



DRIVEN BY VALUE



27th Global Metals & Mining Conference

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Vice Chairman, President & CEO

February 26, 2018

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, anticipated tax refunds resulting from U.S. tax reform, capital expenditures, exploration efforts and results, development and production activities and costs, liquidity, tax rates, the impact of copper, gold and molybdenum 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. This presentation also contains forward-looking statements and estimates regarding the anticipated effects of the Tax Cuts and Jobs Act enacted on December 22, 2017. These statements and estimates are based on our current interpretation of this legislation, which may change as a result of additional implementation guidance, changes in assumptions, and potential future refinements of or revisions to calculations. The declaration of dividends is at the discretion of our Board of Directors and will depend on our 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 and molybdenum; mine sequencing; production rates; potential inventory adjustments; potential impairment of long-lived mining assets; the outcome of negotiations with the Indonesian government regarding PT Freeport Indonesia's (PT-FI) long-term mining rights; the potential effects of violence in Indonesia generally and in the province of Papua; industry risks; regulatory changes; political risks; labor relations; weather- and climate-related risks; environmental risks; litigation results (including the final disposition of Indonesian tax disputes and the outcome of Cerro Verde's royalty dispute with the Peruvian national tax authority); 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, 2017, filed with the U.S. Securities and Exchange Commission (SEC) as updated by FCX's subsequent filings with the SEC. With respect to FCX's operations in Indonesia, such factors include whether PT-FI will be able to resolve complex regulatory matters in Indonesia and continue to operate after June 30, 2018.

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. Mineralized material is a mineralized body that has been delineated by appropriately spaced drilling and/or underground sampling to support the estimated tonnage and average metal grades. Such a deposit cannot qualify as recoverable proven and probable reserves until legal and economic feasibility are confirmed based upon a comprehensive evaluation of development costs, unit costs, grades, recoveries and other material factors. Our estimates of potential resources are based on geologically reasonable interpolation and extrapolation of more limited information than is used for mineralized material (measured and indicated) and requires higher copper prices. Significant additional drilling is required and no assurance can be given that the potential quantities of metal will be produced. Accordingly, no assurances can be given that 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, net debt and adjusted EBITDA which are not recognized under U.S. generally accepted accounting principles. As required by SEC Regulation G, reconciliations of unit net cash costs per pound of copper and molybdenum to amounts reported in FCX's consolidated financial statements are in the supplemental schedules of FCX's 4Q17 press release, which are also available on FCX's website, “fxc.com.” A reconciliation of adjusted EBITDA to amounts reported in FCX's consolidated financial statements is included in FCX's 4Q17 conference call presentation.

2017 Highlights

Strong Execution – “Driven by Value”

- **Solid Operating Performance Throughout Global Operations**
- **Ongoing Cost Management & Capital Discipline**
- **Strong Cash Flow Generation**
- **Restored Balance Sheet Strength**
- **Developed Attractive Organic Options for Future Growth**
- **Important Progress for Long-term Stability in Indonesia**
- **Reinstated Dividend on Common Stock in February 2018**

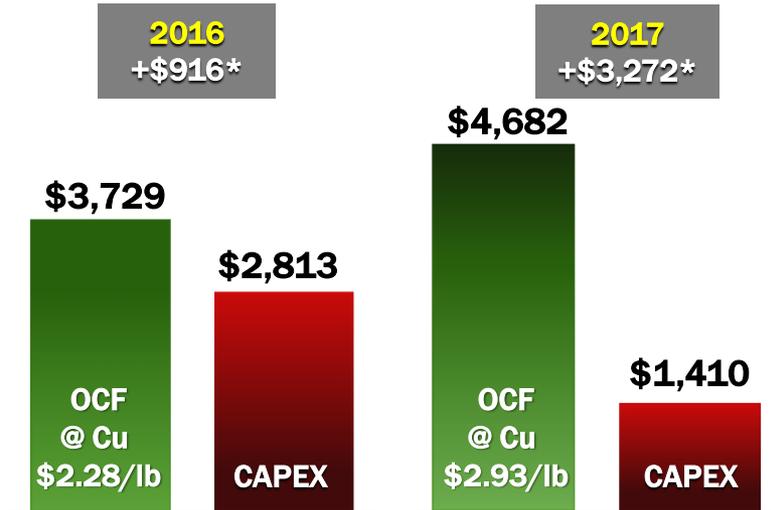
Focused on Shareholder Value

See Cautionary Statement.

Key Metrics

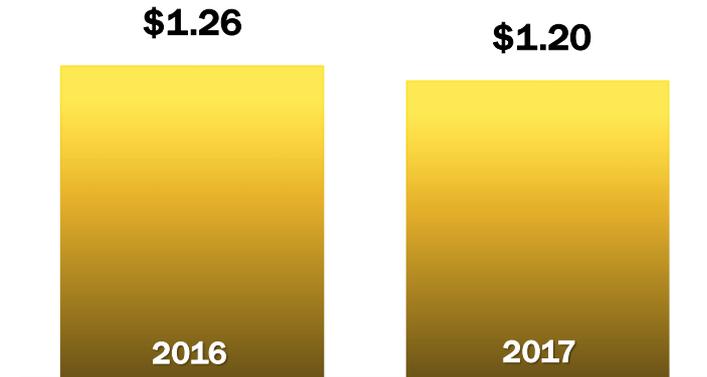
Strong Cash Flow Generation

(\$ in mm)



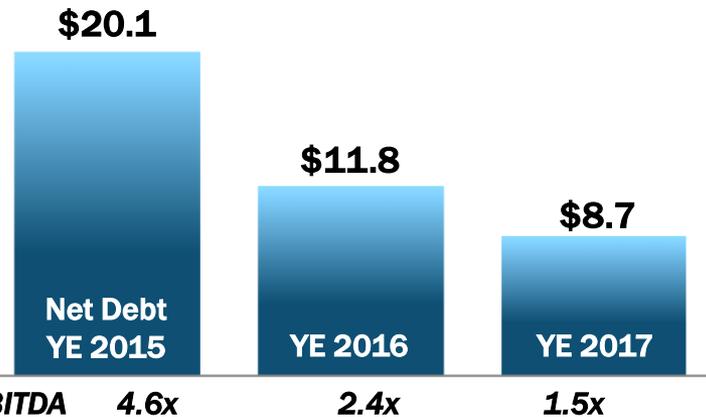
Unit Net Cash Costs

(Copper \$/lb)



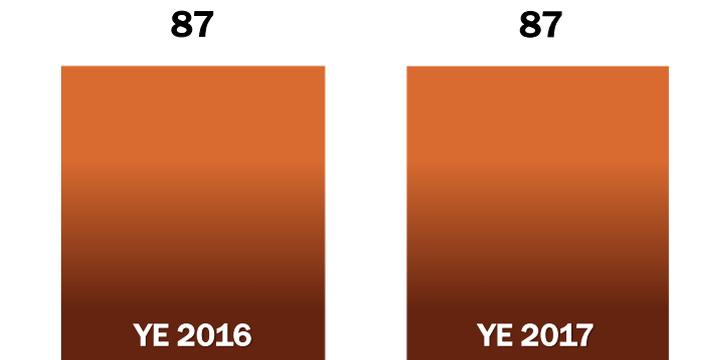
Restored Balance Sheet Strength

(\$ in bn)



Year-end Reserves

(Copper bn lbs)



Net Debt/
Adjusted EBITDA

NOTE: Net debt equals gross debt less consolidated cash

* Operating cash flow less CAPEX

Copper Market Commentary

Global IP Growth in 2017 Was Strongest Since 2010

	2017e Consumption	Change From Prior Year
	000's Mt	
China	11,046	3.2%
Rest of Asia	3,936	2.7%
Europe	3,770	0.3%
United States	1,820	0.2%
Other	2,415	0.1%
Total	22,987	2.0%
	Cu Price Change	
2017	+30.5%	

Source: Wood Mackenzie December 2017 Long-term Outlook; e=estimate

- **Positive Demand Globally**
 - Manufacturing Sectors are Performing Well
 - Chinese Growth is Exceeding Expectations
 - European Growth Continues
 - U.S. Demand is Solid

- **Supply Side Issues Remain**
 - Extended Period of Under Investment
 - Absence of Major New Projects on the Horizon
 - Declining Production from Existing Mines
 - Exchange Stocks Remain Historically Low

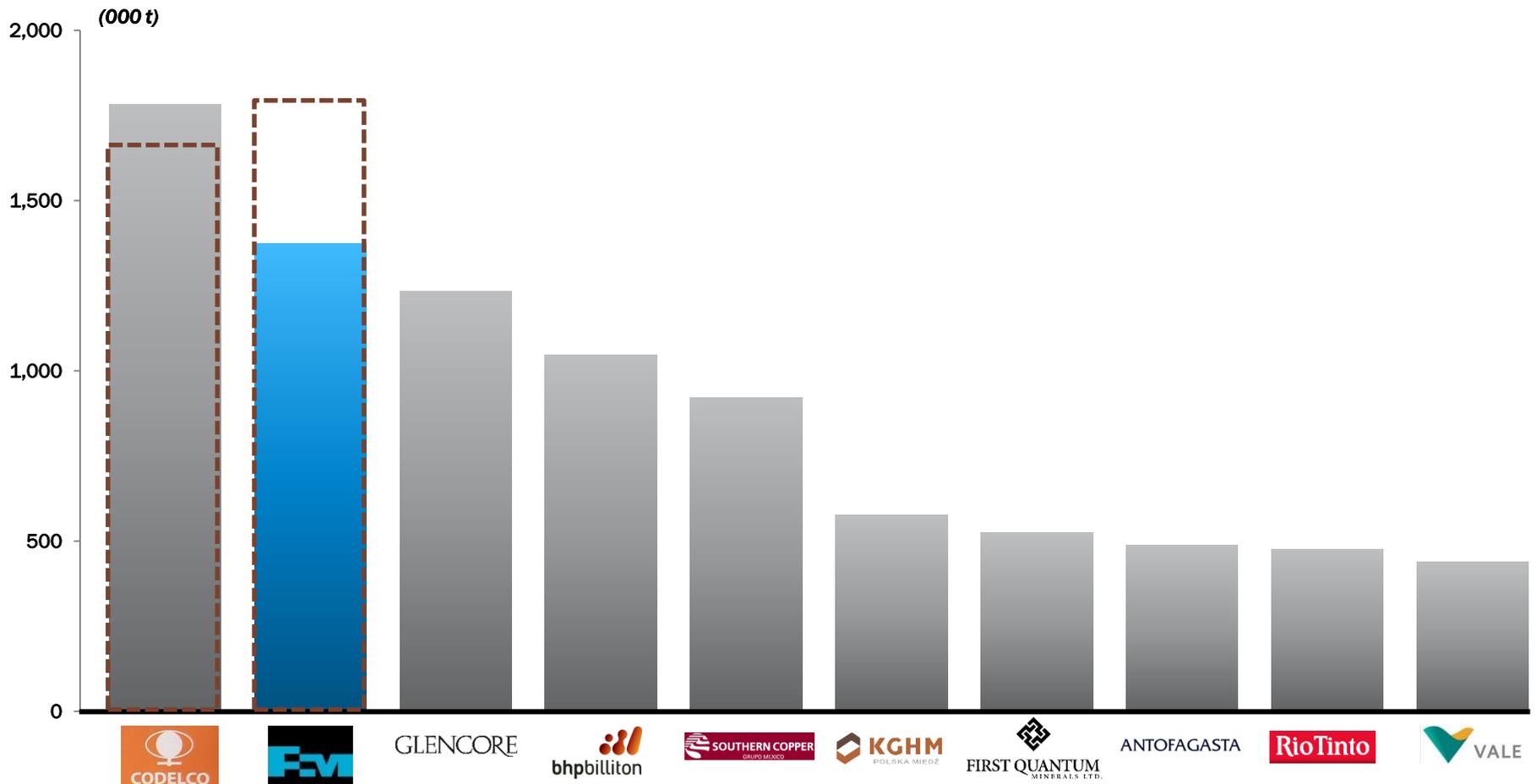
- **Solid Fundamental Outlook**
 - Wood Mackenzie Estimates ~5MMt of New Projects Required Over Next Decade
 - 7-10 Year Lead Time; Few World Class Opportunities
 - Automotive Electrification Positive for Copper

World's Leading Copper Producers

Top 10 Copper Producers

(2017e)

Total Operated Production

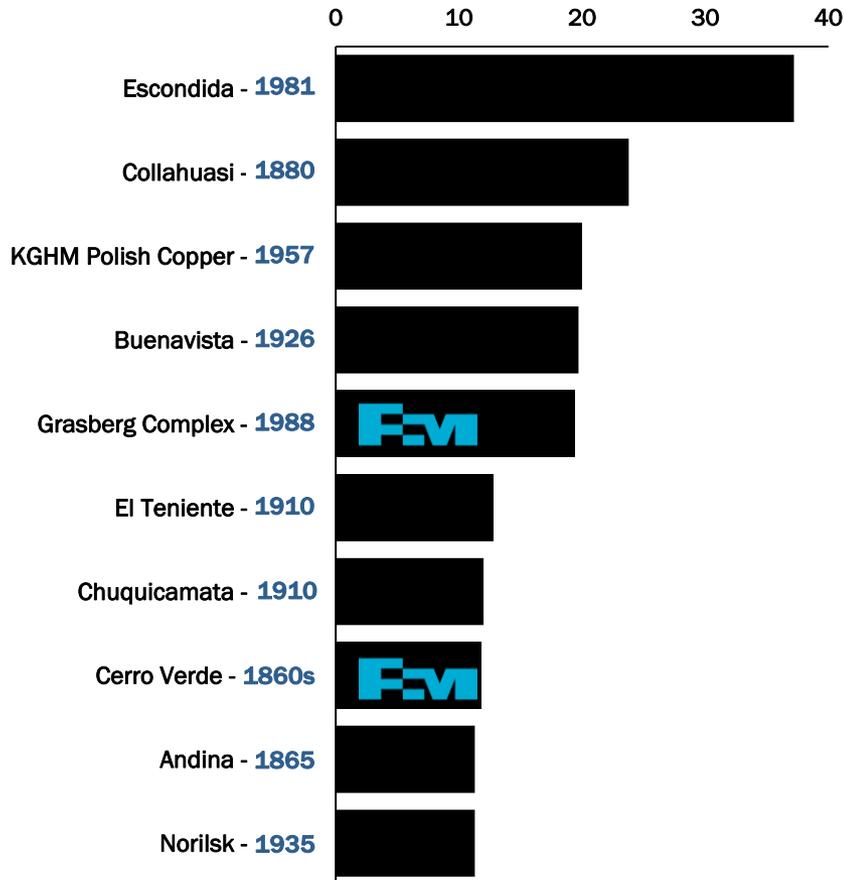


Source: Wood Mackenzie December 14, 2017. Rankings based on net equity ownership; e = estimate

World Class Copper Discoveries Are Extremely Rare

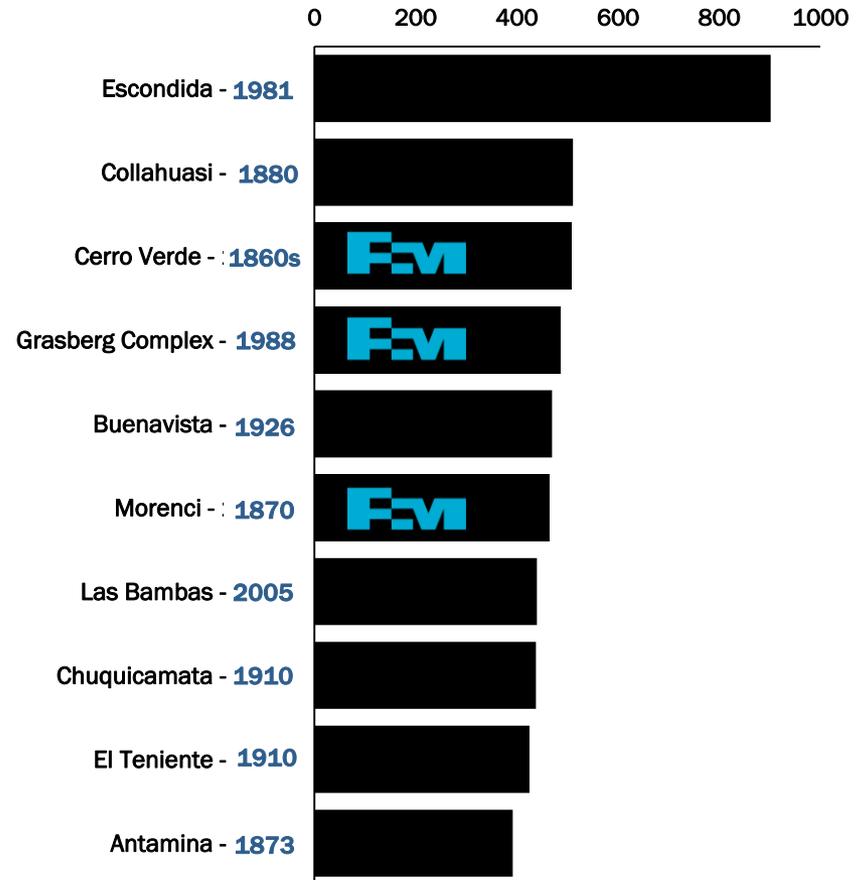
Recoverable Copper Reserves

Million metric tons



2017e Copper Production

Thousand metric tons



Source: Wood Mackenzie
e=estimate

FCX Values Beyond Proven & Probable Reserves

Preserving Optionality for the Future – Driven by Value

U.S.

- Large footprint with substantial undeveloped sulfide resources
- Significant existing infrastructure provides for Brownfield expansions
- District extensions include:
 - Bagdad
 - Chino/Cobre
 - Lone Star/Safford
 - Morenci
 - Sierrita

South America

- El Abra mill project to develop large sulfide resource
- Advancing technical studies for concentrator similar to Cerro Verde expansion
- Large footprint at Cerro Verde

Serbia

- Timok lower zone – large, high-grade, early stage opportunity

D.R.C. – Kisanfu*

- Largest undeveloped cobalt deposit in the world
- Permitted
- Stand-alone project or processed by nearby operations

Grasberg District

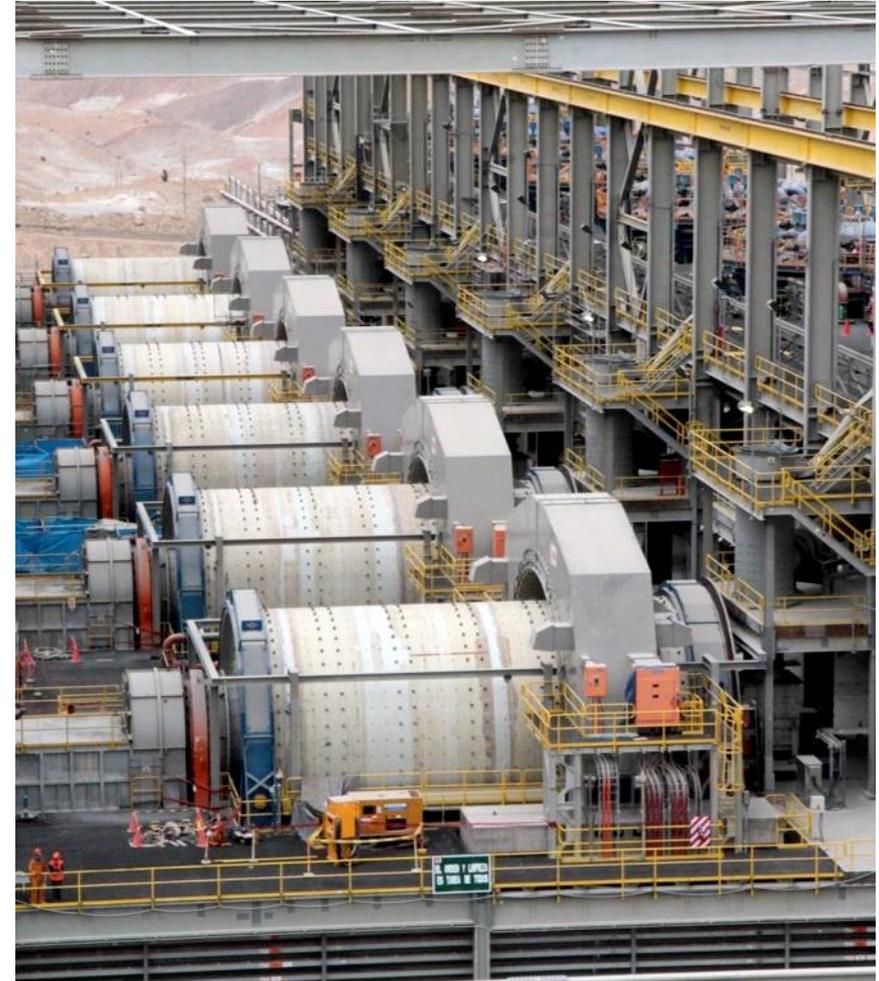
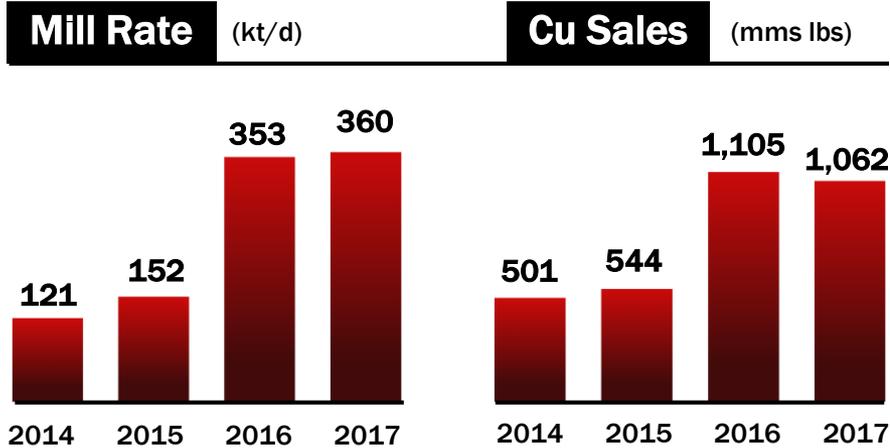
- 2 bn tonnes in mineralized material beyond 2P reserves

* Asset held for sale

NOTE: Mineralized material and potential resources are 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 and potential resources will become proven and probable reserves. See Cautionary Statement.

Cerro Verde – Solid Performance Continues

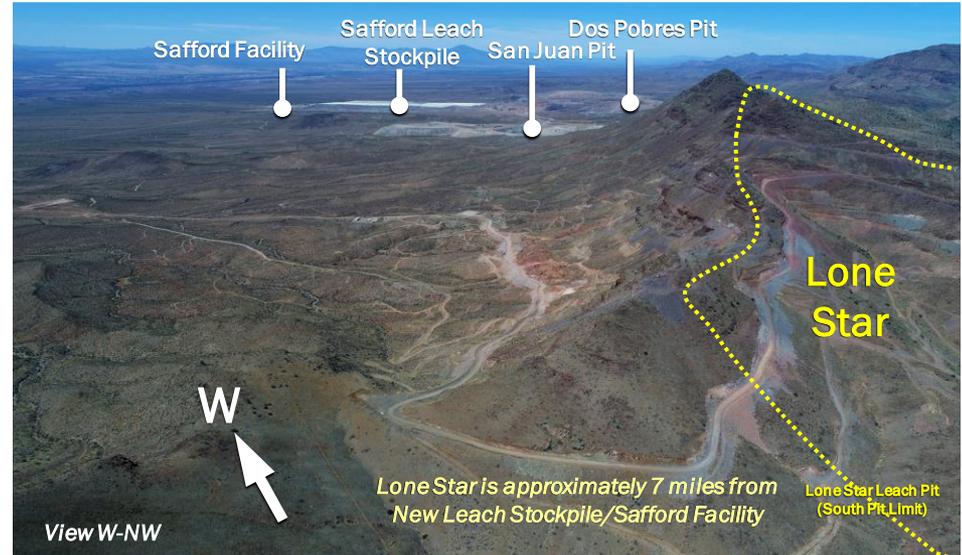
- Largest Concentrator in the Industry
- Operating Very Effectively
- 360kt Nameplate Capacity:
 - Averaged 374kt in 4Q 2017



Lone Star Oxide Project – Moving Forward

- **12/31/2017 Reserve: 4.4 bn lbs of Copper**
- **\$850 mm Project; Utilizes Existing Infrastructure at Safford**
- **Commenced Pre-stripping Activities in 1Q18**
- **Provides Exposure to Large Sulfide Deposit (60+ bn lbs Cu Contained)**
- **Low Execution Risk**
- **First Copper Expected by YE 2020**
- **Key Statistics**
 - Estimated production: ~200 mm lbs/year
 - Mine life: ~20 Years
 - 50% of capital costs are for mine equipment & pre-production stripping
 - Estimated unit cash cost: \$1.75/lb
 - After-tax NPV @ 8%: \$0 (\$2.40 Copper) to \$1.2 Billion (\$3.50 Copper)

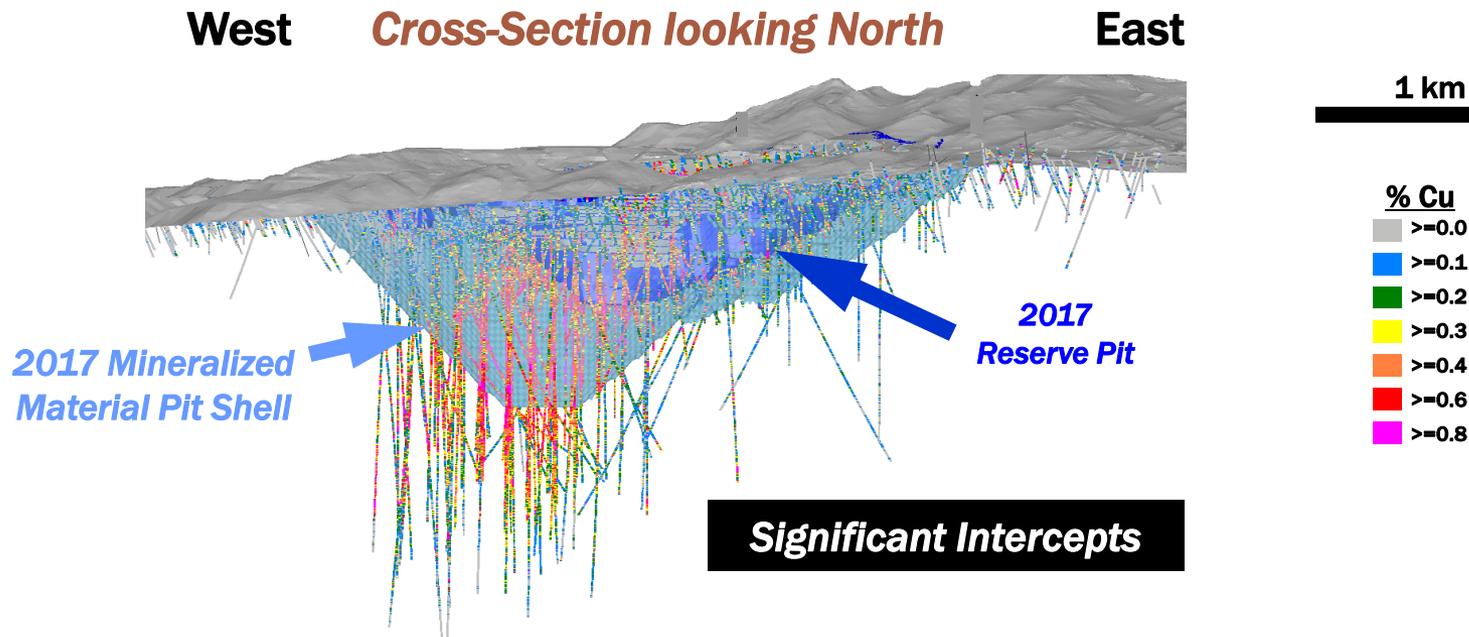
See Cautionary Statement.



El Abra Sulfide Mill Project

Large Sulfide Resource – Advancing Technical Studies

Resource Estimate	240 kt/d Concentrator	Estimated Production	Expected Lead Time
2.0 Bn Tonnes at >0.45% Copper	Similar to Recent Cerro Verde Expansion	~750 mm lbs/year	6 – 8 years *



* 3-4 Years of Feasibility and Permitting and 3-4 Year Construction Period

NOTE: Potential resources are 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 and potential resources will become proven and probable reserves. See Cautionary Statement.

Indonesia Update

- **Negotiations are Advancing to Achieve a Mutually Positive Resolution**
- **PT-FI Requires Fiscal and Legal Certainty for Long-term Mining Operations**

51% Divestment

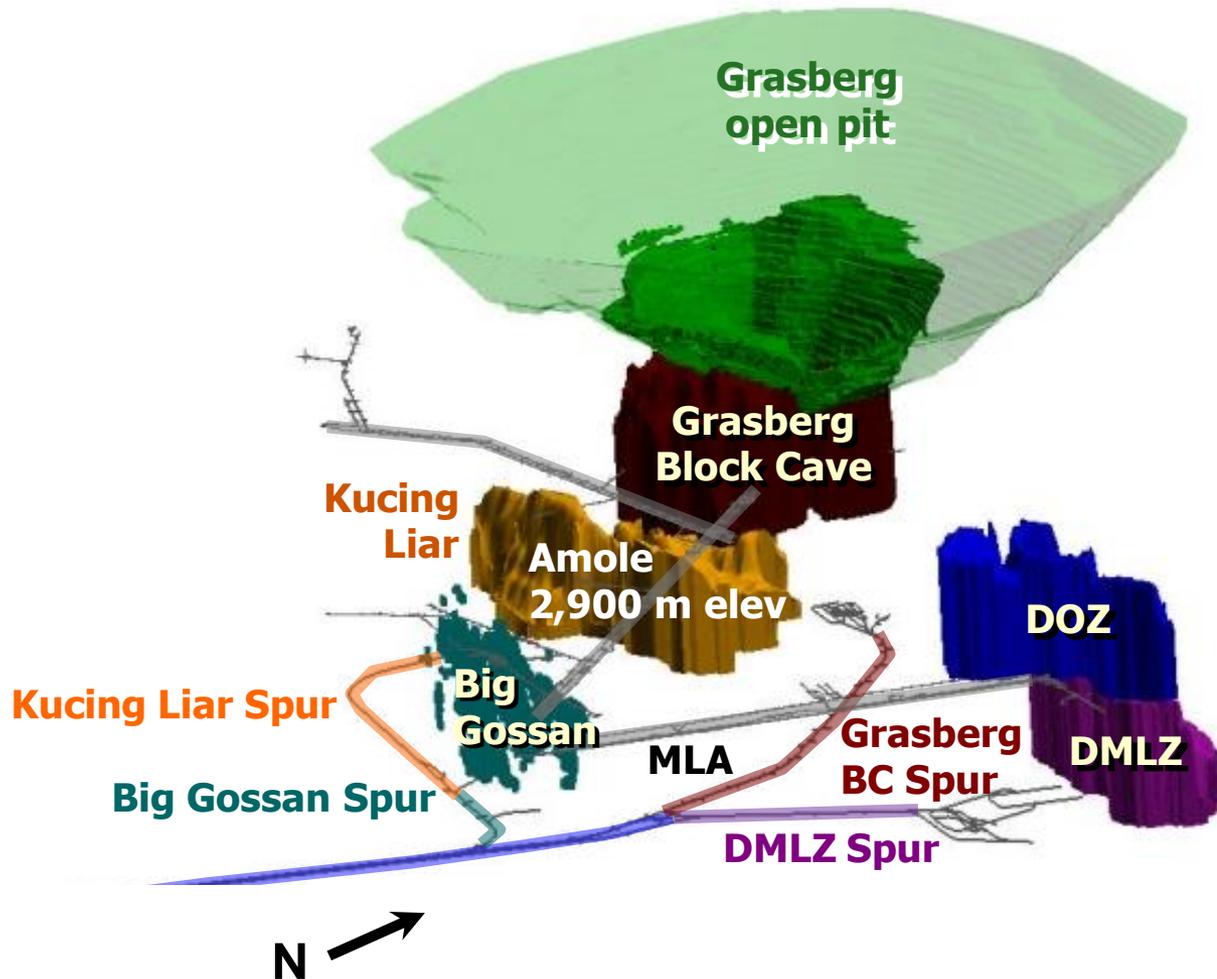
Ongoing Discussions with Inalum (Indonesian SOE) and PT-FI Joint Venture Partner regarding Structure, Process and Valuation

Smelter Construction

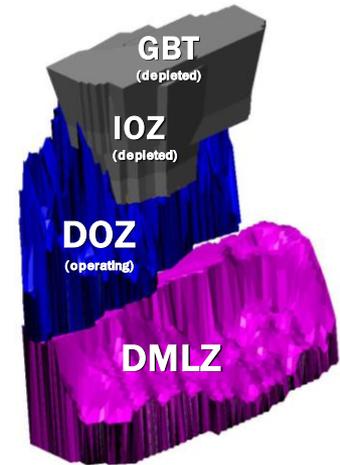
Within 5 years of Definitive Agreement

- **Parties Have Expressed a Mutual Objective of Completing Required Negotiation and Documentation during 1H 2018**
- **Temporary IUPK Extended to June 30, 2018**
- **Export License Extended Through February 15, 2019**

Grasberg Mining District



PT-FI History of Block Caving



1980's	GBT block cave mine <i>Depleted</i>
1990's	IOZ block cave mine <i>Depleted</i>
2000's	DOZ block cave mine <i>Operating</i>
Future	<ul style="list-style-type: none"> • DMLZ <i>Start-up</i> • Grasberg BC <i>In development</i> • Kucing Liar <i>Future development</i>

Grasberg Block Cave– Key Milestones

Reserves YE 2017

- 963mm t @ 1.01% Cu & 0.72 g/t Au

Completed to Date

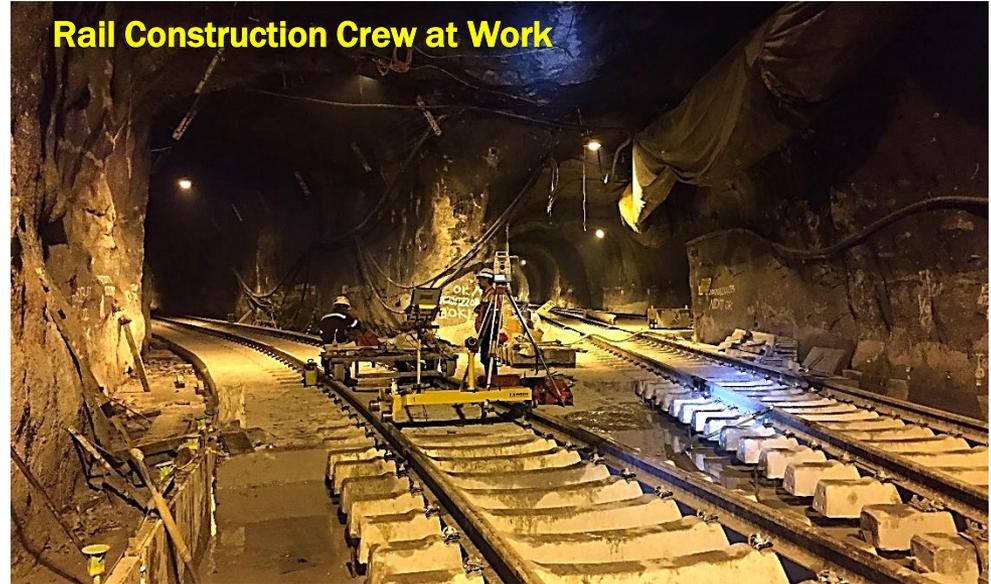
- ✓ +220 km of Development
- ✓ Mine Access
- ✓ Service Shaft
- ✓ Initial Fans & Vent Infrastructure
- ✓ Rail Connection
- ✓ Crusher #1
- ✓ Batch Plant

Near-Term Objectives

- 28 km of Development in 2018
- Complete Rail & Ore Flow Systems in 2H18
- Complete Key Fixed Facilities
- Complete 200+ Drawpoints for Cave Initiation
- First Undercut Blasting in 4Q18
- First Cave Production in 1Q19

See Cautionary Statement.

Rail Construction Crew at Work



Approaching the Rail Unloading Station



2018e Outlook

Sales Outlook

- **Copper: 3.9 Billion lbs.**
- **Gold: 2.4 Million ozs.**
- **Molybdenum: 91 Million lbs.**

Unit Cost of Copper

- **Site Production & Delivery: \$1.60/lb**
- **After By-product Credits⁽¹⁾: \$0.97/lb, Including \$0.95/lb for 1Q18e**

Operating Cash Flows ⁽²⁾

- **Exceed \$5.8 Billion (@ \$3.15/lb Copper for 2018e)**
- **Each 10¢/lb Change in Copper for 2018e = \$360 MM**

Capital Expenditures

- **\$2.1 Billion**
 - **\$1.2 Billion for Major Projects, Primarily for Underground Development in Indonesia & Development of Lone Star Oxide Project**
 - **\$0.9 Billion for Other Mining**

(1) Assumes average prices of \$1,300/oz gold and \$10/lb molybdenum for 2018e.

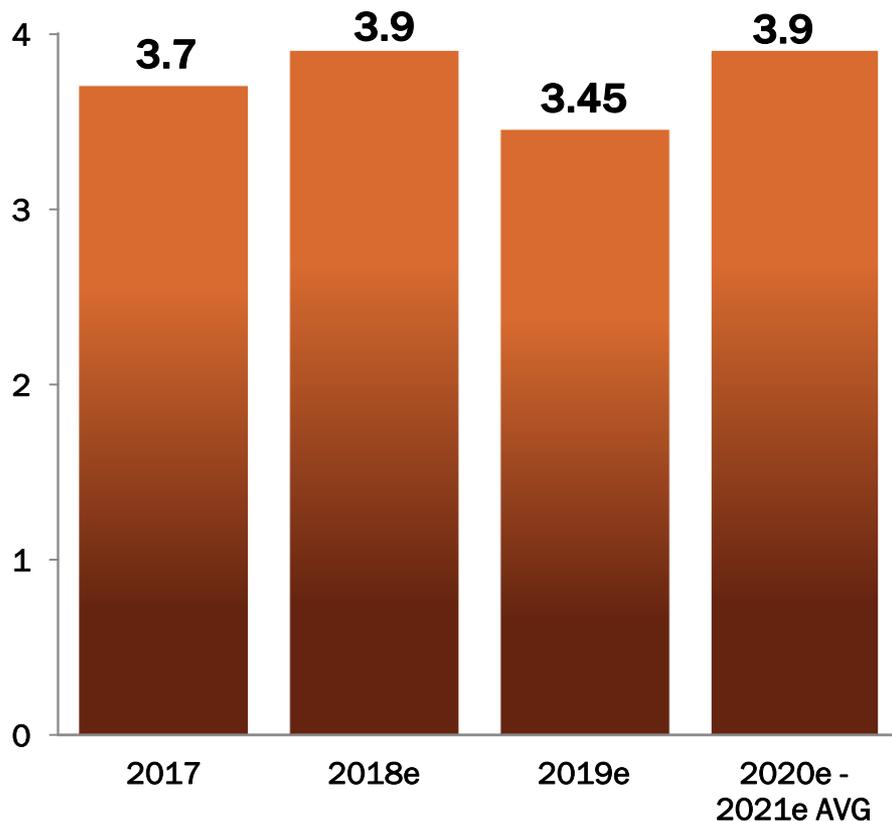
(2) Assumes average prices of \$1,300/oz gold and \$10/lb molybdenum for 2018e; each \$100/oz change in gold would have an approximate \$230 mm impact and each \$2/lb change in molybdenum would have an approximate \$130 mm impact.

e = estimate. See Cautionary Statement.

Sales Profile

Copper Sales

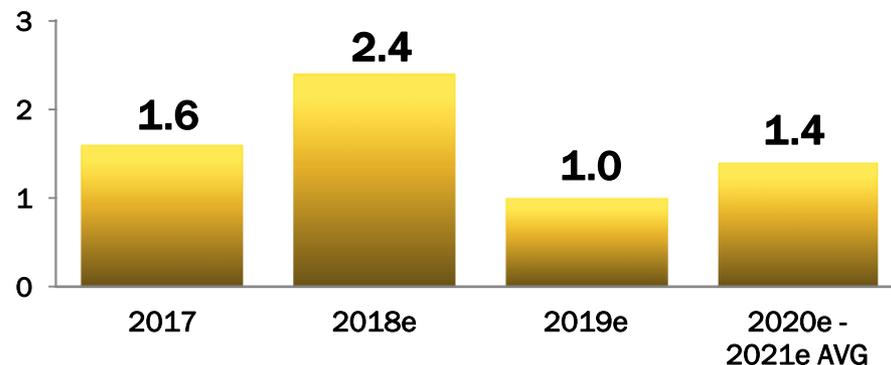
(billion lbs)



Note: Consolidated copper sales include 670 mm lbs in 2017, 690 mm lbs in 2018e, 695 mm lbs in 2019e and 680 mm lbs in 2020e - 2021e avg for noncontrolling interest; excludes purchased copper.

Gold Sales

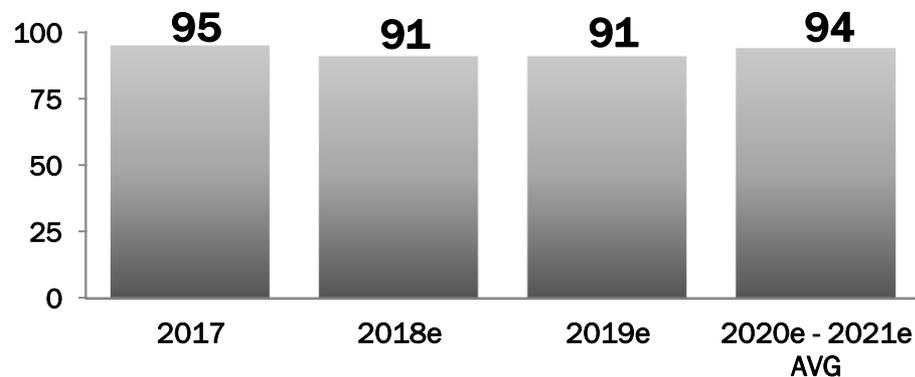
(million ozs)



Note: Consolidated gold sales include 144k ozs in 2017, 230k ozs in 2018e, 90k ozs in 2019e, 130k ozs for 2020e-2021e avg for noncontrolling interest.

Molybdenum Sales

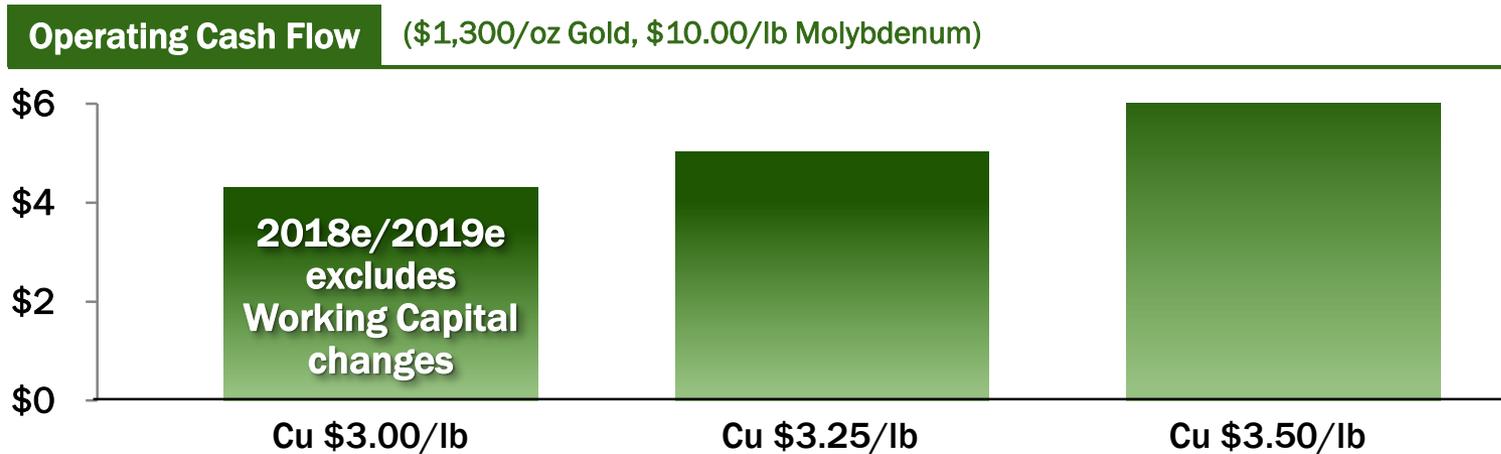
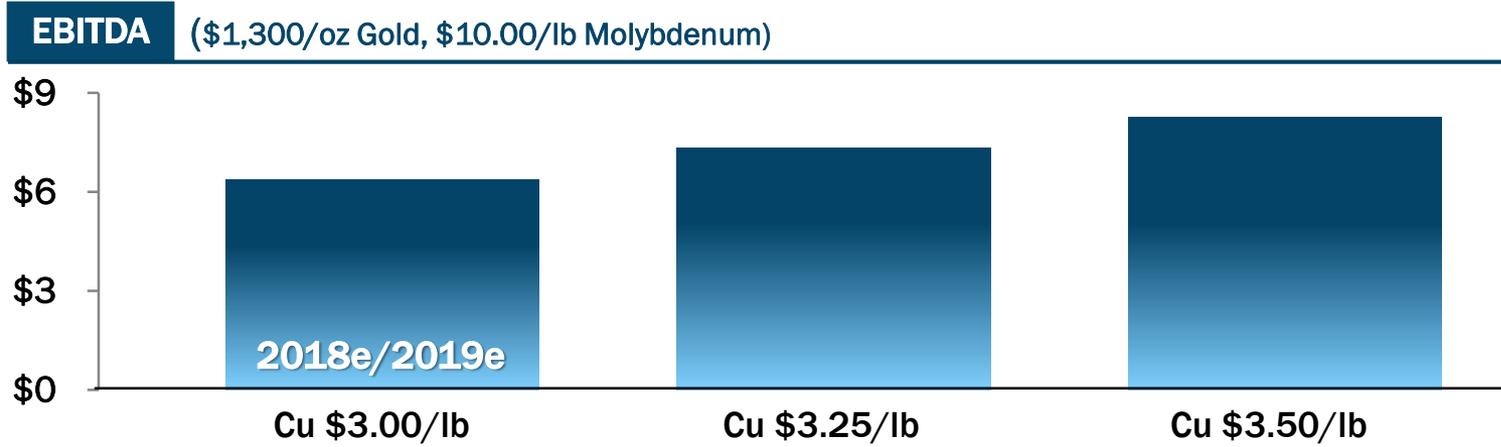
(million lbs)



e = estimate. See Cautionary Statement.

EBITDA and Cash Flow at Various Copper Prices

(US\$ billions)

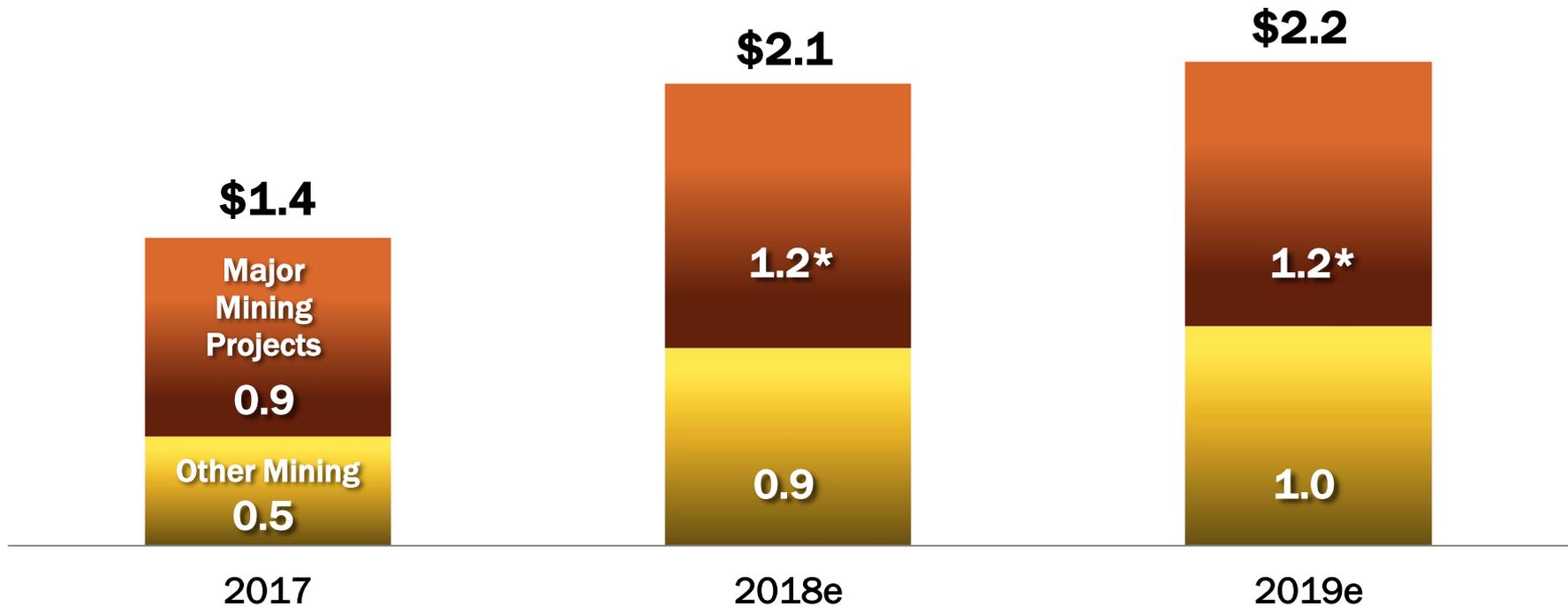


Note: 2018e EBITDA and Operating Cash Flow before working capital changes expected to be above the two-year average. Assumes continued operations in Indonesia after 6/30/2018. EBITDA equals operating income plus depreciation, depletion and amortization. e = estimate. See Cautionary Statement.

Capital Expenditures

(US\$ billions)

Includes Lone Star Oxide Project

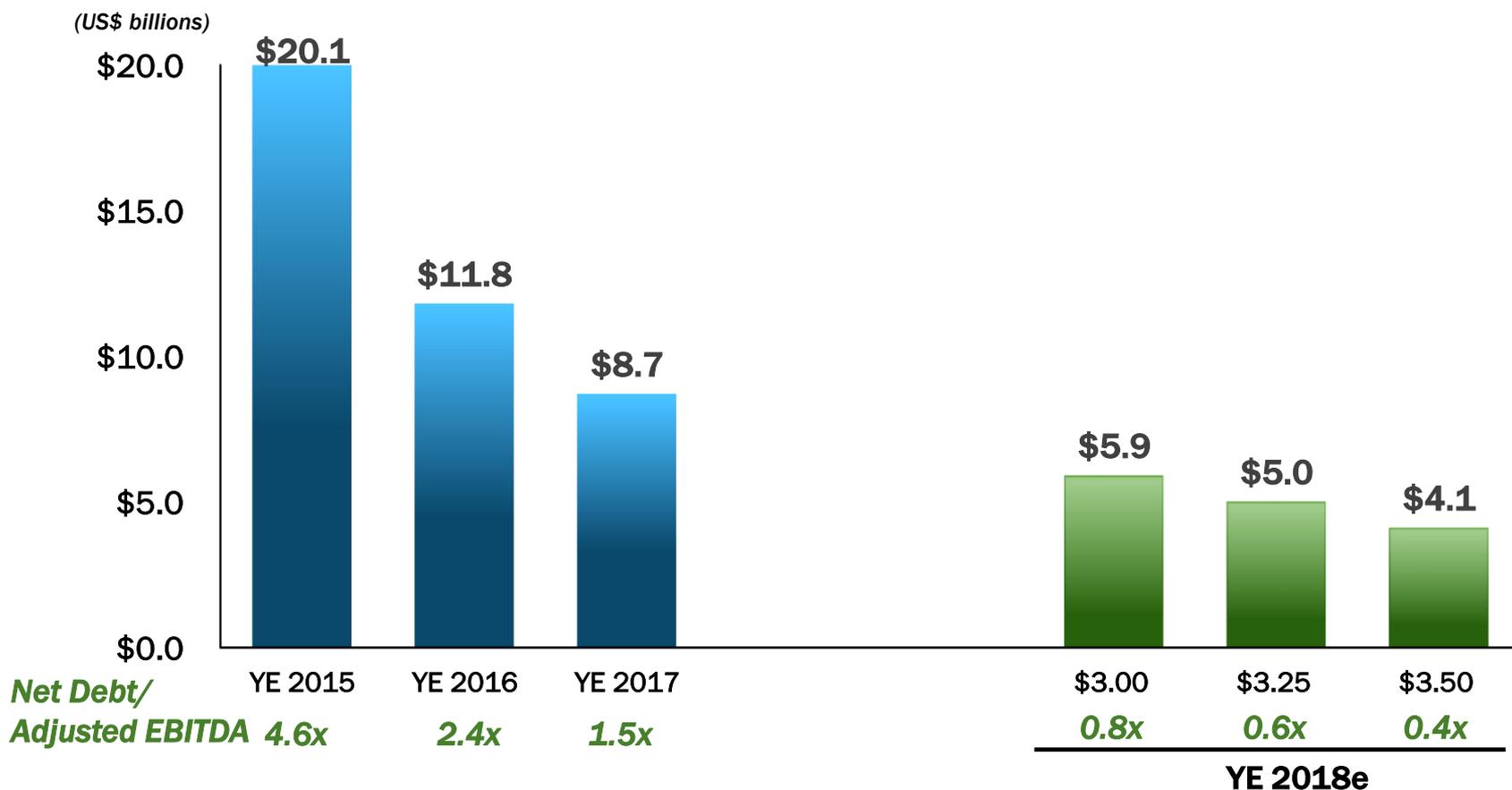


* Major mining projects include CAPEX associated with Grasberg Underground development (\$0.75 bn in 2018e and 2019e) and Lone Star (\$0.25 bn in 2018e and \$0.35 in 2019e).

Note: Includes capitalized interest; excludes potential spending on new smelter in Indonesia. e= estimate. See Cautionary Statement.

Strong Execution of Deleveraging Plan

Net Debt at Varying Copper Prices



Note: Sensitivity assumes \$10/lb molybdenum and \$1,300/oz gold for 2018e. Assumes 5¢/share quarterly dividend beginning May 1, 2018. The declaration of dividends is at the discretion of our Board of Directors and will depend on our financial results, cash requirements, future prospects, and other factors deemed relevant by the Board. Net debt equals gross debt less consolidated cash. e= estimate. See Cautionary Statement.

Financial Policy

- **Significant Deleveraging Over Last Two Years**
- **Positive Market to Enable Further Debt Repayment**
- **Disciplined Approach to Investing in Attractive Growth Projects**
- **Board Action to Reinstate Common Stock Dividend**
 - **Intends to Declare a Quarterly Dividend of \$0.05/share**
 - **Initial Quarterly Dividend Expected to be Paid on May 1, 2018**
- **Board to Review Financial Policy on an Ongoing Basis**

Balanced Approach



Note: The declaration of dividends is at the discretion of our Board of Directors and will depend on our financial results, cash requirements, future prospects, and other factors deemed relevant by the Board. See Cautionary Statement.