100%) capable of producing over 1 bln lbs/annum and El Abra & Tenke have potential to produce 1 bln lbs/annum*

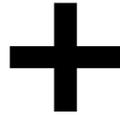


# Long-term Structural Deficit in Copper Generally Expected

## *Supply*

**Declines  
in Base  
Production**

*~18% Decline Over  
Next 10 Years*



## *Demand*

**Reasonable  
Long-term  
Demand  
Estimates**

*~1.7% Compound  
Annual Growth Rate*



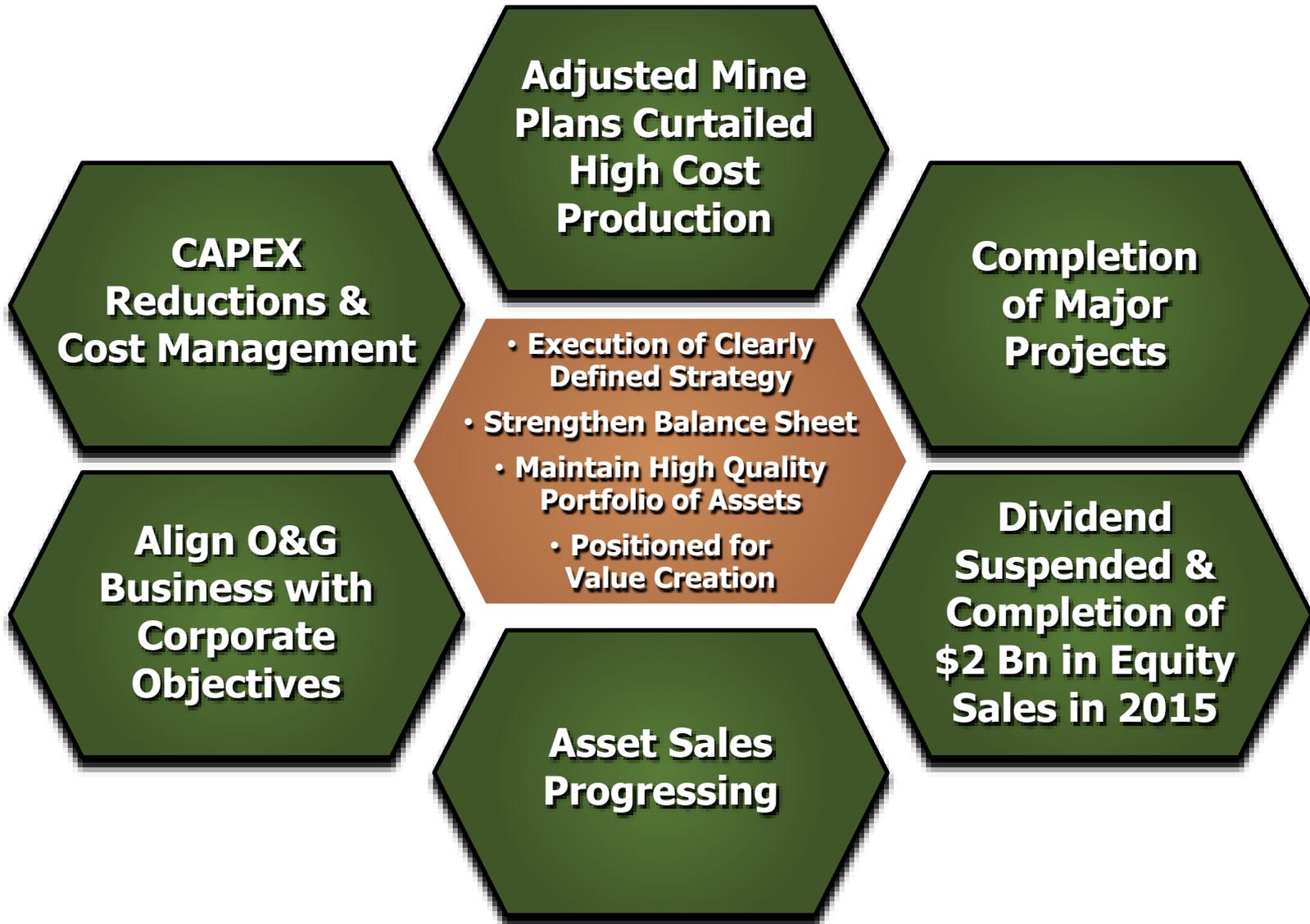
## *Shortfall*

**~7 Mt  
SUPPLY GAP  
by 2025  
(with No New  
Projects)**

- **\$3.30/lb incentive copper price required to balance market**
- **Significant time (7-10 years) to bring new mines into production**



# Executing in a Weak Commodity Market Supported by Portfolio of High Quality Assets





# Sale of 56% Interest in Tenke

- **Announced Definitive Agreement on May 9, 2016**
- **China Molybdenum Co. Ltd. (CMOC) to Acquire 70% of TF Holdings Limited**
- **\$2.65 Billion Cash to FCX**
  - **Plus Contingent Consideration of Up to \$120 mm\***
  - **Exclusive Negotiations with CMOC to Sell Freeport Cobalt and Kisanfu Exploration Project for \$150 mm**
- **Expected to Close in 4Q16**
- **Use of Proceeds: Repay Debt**



<i>Statistics</i>
<i>7% of FCX Cu Reserves</i>
<i>11% of FCX 2015 Production</i>
<i>13% of 2015 Consolidated EBITDA</i>
<i>8% of 2015 Attributable EBITDA</i>

*\* Consisting of \$60 mm if the average copper price exceeds \$3.50/lb and \$60 mm if the average cobalt price exceeds \$20/lb, both during the 24-month period between 2018 and 2019.*



# Asset Sale Transactions To Date in 2016

	<i>Date of Agreement</i>	<i>Consideration</i>	<i>2015 EBITDA@ ~\$2.43 Cu</i>	<i>Expected Closing</i>
		<i>(\$ in billions)</i>	<i>(\$ in millions)</i>	
<b>Morenci (13% Interest)</b>	<b>2/15/16</b>	<b>\$1.0</b>	<b>\$115<sup>(1)</sup></b>	<b>Closed</b>
<b>Timok Exploration Project</b>	<b>3/3/16</b>	<b>\$0.3<sup>(2)</sup></b>	<b>\$(16)</b>	<b>Closed</b>
<b>Oil and Gas Royalty Interests</b>	<b>4/21/16</b>	<b>\$0.1</b>	<b>~\$10</b>	<b>2Q16</b>
<b>Tenke Fungurume<sup>(3)</sup></b>	<b>5/9/16</b>	<b>\$2.8<sup>(4)</sup></b>	<b>\$300<sup>(1)</sup></b>	<b>4Q16</b>
<b>Total</b>		<b>\$4.2</b>	<b>\$409</b>	

(1) Attributable EBITDA for 13% of Morenci based on 2015 average copper price of \$2.44/lb; attributable EBITDA for 56% of Tenke Fungurume based on 2015 average copper price of \$2.42/lb and 2015 average cobalt price of \$8.21/lb.

(2) Includes \$135 million received at closing and \$128 million payable to FCX in stages upon the achievement of defined milestones.

(3) FCX entered into exclusive negotiations with CMOG to sell Freeport Cobalt and Kisanfu Exploration Project for \$150 mm.

(4) Includes contingent consideration of up to \$120 mm.

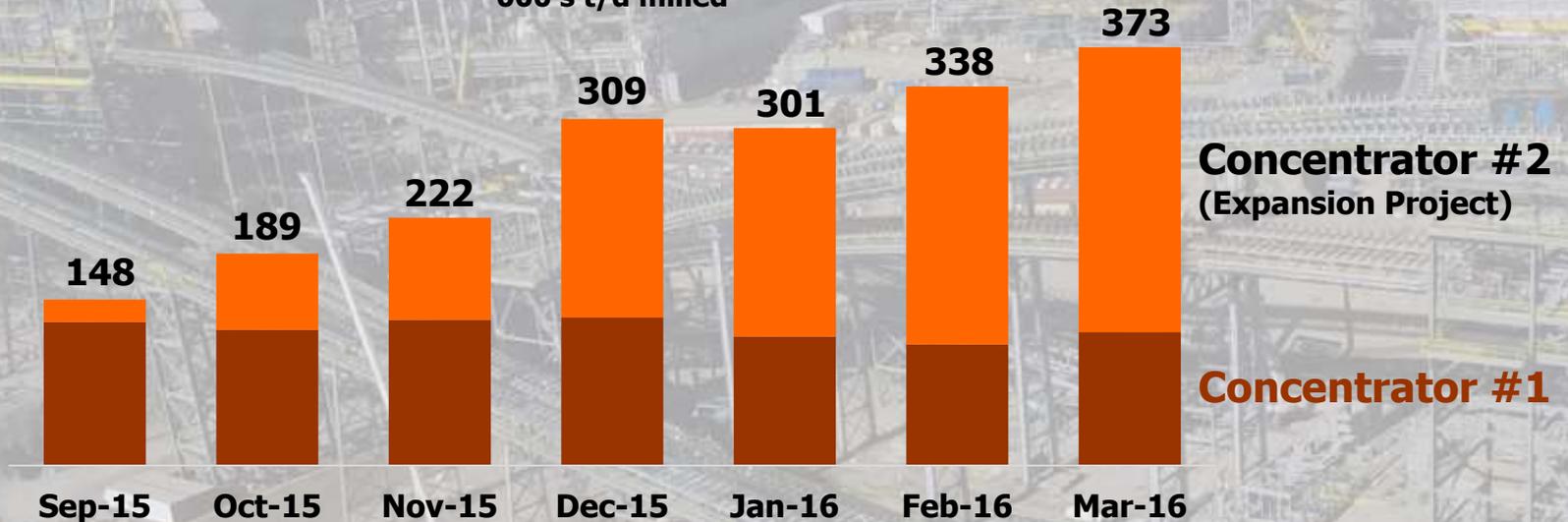
NOTE: EBITDA equals operating income plus depreciation, depletion and amortization costs.



# Cerro Verde Project Execution

- Completed Construction of World's Largest Concentrating Facility
- Strong Performance on Capital Cost Management and Startup
- Achieved Full Capacity Operating Rates During 1Q16

**Cerro Verde Mill Rate Performance**  
000's t/d milled

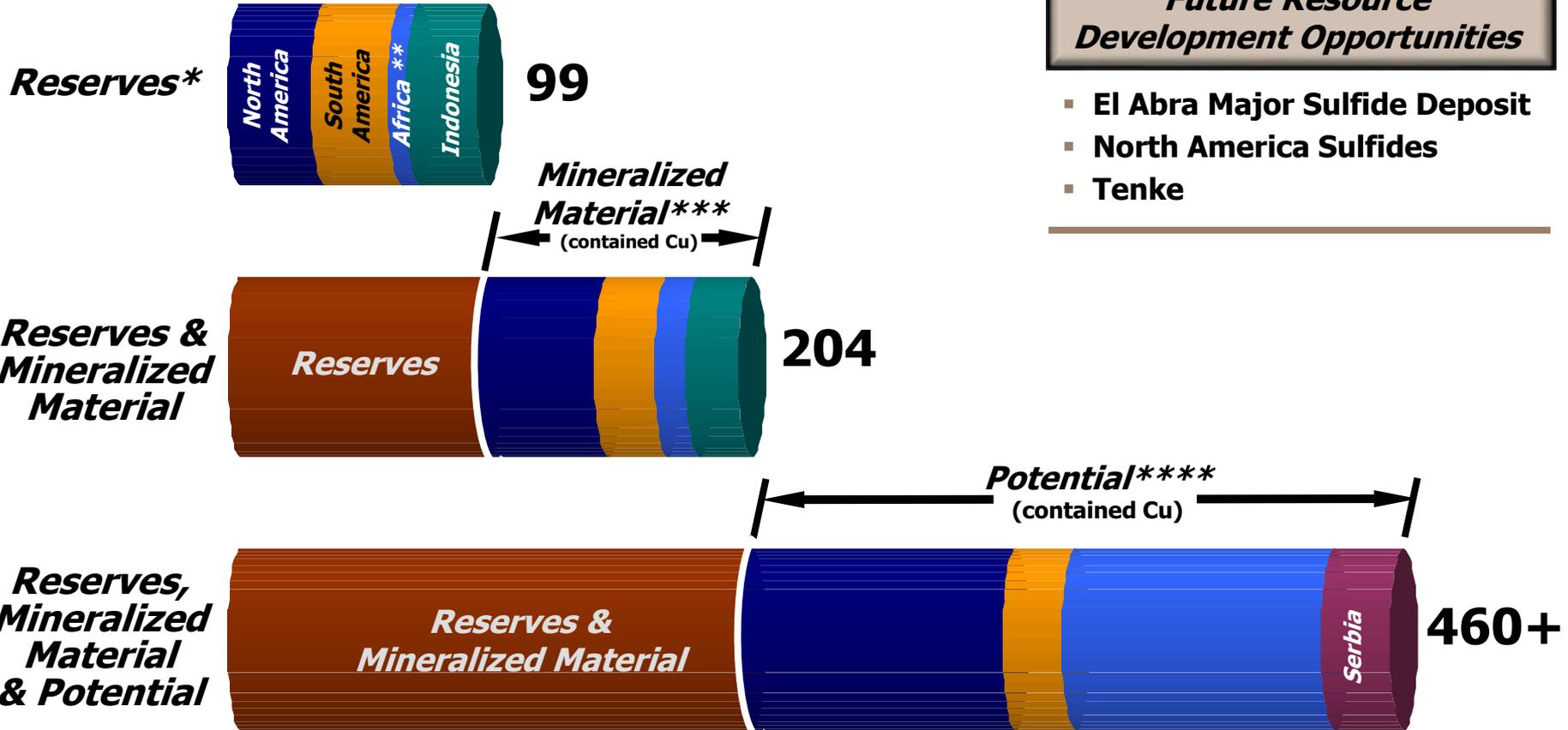


- Scale Reflects Size of Resource
- Positioned to be Major Large Scale Producer for Decades



# Significant Copper Resources & Potential

*billion lbs of copper*



\* Estimate of recoverable proven and probable copper reserves using a long-term average copper price of \$2.00/lb; 79 billion pounds net to FCX's interest.

\*\* On May 9, 2016, FCX entered into an agreement to sell its interest in Tenke to CMOC for \$2.65 bn in cash and up to \$120 mm in contingent consideration.

\*\*\* Estimate of consolidated contained copper mineralized material 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.**

\*\*\*\* Our estimates of potential are based on geologically reasonable interpolation and extrapolation of more limited information than is used for Mineralized Material (measured and indicated) and requires higher Cu prices. Significant additional drilling is required and no assurance can be given that the potential quantities of metal will be produced.

# Positive Free Cash Flow in Mining Business with Significant Leverage to Recovery



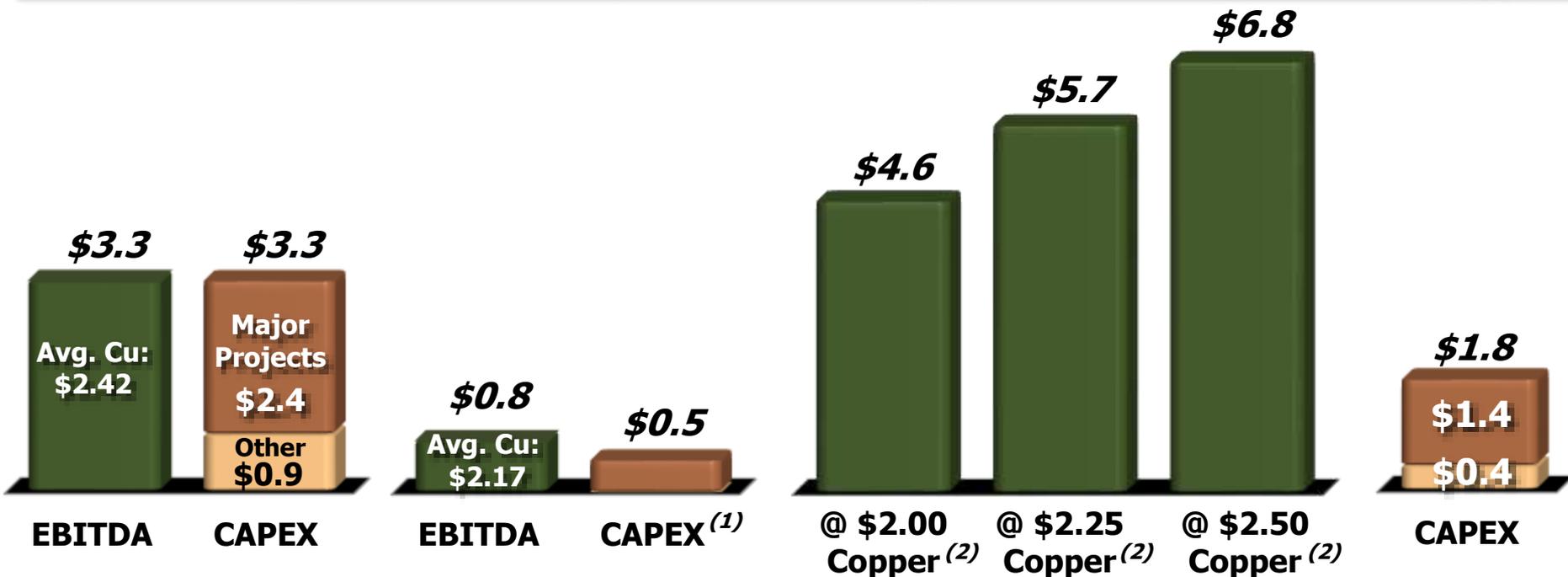
(\$ in billions)

**2015**

**1Q16**

**2016e EBITDA**

**2016e CAPEX**



**Each 10¢ Change in Copper: \$425 mm Impact on 2016e EBITDA<sup>(2)</sup>**

NOTE: EBITDA equals operating income plus depreciation, depletion and amortization costs. Assumes average prices of \$1,200/oz gold, \$6.00/lb molybdenum for 2016; each \$100/oz change in gold would have an approximate \$150 mm impact, each \$2/lb change in molybdenum would have an approximate \$55 mm impact. 2016e EBITDA includes Indonesian export duties which are under discussion with GOI.

(1) Includes \$350 mm for major projects.

(2) Assumed noted copper price for 2Q16e – 4Q16e; adjusted for closing of Morenci transaction on May 31, 2016 and includes results for Tenke, which FCX reached agreement to sell with closing expected in 2Q16.

e = estimate. See Cautionary Statement.

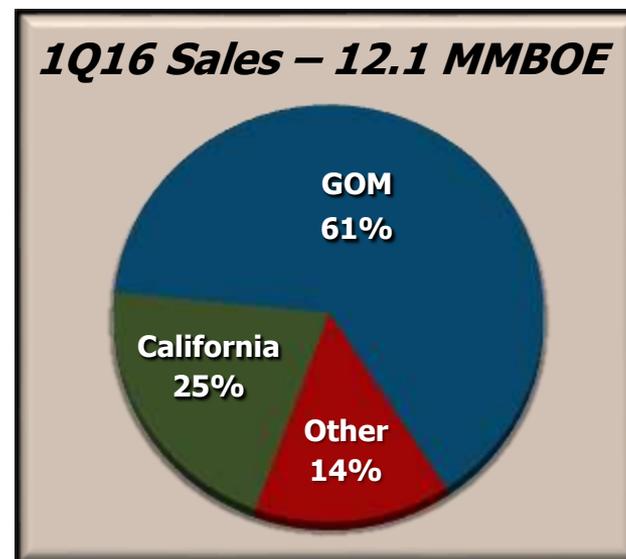


# Oil & Gas Highlights

## *Focused on Managing Costs and Enhancing Asset Values*

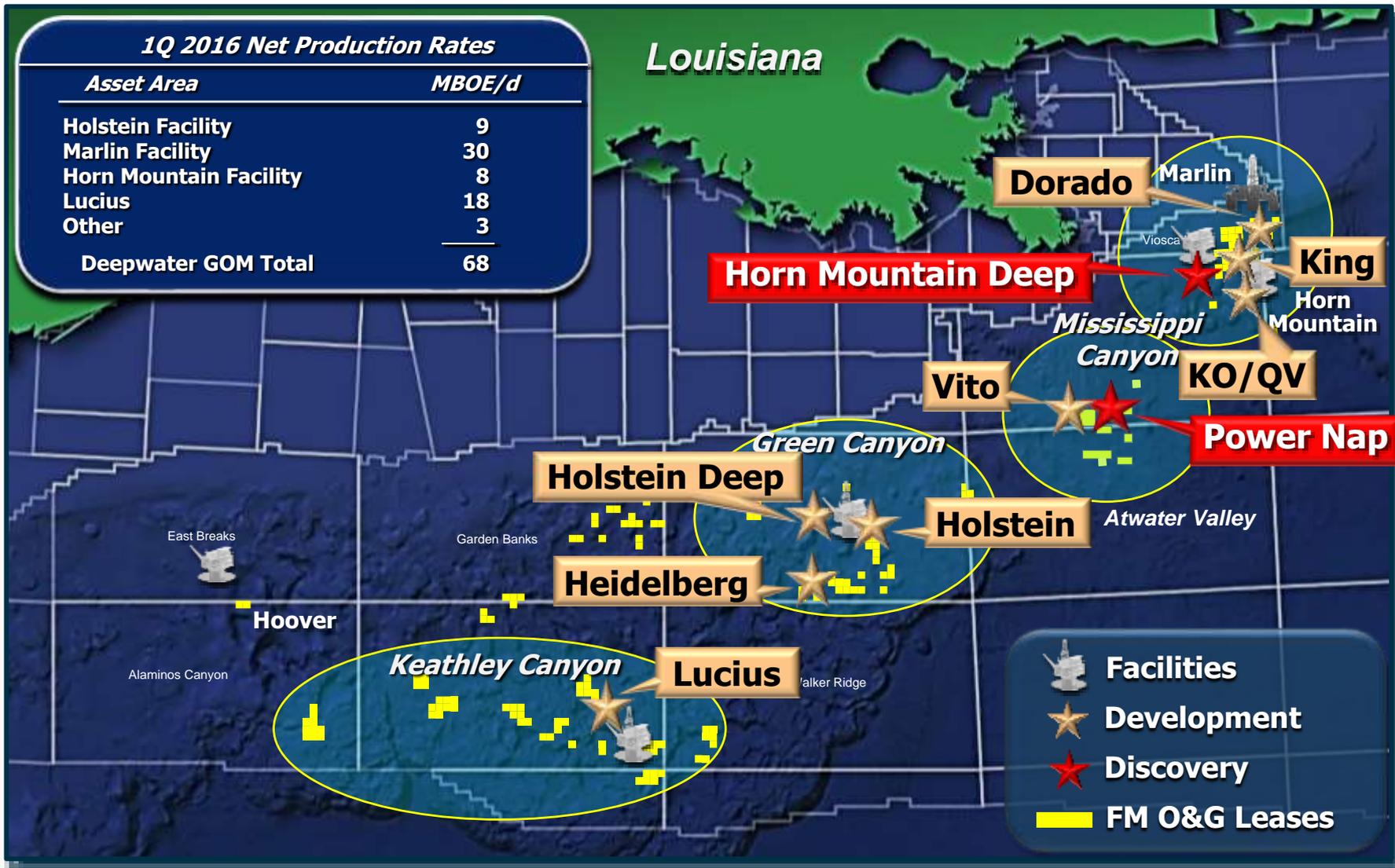
- **New Organization Structure**
  - Reduce Costs
  - Align Capital Allocation with Corporate Objectives
  
- **Significant Capital Investment Winding Down**
  - Maintain Near Term Production Without Additional Drilling
  
- **Production from 6 100%-Owned Deepwater GOM Tiebacks Commencing in 2016**
  
- **Reached Agreement with Contractors to Terminate Contracts for 3 Deepwater GOM Drill Ships**
  - ~ \$350 mm in Savings

	<b>1Q16*</b>	<b>1Q15</b>
<i>LOE (\$/bbl)</i>	<b>\$15.85</b>	<b>\$20.26</b>
<i>CAPEX (mm's)</i>	<b>\$523</b>	<b>\$1,033</b>



\* LOE (i.e. cash production cost) and CAPEX exclude \$165 mm in idle rig costs.

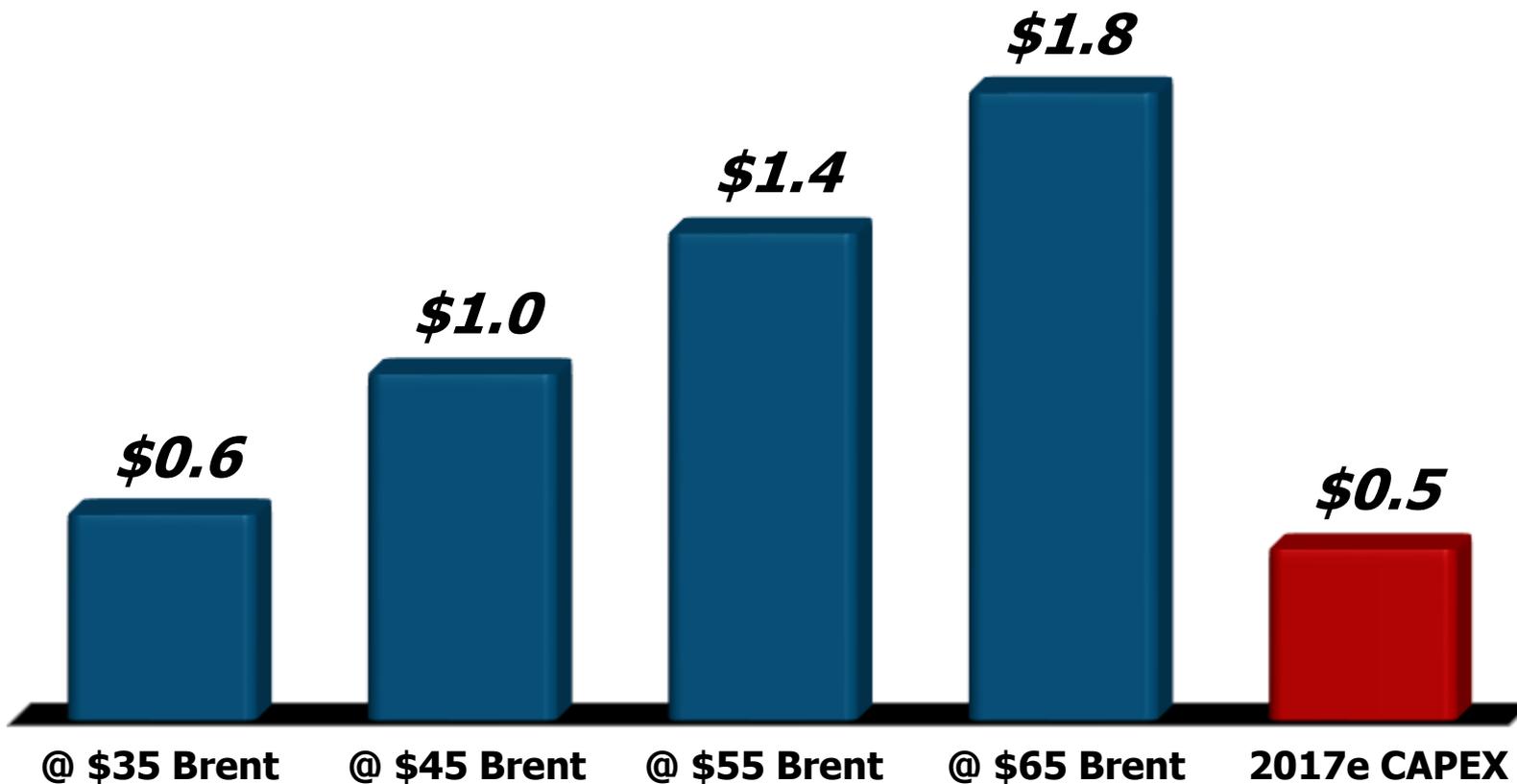
# Deepwater Gulf of Mexico Focus Areas





# 2017e Oil & Gas EBITDA at Various Prices and CAPEX

(\$ in billions)



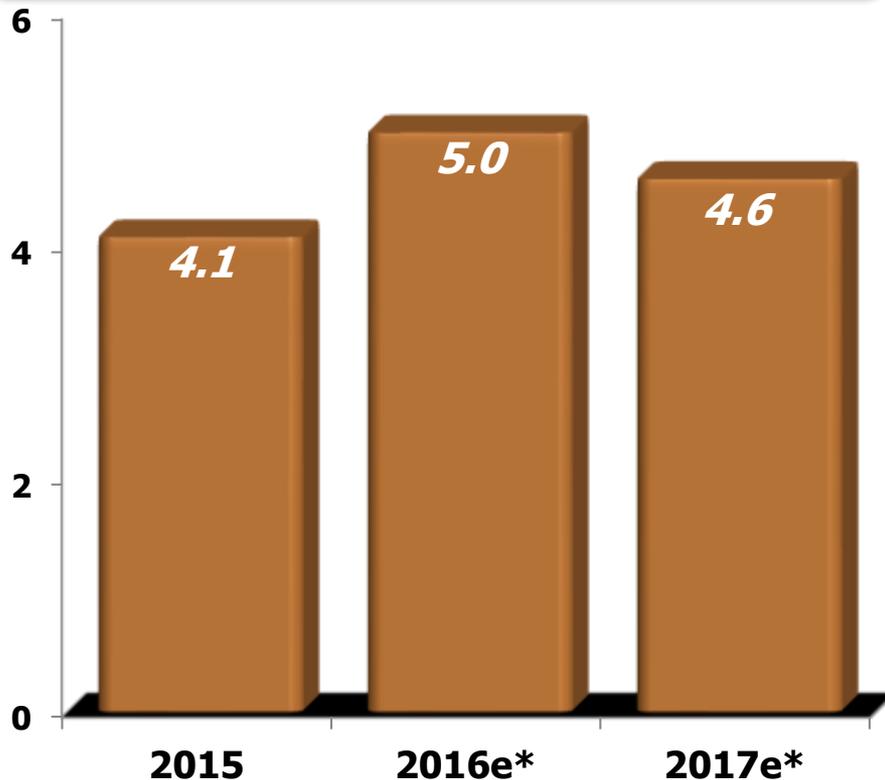
*NOTE: EBITDA equals operating income plus depreciation, depletion and amortization. Amounts are estimates for illustrative purposes based on model results. Model reflects FM O&G cost and production mix for 2017e including 149 MBOE per day, \$13/BOE operating cost, average Brent crude differential of 89% and \$2.90/mmbtu natural gas price.*

*e = estimate. See Cautionary Statement.*



# Sales Profile

**Copper Sales (billion lbs)**

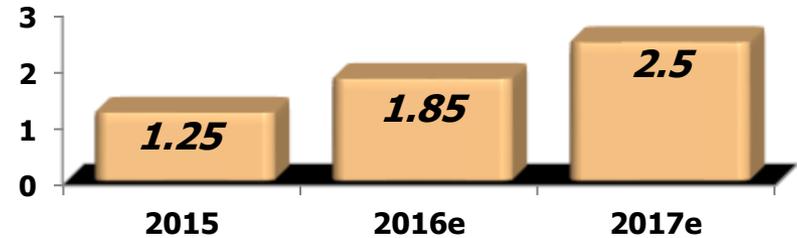


Note: Consolidated copper sales include 688 mm lbs in 2015, 990 mm lbs in 2016e and 965 mm lbs in 2017e for noncontrolling interest; excludes purchased copper.

\* Adjusted for closing of the Morenci transaction on May 31, 2016. Includes ~485 mm lbs associated with Tenke, which FCX reached agreement to sell with closing expected in 4Q 2016.

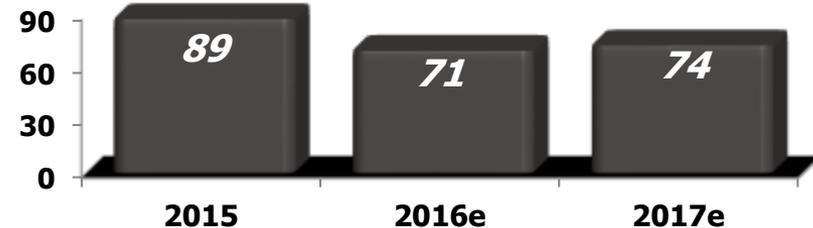
e = estimate. See Cautionary Statement.

**Gold Sales (million ozs)**

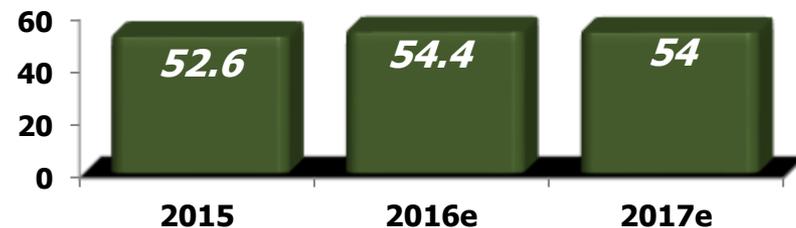


Note: Consolidated gold sales include 115k ozs in 2015, 170k ozs in 2016e and 235k ozs in 2017e for noncontrolling interest.

**Molybdenum Sales (million lbs)**



**Oil & Gas Sales (MMBOE)**

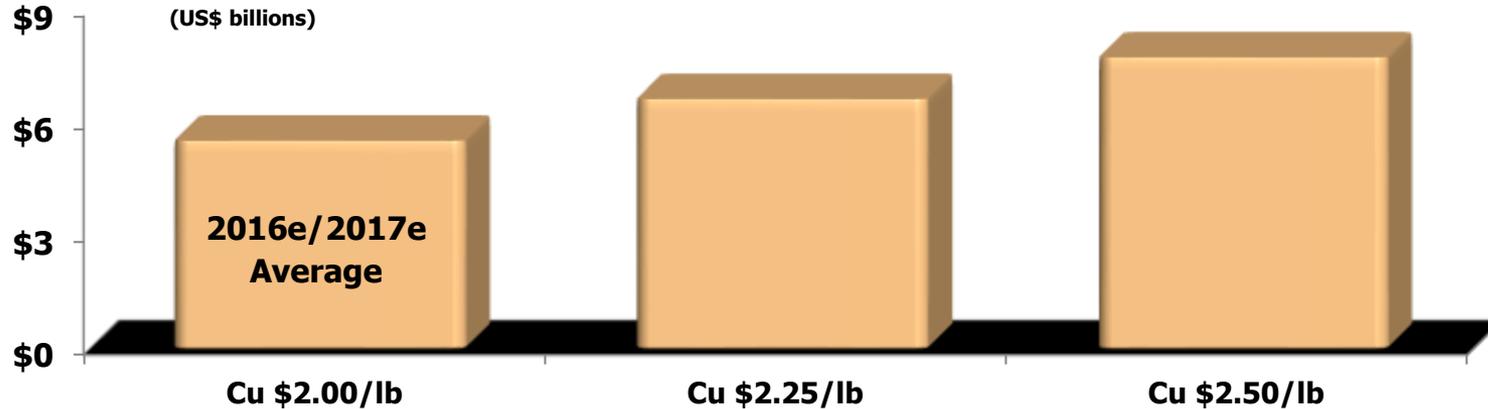




# EBITDA and Cash Flow at Various Copper Prices

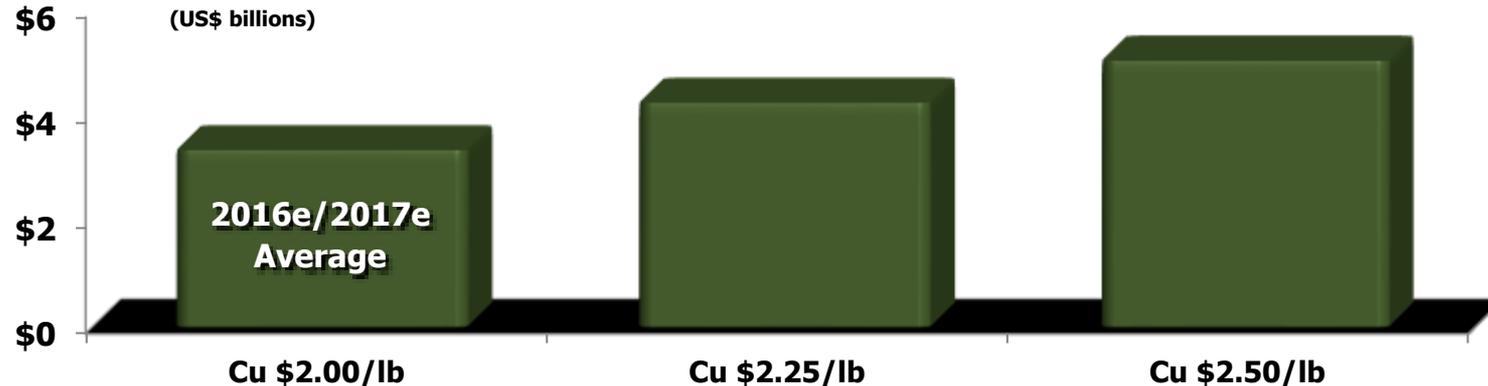
## Average EBITDA

(\$1,200 Gold, \$6 Molybdenum & \$47 Oil)\*



## Average Operating Cash Flow (excluding Working Capital changes)

(\$1,200 Gold, \$6 Molybdenum & \$47 Oil)\*



Note: For 2016e and 2017e price sensitivities see slides 29 and 30. EBITDA equals operating income plus depreciation, depletion and amortization. Includes Indonesian export duties which are under discussion with GOI.

\* Average prices as noted for 2Q16-2017; adjusted for Morenci sale, which closed on May 31, 2016; includes Tenke which FCX reached agreement to sell with closing expected in 4Q 2016.

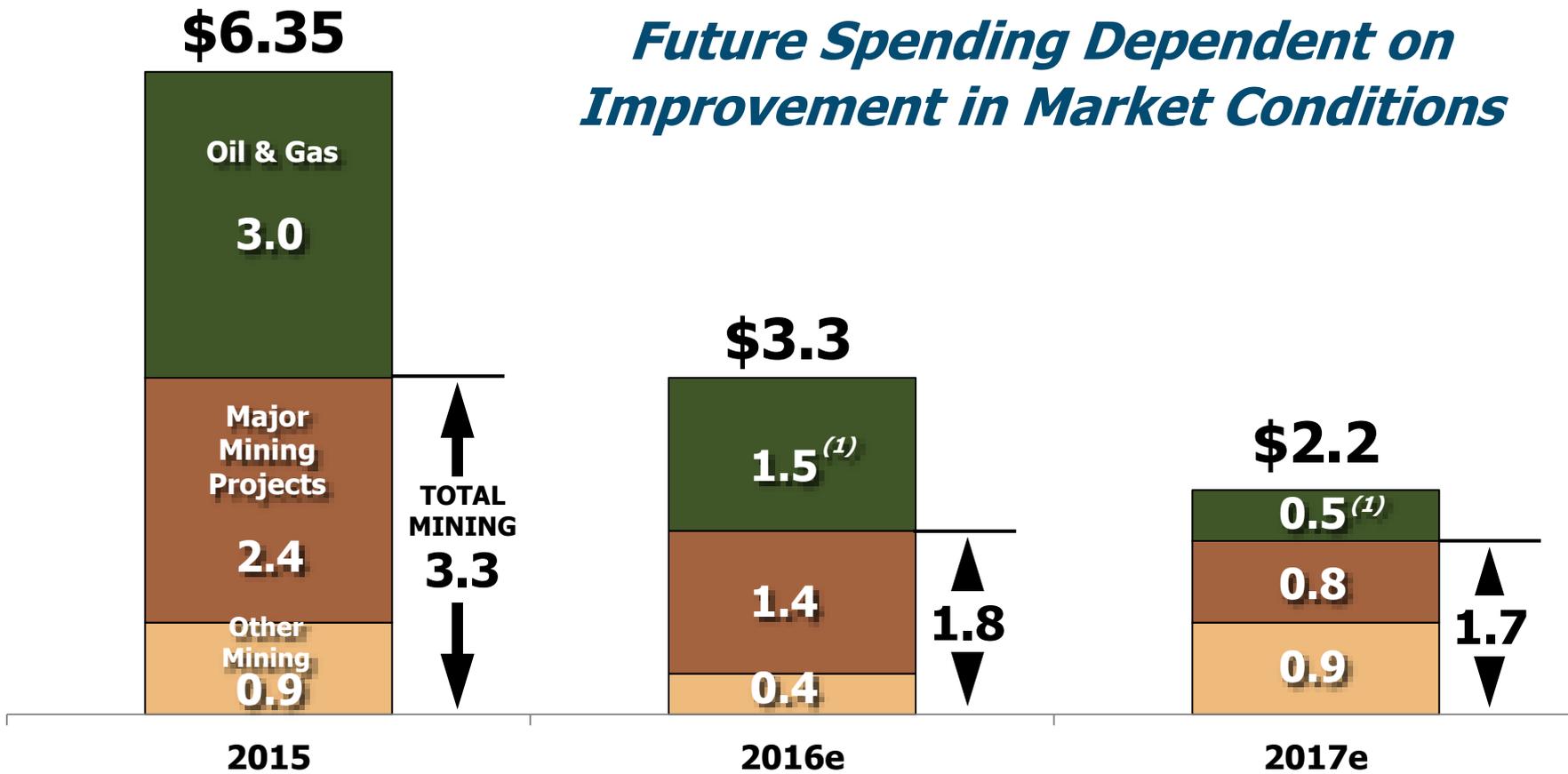
e = estimate. See Cautionary Statement.



# Capital Expenditures

(US\$ billions)

*Future Spending Dependent on Improvement in Market Conditions*



(1) Excludes idle GOM rig cash costs totaling \$0.8 billion in 2016e and \$0.5 billion in 2017e, which will reduce operating cash flows.  
 Note: Includes capitalized interest and CAPEX for Tenke, which FCX reached agreement to sell with closing expected in 4Q 2016.  
 e= estimate. See Cautionary Statement.

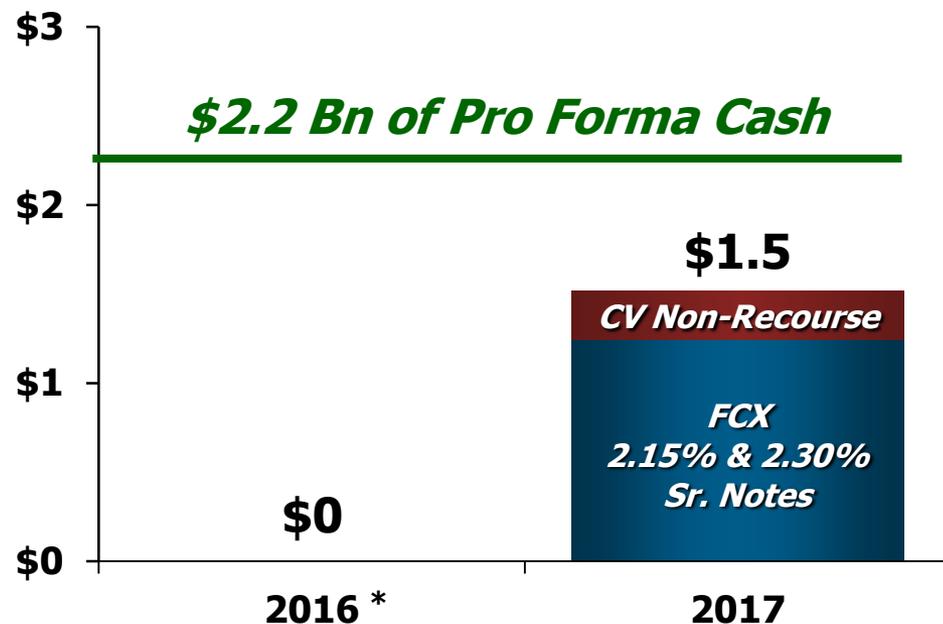


# Committed to Balance Sheet Management – Strong Track Record

(US\$ billions)

## Manageable Near-Term Debt Maturity Schedule Pro Forma for Morenci, Timok & Tenke Transactions

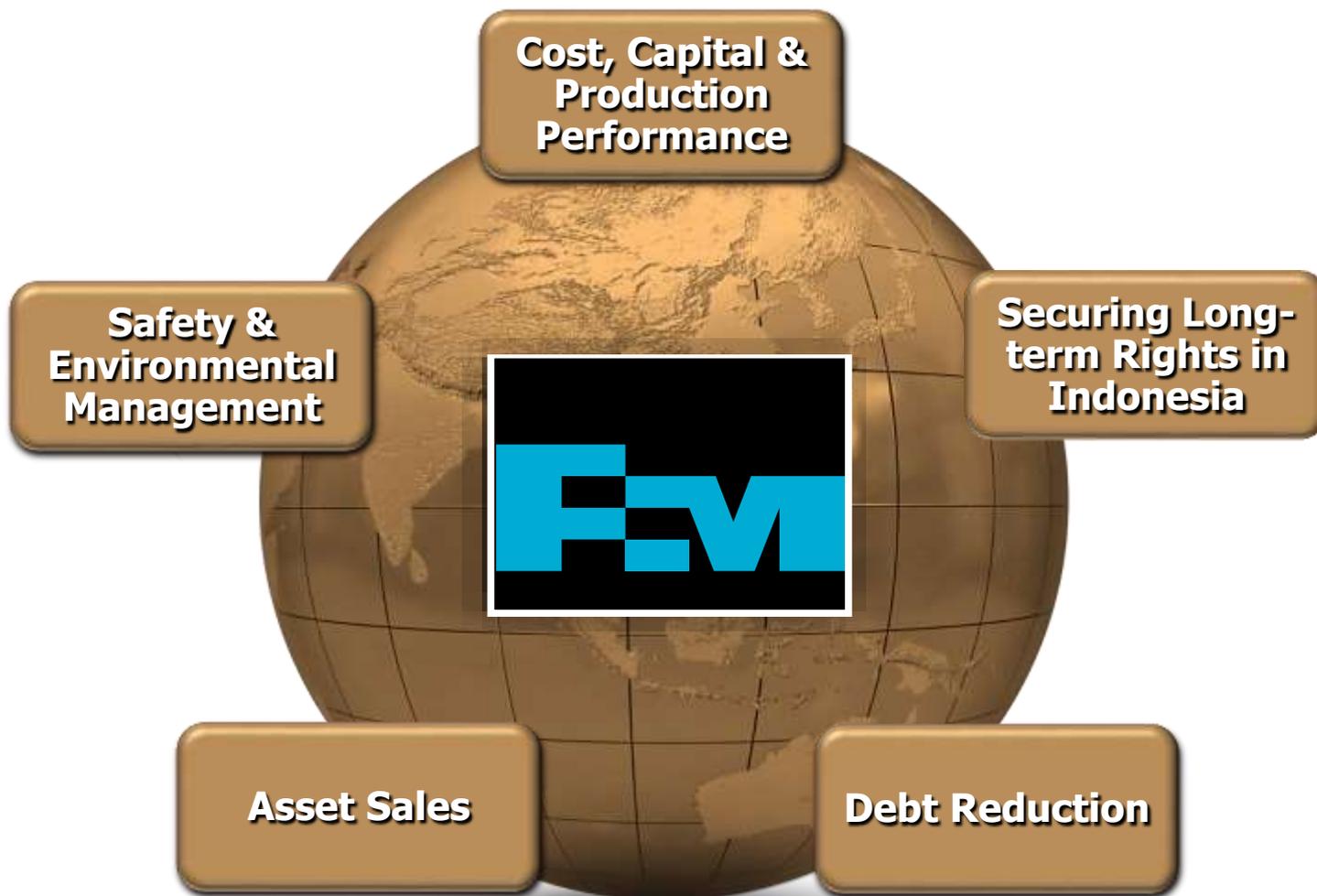
<b>PF FCX Debt Structure as of 3/31/16</b>	
<i>(US\$ billions)</i>	
\$3.5 bn Revolver	\$ 0.5
Bank Term Loans	1.1
FCX & FMC Sr. Notes	12.3
FM O&G Senior Notes	2.5
Cerro Verde Non-Recourse Loan	1.8
Bank Bilateral & Other	0.7
<b>Total Debt</b>	<b>\$18.9</b>
Cash	\$2.2



\* For purposes of this schedule, maturities of uncommitted lines of credit and other short-term lines are included in FCX's revolver balance that matures in 2019.

NOTE: 2016 & 2017 term loan maturities have been reduced for 50% of net proceeds from Morenci, Timok & Tenke transactions, including \$189 mm in 2016 and \$272 mm in 2017.

# Focused on Execution



***Strong Track Record***



# Reference Slides



# Financial Highlights

<b>Sales Data</b>	<b>1Q16</b>	<b>1Q15</b>
<b><u>Copper</u></b>		
Consolidated Volumes (mm lbs)	1,123	960
Average Realization (per lb)	\$2.17	\$2.72
Site Production & Delivery Costs (per lb)	\$1.51	\$1.93
Unit Net Cash Costs (per lb)	\$1.38	\$1.64
<b><u>Gold</u></b>		
Consolidated Volumes (000's ozs)	201	263
Average Realization (per oz)	\$1,227	\$1,186
<b><u>Oil Equivalents</u></b>		
Consolidated Volumes (MMBOE)	12.1	12.5
Realized Revenues (per BOE)	\$23.79	\$43.71 <sup>(1)</sup>
Cash Production Costs (per BOE)	\$15.85	\$20.26
<b>Financial Results</b> (in billions, except per share amounts)	<b>1Q16</b>	<b>1Q15</b>
Revenues	\$3.5	\$4.2
Net Loss Attributable to Common Stock <sup>(2)</sup>	\$(4.2)	\$(2.5)
Diluted Net Loss Per Share <sup>(2)</sup>	\$(3.35)	\$(2.38)
Operating Cash Flows <sup>(3)</sup>	\$0.7	\$0.7
Capital Expenditures	\$1.0	\$1.9
Total Debt	\$20.8	\$20.3
Consolidated Cash	\$0.3	\$0.5

(1) Realized revenues per BOE include realized cash gains on crude oil derivative contracts of \$8/BOE.

(2) Includes net charges of \$4.0 bn (\$3.19/share) in 1Q16 and \$2.4 bn (\$2.32/share) in 1Q15, primarily for the reduction of the carrying value of oil and gas properties and idle rig costs. See slide 32 for additional details.

(3) Includes net working capital sources (uses) and changes in other tax payments of \$188 mm for 1Q16 and \$(86) mm for 1Q15.

# Sale of Interest in Timok Copper-Gold Project Located in Serbia



- **Consideration to FCX Includes:**
  - **\$135 mm Payable at Closing**
  - **Up to \$20 mm to be Spent by Purchaser in Connection with Agreed Exploration and Study Work on the Lower Zone**
  - **\$45 mm Payable to FCX Upon the Earliest to Occur of (i) a Build Decision on the Upper Zone, and (ii) Access to Any Ore Body for Direct Ship Ore**
  - **\$50 mm Upon the Achievement of Commercial Production**
  - **Up to \$12.5 mm in Recoupment of Project Expenditures**
- **Accelerates Exploration of Lower Zone and Exploration and Development of High-Grade Upper Zone**
- **FCX Retains Longer-term Option and Control of Lower Zone, which Could Potentially be Developed as Block Cave**
- **FCX Interest: 39.6% Currently, Would Increase to 54% Upon Delivery of Feasibility Study**
- **Benefit to FCX – Provides Near-term Funds, while Retaining Long-Term Exposure to Potentially Significant Resource**



# Termination & Settlement of Deepwater Rig Contracts

## *Rowan Settlement*

- **FCX Will Pay Rowan \$215 mm in Cash**
- **FCX Agreed to Contingent Payment of Up To \$30 mm Based on Oil Prices over Next 12-Months**
- **Rowan Released FCX of \$0.3 bn in Payment Obligations for One Drilling Rig Contract**

## *Noble Settlement*

- **FCX to Provide Noble with \$540 mm in Cash, FCX Stock or Noble Bonds (at FCX option)**
- **FCX Agreed to Contingent Payment of Up To \$75 mm Based on Oil Prices Over Next 12-Months**
- **Noble Released FCX of \$0.8 bn in Payment Obligations for Two Drilling Rig Contracts**

***~\$350 mm in Aggregate Savings***



# 2016e Operating Estimates

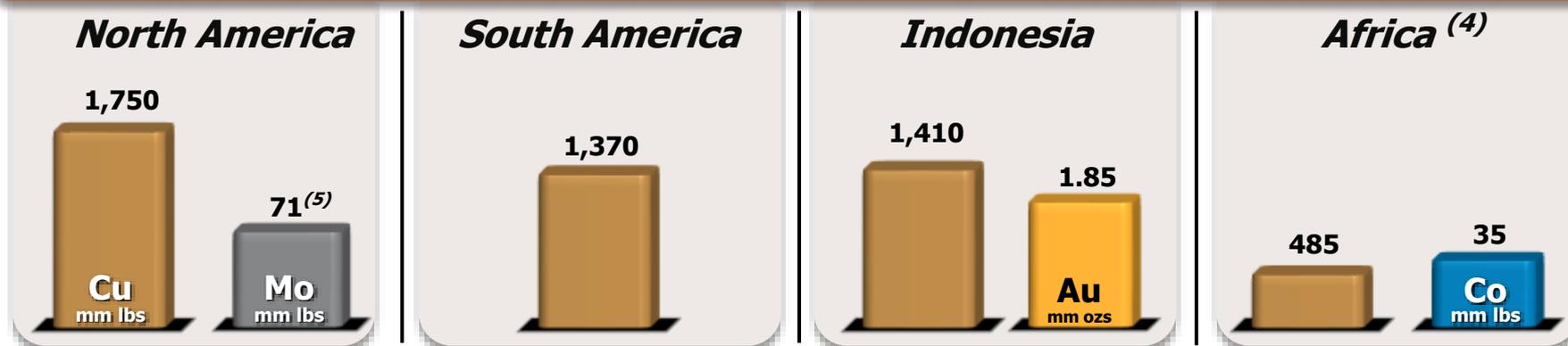
## 2016e Unit Production Costs

(per pound of copper)

### Cash Unit Costs <sup>(1)</sup>

	North America	South America	Indonesia	Africa <sup>(4)</sup>	Consolidated
Site Production & Delivery <sup>(2)</sup>	\$1.41	\$1.26	\$1.21	\$1.62	\$1.33
By-product Credits	(0.06)	(0.08)	(1.66)	(0.35)	(0.54)
Treatment Charges	0.10	0.24	0.27	-	0.18
Royalties & Export Duties	-	0.01	0.25	0.05	0.08
<b>Unit Net Cash Costs</b>	<b>\$1.45<sup>(3)</sup></b>	<b>\$1.43</b>	<b>\$0.07</b>	<b>\$1.32</b>	<b>\$1.05</b>

## 2016e Sales by Region



(1) Estimates assume average prices of \$2.25/lb for copper, \$1,250/oz for gold, \$5.00/lb for molybdenum and \$10/lb for cobalt for the remainder of 2016. Quarterly unit costs will vary significantly with quarterly metal sales volumes.

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

(3) Adjusted for closing of the Morenci transaction on May 31, 2016.

(4) On May 9, 2016, FCX entered into an agreement to sell its interest in Tenke to CMOC with closing expected in 4Q 2016.

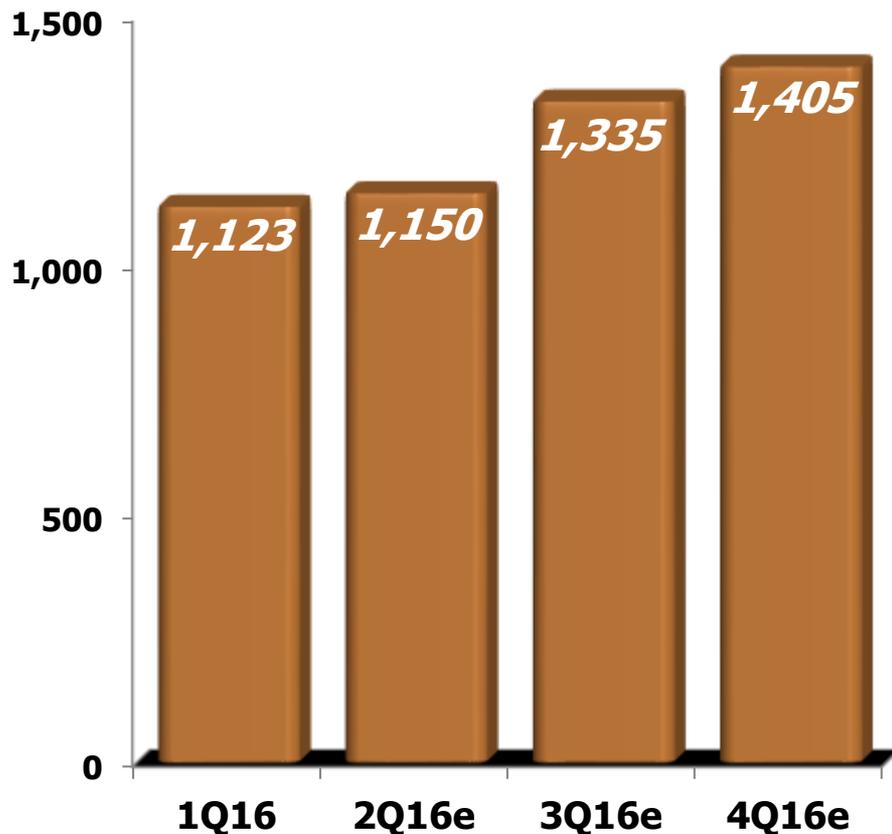
(5) Includes molybdenum produced in South America.

Note: e = estimate. See Cautionary Statement.



# 2016e Quarterly Sales

## Copper Sales\* (million lbs)

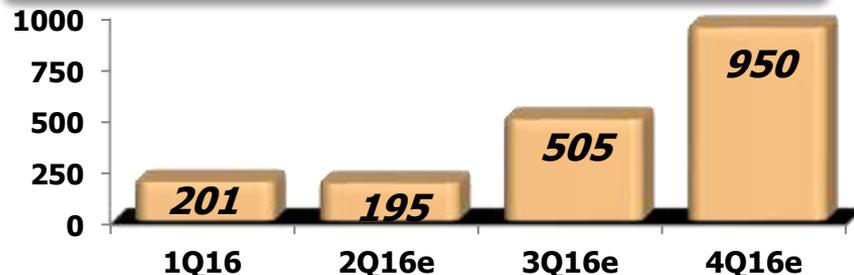


Note: Consolidated copper sales include approximately 222 mm lbs in 1Q16, 238 mm lbs in 2Q16e, 265 mm lbs in 3Q16e and 265 mm lbs in 4Q16e for noncontrolling interest; excludes purchased copper.

\* Adjusted for closing of the Morenci transaction on May 31, 2016. Includes sales associated with Tenke, which FCX reached agreement to sell with closing expected in 4Q 2016.

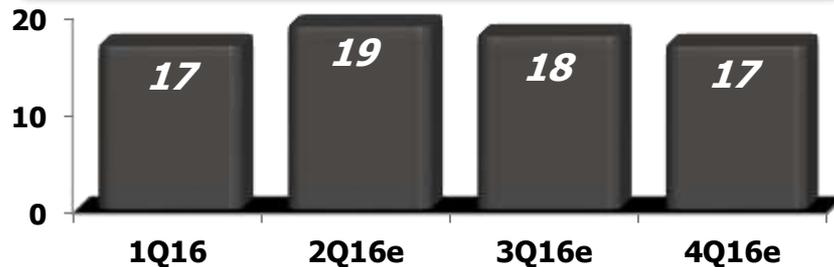
e = estimate. See Cautionary Statement.

## Gold Sales (thousand ozs)

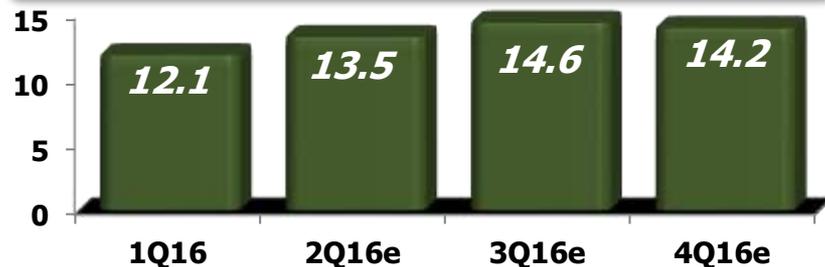


Note: Consolidated gold sales include approximately 18k ozs in 1Q16, 18k ozs in 2Q16e, 47k ozs in 3Q16e and 87k ozs in 4Q16e for noncontrolling interest.

## Molybdenum Sales (million lbs)



## Oil & Gas Sales (MMBOE)





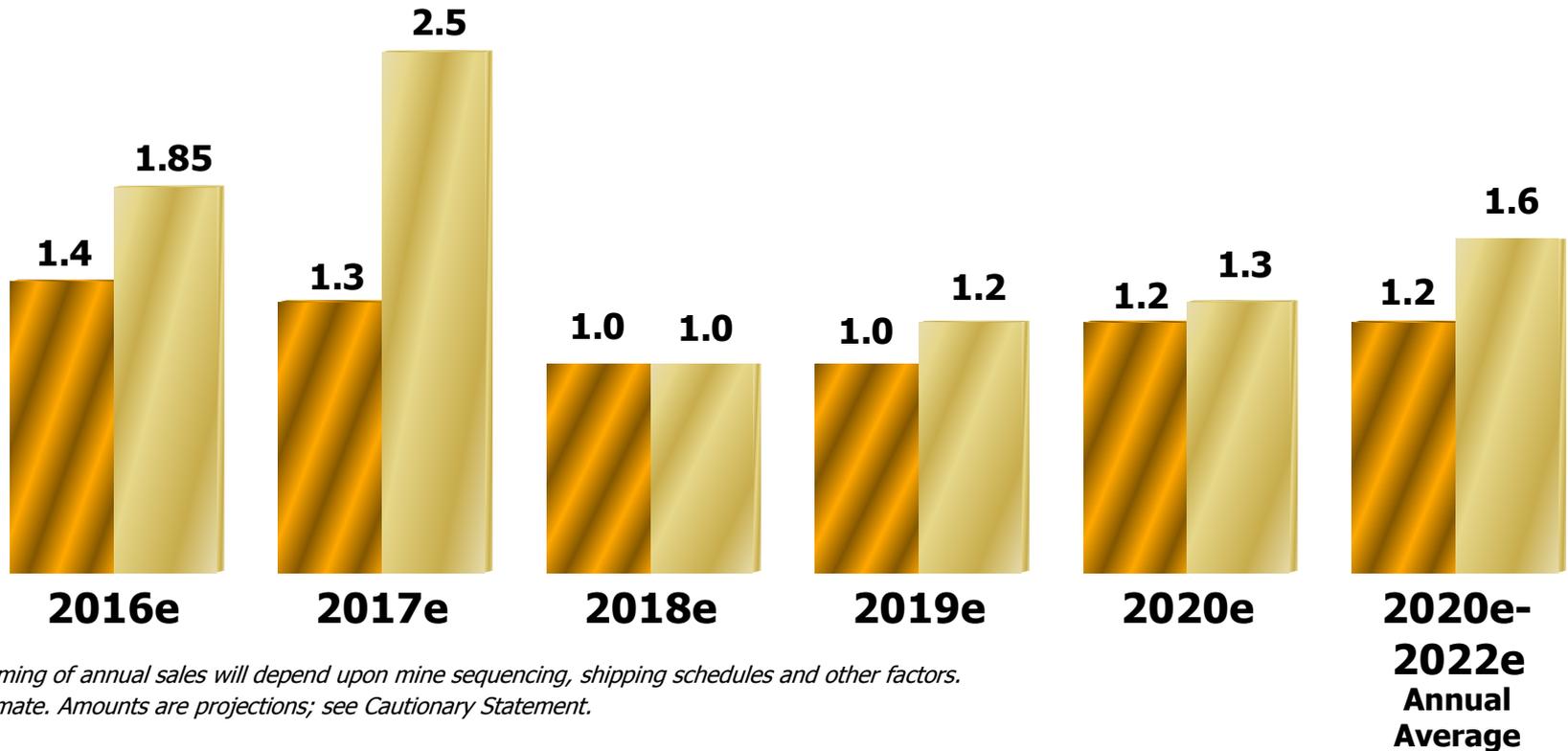
# PT-FI Mine Plan

## PT-FI's Share of Metal Sales, 2016e-2022e

**2016e – 2020e PT-FI Share**  
**Total: 5.9 billion lbs copper**  
**Annual Average: 1.18 billion lbs**

**2016e – 2020e PT-FI Share**  
**Total: 7.85 million ozs gold**  
**Annual Average: 1.57 million ozs**

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



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

# Sensitivities (US\$ millions)



Change	2016e	
	EBITDA	Operating Cash Flow
<b>Copper: +/- \$0.10/lb</b>	<b>\$425</b>	<b>\$340</b>
<b>Molybdenum: +/- \$1.00/lb</b>	<b>\$28</b>	<b>\$22</b>
<b>Gold: +/- \$50/ounce</b>	<b>\$75</b>	<b>\$45</b>
<b>Oil Sales: +/- \$5/bbl<sup>(1)</sup></b>	<b>\$150</b>	<b>\$120</b>
<b>Oil Sales Net of Diesel Costs:<sup>(1,2)</sup> +/- \$5/bbl</b>	<b>\$125</b>	<b>\$100</b>
<b>Natural Gas: +/- \$0.50/Mcf</b>	<b>\$20</b>	<b>\$16</b>
<b>Currencies:<sup>(3)</sup> +/- 10%</b>	<b>\$110</b>	<b>\$77</b>

*(1) Oil sales sensitivity calculated using average base Brent price assumption of \$45/bbl in 2Q16 – 4Q16e.*

*(2) Amounts are net of mining cost impacts of a \$5/bbl change in oil prices.*

*(3) U.S. Dollar Exchange Rates: 690 Chilean peso, 13,000 Indonesian rupiah, \$0.75 Australian dollar, \$1.10 Euro, 3.44 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 forecasted expenditures in these foreign currencies equates to a cost benefit of noted amounts.*

*NOTE: Based on impact of price change for remainder of 2016e. EBITDA equals operating income plus depreciation, depletion and amortization costs. Operating cash flow amounts exclude working capital changes. Adjusted for closing of Morenci transaction on May 31, 2016 and includes results for Tenke, which FCX reached agreement to sell with closing expected in 2Q16.*

*e = estimate. See Cautionary Statement.*

# Sensitivities (US\$ millions)



Change	2017e	
	EBITDA	Operating Cash Flow
<b>Copper: +/- \$0.10/lb</b>	<b>\$435</b>	<b>\$350</b>
<b>Molybdenum: +/- \$1.00/lb</b>	<b>\$35</b>	<b>\$28</b>
<b>Gold: +/- \$50/ounce</b>	<b>\$125</b>	<b>\$75</b>
<b>Oil Sales: +/- \$5/bbl<sup>(1)</sup></b>	<b>\$200</b>	<b>\$160</b>
<b>Oil Sales Net of Diesel Costs:<sup>(1,2)</sup> +/- \$5/bbl</b>	<b>\$160</b>	<b>\$130</b>
<b>Natural Gas: +/- \$0.50/Mcf</b>	<b>\$23</b>	<b>\$19</b>
<b>Currencies:<sup>(3)</sup> +/- 10%</b>	<b>\$145</b>	<b>\$103</b>

(1) Oil sales sensitivity calculated using average base Brent price assumption of \$48/bbl in 2017e.

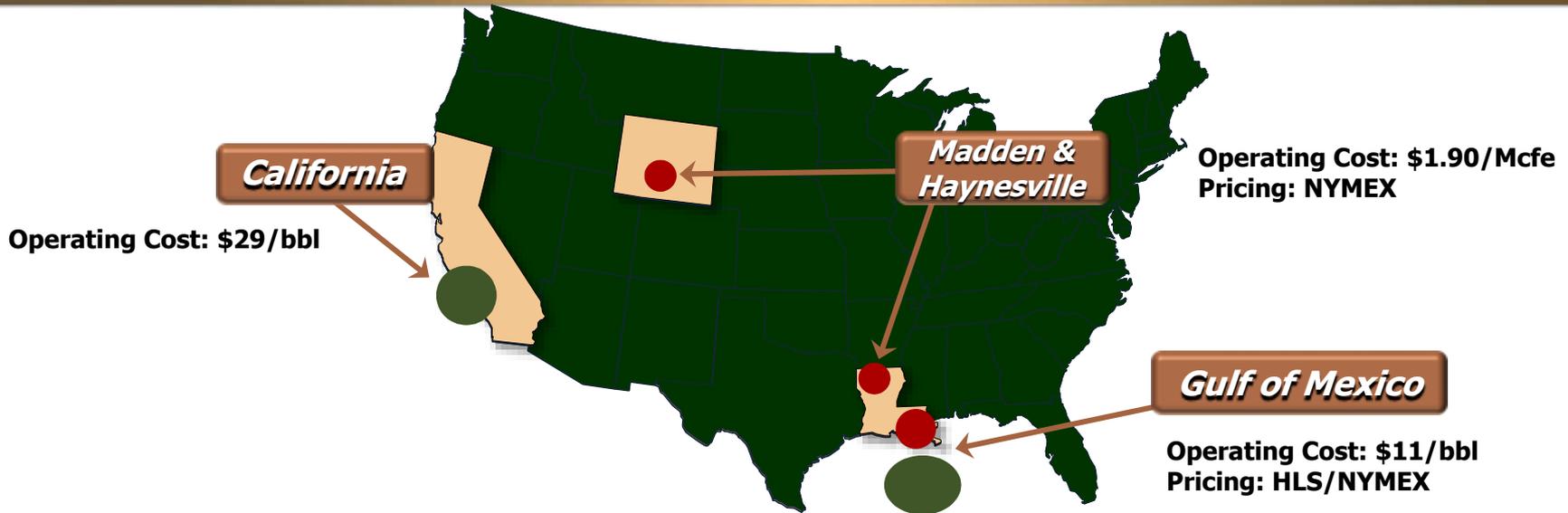
(2) Amounts are net of mining cost impacts of a \$5/bbl change in oil prices.

(3) U.S. Dollar Exchange Rates: 690 Chilean peso, 13,000 Indonesian rupiah, \$0.75 Australian dollar, \$1.10 Euro, 3.44 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 forecasted expenditures in these foreign currencies equates to a cost benefit of noted amounts.

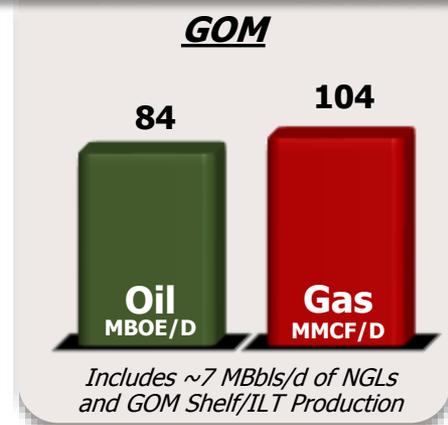
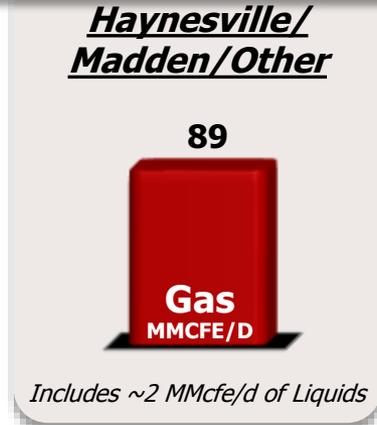
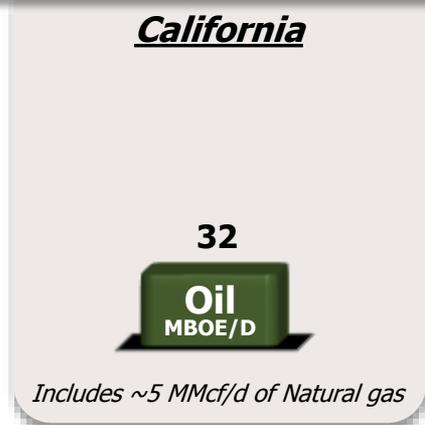
NOTE: Based on 2017e annual impacts. EBITDA equals operating income plus depreciation, depletion and amortization costs. Operating cash flow amounts exclude working capital changes. Adjusted for closing of Morenci transaction on May 31, 2016 and includes results for Tenke, which FCX reached agreement to sell with closing expected in 2Q16.

e = estimate. See Cautionary Statement.

# 2016e Oil & Gas Operating Estimates



## 2016e Oil & Gas Sales by Region



NOTE: Operating costs exclude DD&A and G&A. DD&A is expected to approximate \$18/BOE in 2016e. Oil realizations are expected to average 85% of Brent in 2016e. e = estimate. See Cautionary Statement.



# Adjusted EBITDA Reconciliation

*(in millions)*

	1Q 2016	12 Months Ended 3/31/2016
Net loss attributable to common stock	\$(4,184)	\$(13,946)
Interest expense, net	200	699
Income tax provision (benefit)	70	(1,170)
Depreciation, depletion and amortization	722	3,280
Impairment of oil and gas properties	3,787	13,827
Copper and molybdenum inventory adjustments	4	338
Net noncash MTM losses on crude oil derivatives	-	271
Accretion	36	136
Other special items <sup>(1)</sup>	200	588
Other (income) loss, net	(38)	55
Gain on shareholder derivative litigation	-	(92)
Preferred dividends attributable to redeemable NCI	11	42
Net income attributable to NCI	72	120
Equity in affiliated companies' net earnings	<u>(7)</u>	<u>(3)</u>
<b>Adjusted EBITDA <sup>(2)</sup></b>	<b>\$873</b>	<b>\$4,145</b>

(1) Other special items for 1Q 2016 include charges primarily for idle rig costs (\$165 million) and inventory write downs (\$35 million). For the 12 month period ended March 31, 2016, other special items include charges for (i) idle rig costs (\$178 million), (ii) other asset impairments and inventory write-downs at oil and gas operations and prior period tax assessments related to California properties (\$193 million), (iii) mining asset impairments, restructuring and other net charges (\$156 million), (iv) adjustment to environmental obligations and related litigation reserves (\$43 million) and (v) executive retirement benefits (\$18 million).

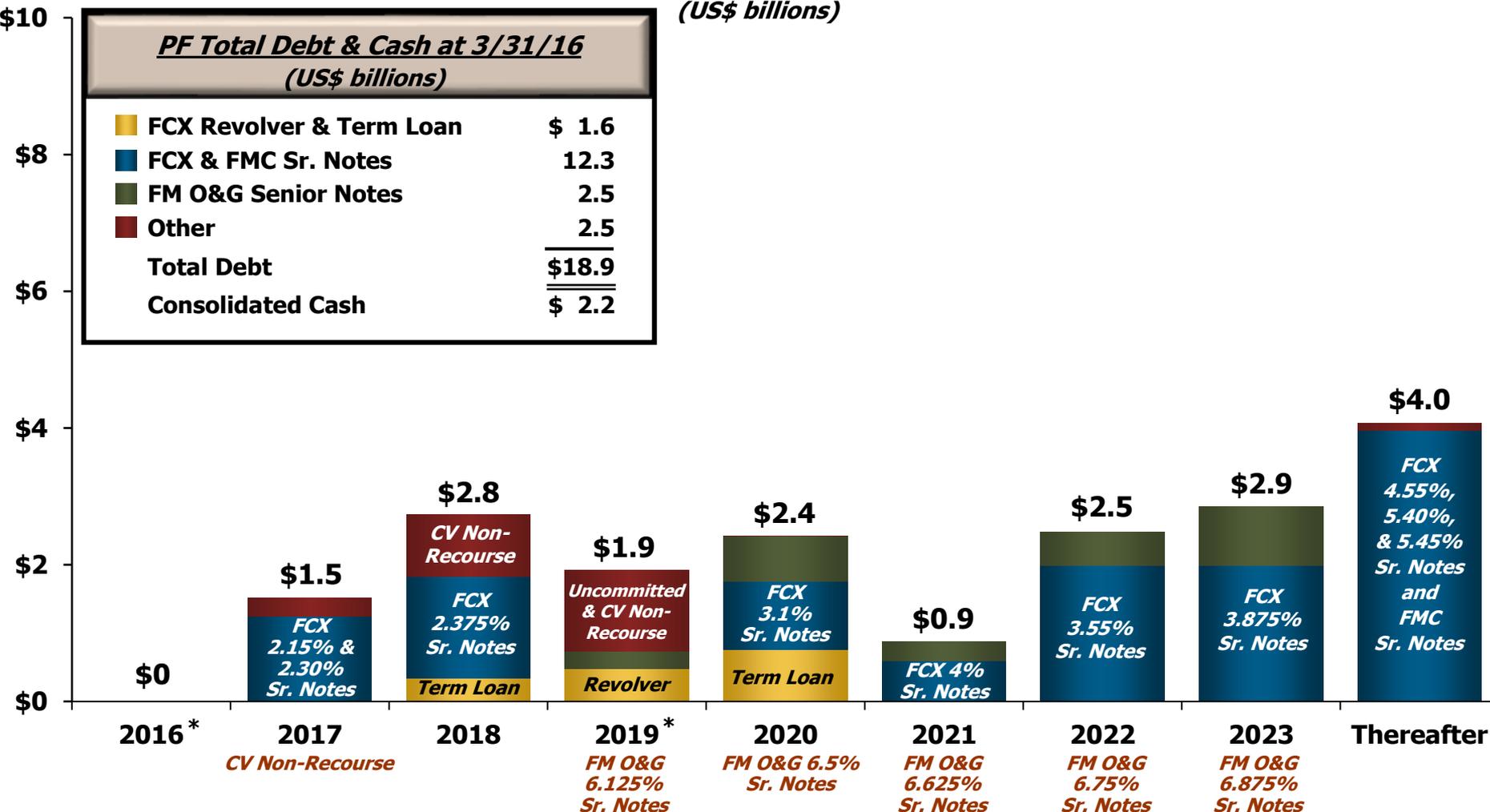
(2) Adjusted EBITDA is a non-GAAP financial measure that is frequently used by securities analysts, investors, lenders and others to evaluate companies' performance, including, among other things, profitability before the effect of financing and similar decisions. Because securities analysts, investors, lenders and others use Adjusted EBITDA, management believes that our presentation of Adjusted EBITDA affords them greater transparency in assessing our financial performance. Adjusted EBITDA should not be considered as a substitute for measures of financial performance prepared in accordance with GAAP. Adjusted EBITDA may not necessarily be comparable to similarly titled measures reported by other companies, as different companies calculate them differently.



# FCX Debt Maturities as of 3/31/16

## Pro Forma for Morenci, Timok & Tenke Transactions

(US\$ billions)



\* For purposes of this schedule, maturities of uncommitted lines of credit and other short-term lines are included in FCX's revolver balance that matures in 2019.

NOTE: Term loan maturities have been reduced for 50% of net proceeds from Morenci, Timok & Tenke transactions, including \$189 mm in 2016, \$272 mm in 2017, \$651 mm in 2018, \$313 mm in 2019 and \$468 mm in 2020.