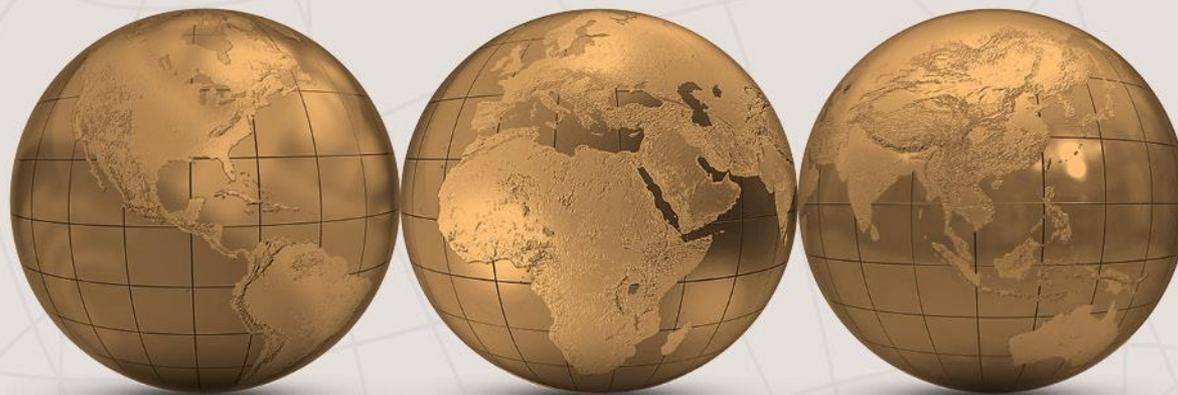


PROVING OUR  
**METTLE**



# ***2016 Global Metals, Mining & Steel Conference***

***Richard C. Adkerson***  
***President & CEO***

**May 10, 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, 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.*

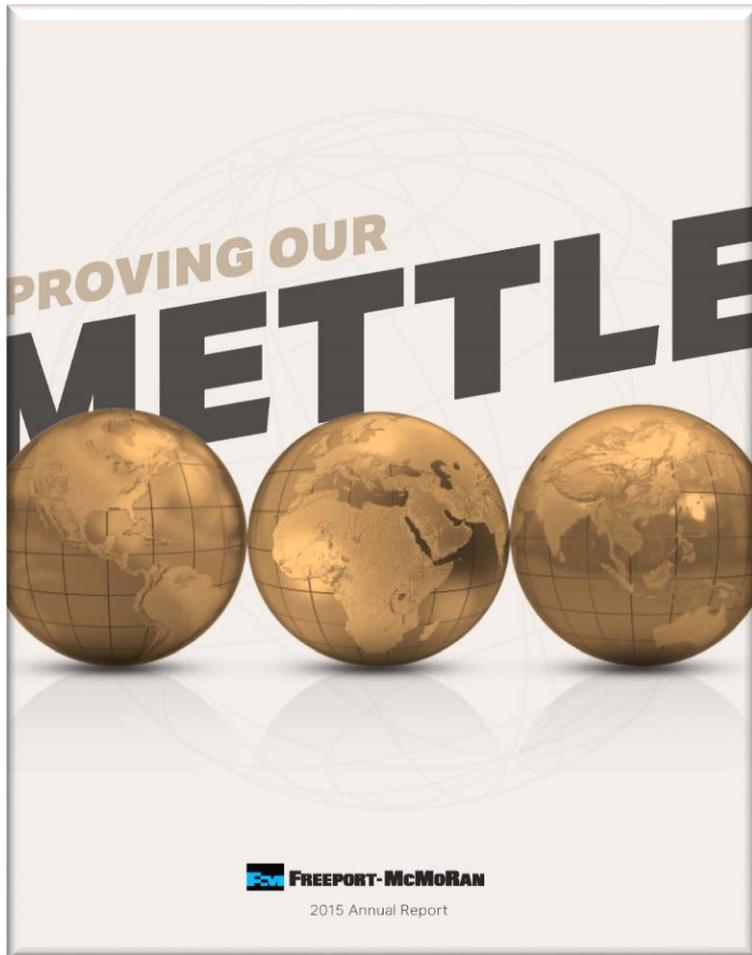
*This presentation also includes forward-looking statements regarding mineralized material and potential resources not included in proven and probable mineral reserves. The mineralized material and potential resources described in this presentation will not qualify as reserves until comprehensive engineering 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**



# 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>2Q16</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</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 paid at closing and \$127.5 million payable to FCX in stages upon the achievement of defined milestones.

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

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



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





# 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\****

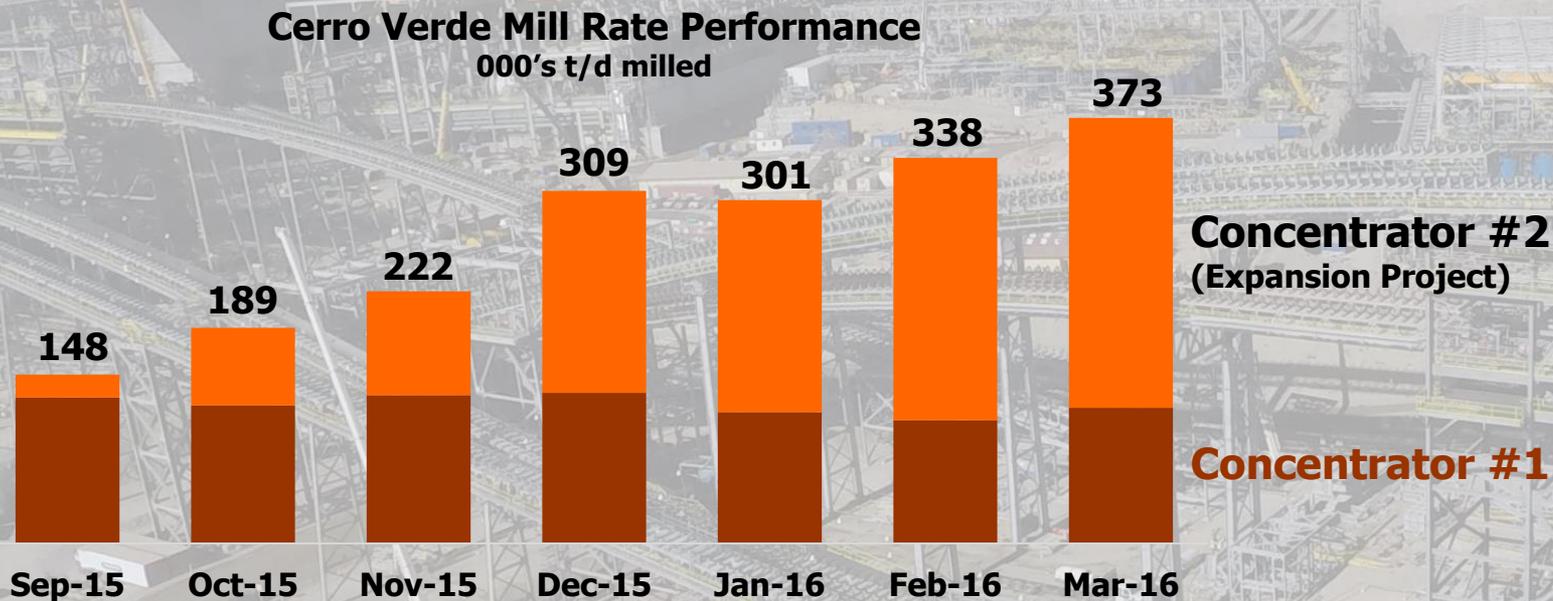
*NOTE: North America amounts include Cu operations: Morenci (currently 85%), Sierrita, Bagdad, Tyrone, Safford, Miami and Chino; Primary Mo: Henderson and Climax; South America amounts include Cu operations: Cerro Verde and El Abra. Implied life equals reserves plus mineralized material divided by 2016e production.*

*\* 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*



# 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**

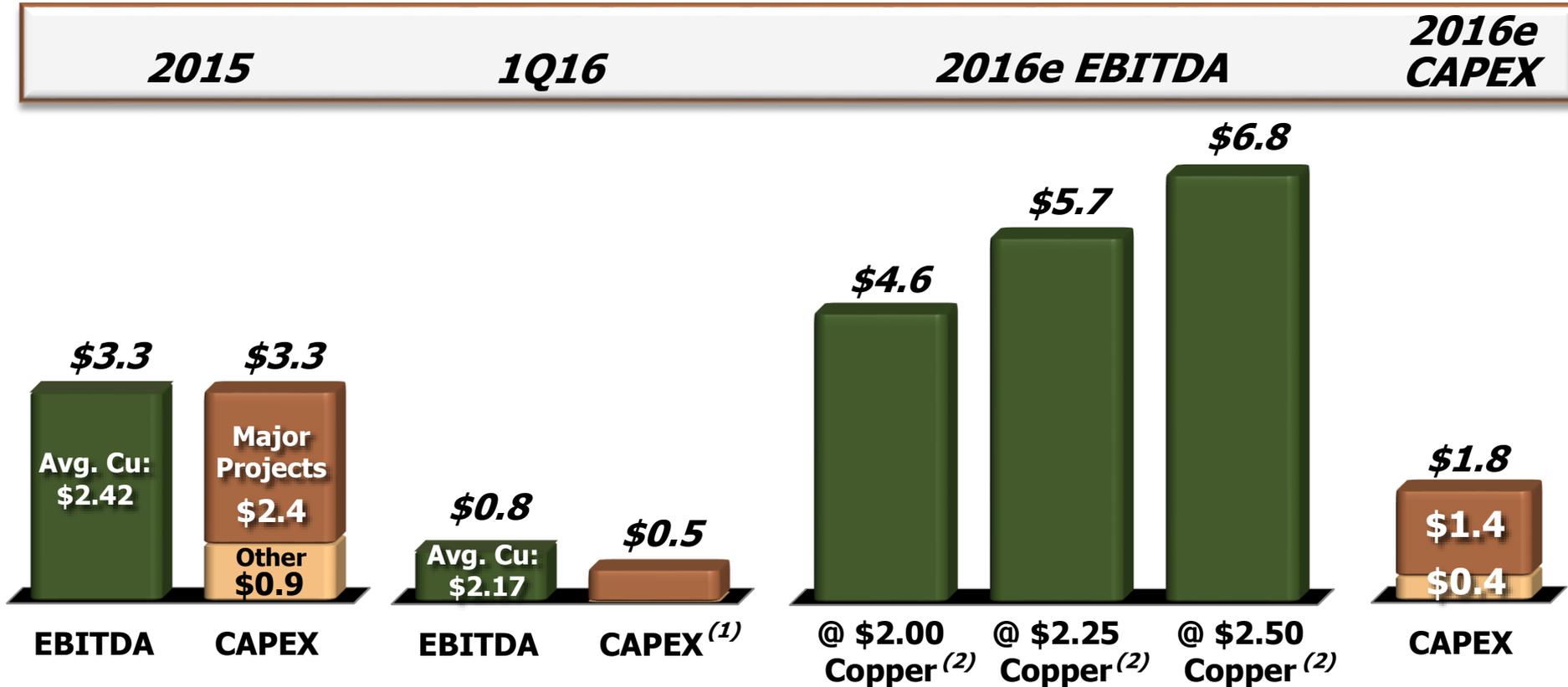


- **Scale Reflects Size of Resource**
- **Positioned to be Major Large Scale Producer for Decades**



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

(\$ in billions)



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

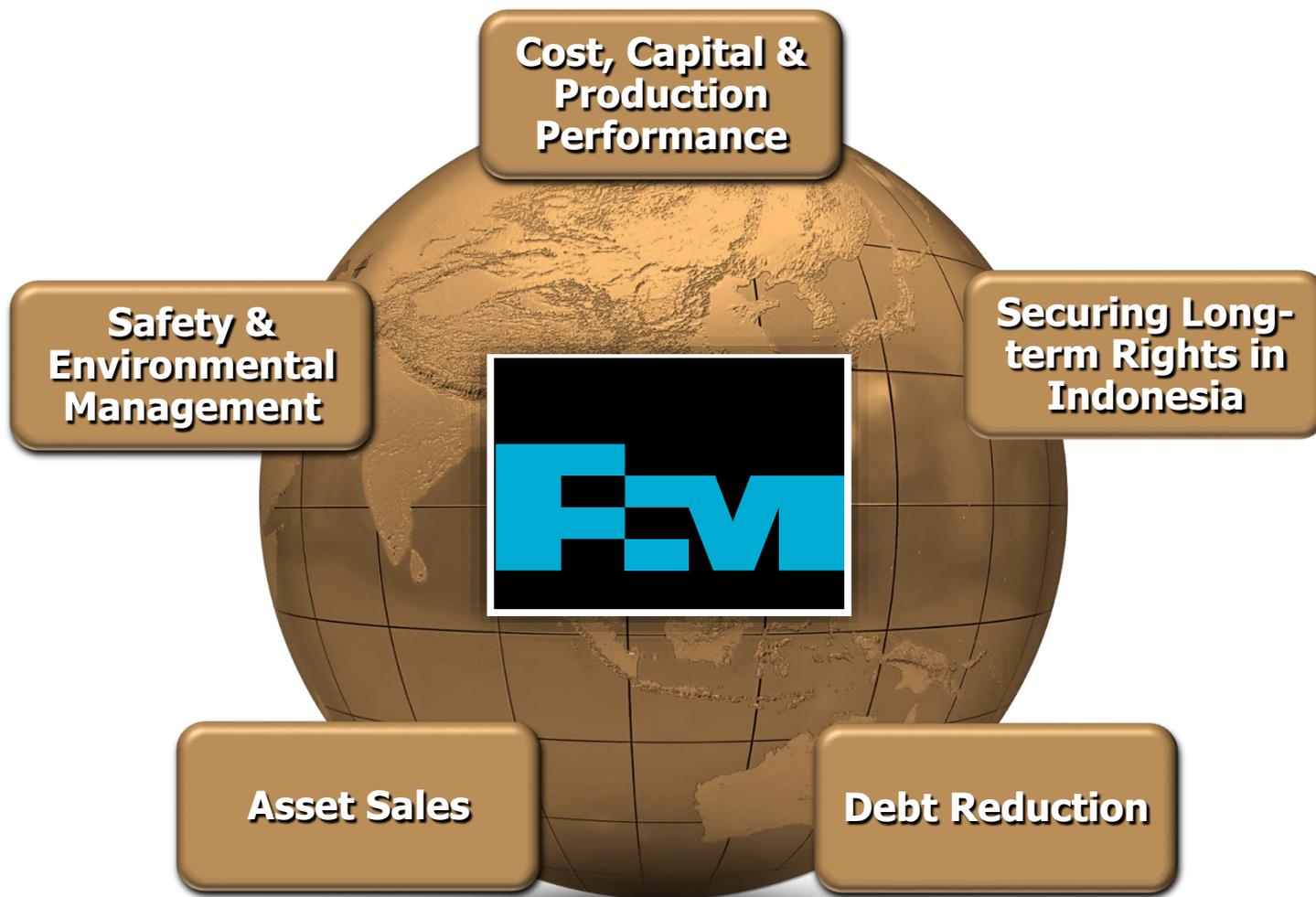
NOTE: EBITDA equals operating income plus depreciation, depletion and amortization costs. Assumes average prices of \$1,200/oz gold, \$6.00/lb molybdenum for 2016; each \$100/oz change in gold would have an approximate \$150 mm impact, each \$2/lb change in molybdenum would have an approximate \$55 mm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

e = estimate. See Cautionary Statement.

# Focused on Execution



***Strong Track Record***