

FREEPORT-McMoRAN IN ARIZONA

Connecting the Past, Present and Future



 **FREEPORT-McMoRAN**

www.FreeportInArizona.com

WHO IS FREEPORT-McMoRAN?

Freeport-McMoRan is a premier U.S.-based natural resource company with headquarters in Phoenix, Arizona. We operate large, long-lived, geographically diverse assets with significant proven and probable reserves of copper, gold, molybdenum, cobalt, oil and gas. It is the world's largest publicly traded copper producer and has a dynamic portfolio of operating, expansion and growth projects in the copper industry. Freeport-McMoRan is also the world's largest producer of molybdenum and a significant gold, oil and gas producer.

The Company's portfolio of mining assets includes the Grasberg minerals district in Indonesia, one of the world's largest copper and gold deposits in terms of recoverable reserves; significant mining operations in the Americas, including the large-scale Morenci minerals district in North America and the Cerro Verde and El Abra operations in South America; and the Tenke Fungurume minerals district in the Democratic Republic of Congo.

Our history in Arizona began in the latter half of the 19th century with prospectors searching for minerals in the Arizona Territory. Over time, communities followed and economies developed. Today we provide the metals that wire the world, build and strengthen infrastructure and continue to drive economies. Our operations are thriving throughout Arizona, showing a rich, proud past and a bright future.

Cover Photo: Sun rising
over the Safford operations.

COPPER AND MOLYBDENUM — Metals for Modern Living

*We supply metals that connect and sustain the world's infrastructure.
In Arizona we primarily produce copper and molybdenum.*

Copper is closely tied to economic growth as it is a key component of energy, aerospace, transportation and telecommunications systems throughout the world. Also known as the red metal, copper is essential to conductivity and connectivity and is a critical element in new technology. Additionally, antimicrobial copper is gaining prominence for its ability to reduce the spread of infections, specifically in hospital and healthcare settings.

Molybdenum strengthens steel, resists heat and adds corrosion resistance to a wide variety of products. Its chemical products remove sulfur from crude oil, which results in cleaner-burning fuels and cleaner air. Molysulfide is used as a lubricant that can sustain its durability in tough operating conditions, such as with automotive brakes.



This brochure is a glimpse into our Arizona operations. Please visit www.FreeportInArizona.com for further information and updates about our Arizona operations and our presence in Arizona communities.

RICH PAST, PROUD PRESENT

In Arizona, copper has long been a source of community development and pride for the state.

For more than a century, we have seen the growth and continued development of Arizona communities and the economy as a result of copper mining and our operations. Our presence in Arizona includes mining operations at **Morenci, Bagdad, Safford, Sierrita** and **Miami**; Freeport-McMoRan's corporate headquarters in **Phoenix**; and engineering and technology centers in **Tucson**. These locations all deliver large economic benefits to the state in the form of direct wages and taxes we pay as well as the goods and services we buy.

Our global workforce includes approximately 35,000 employees and while we are a global company, we maintain local priorities with a strong commitment to the communities where we operate. Along with the positive economic impact we have on communities, a value that has persisted with our presence in Arizona is a commitment to sustainable development, combining economic growth with social and environmental responsibility. This means working with communities and engaging community leaders and members through our Community Partnership Panels and Community Investment Funds to address the economy, community development, education, health and wellness, the environment and cultural heritage. We recognize that our mining activities both impact the environment and improve our quality of life. Safety is also a core value and we adhere to a framework for managing risks and preventing work-related accidents and illness, particularly fatality prevention.



BRIGHT FUTURE

Freeport-McMoRan provides resources that fuel global growth and are essential to our daily lives. We have several opportunities to expand production volumes to help meet the growing demand for our products, including expansion projects at our Arizona operations.



Bisbee underground miners circa early 1900s.

We are committed to people, making sure our employees have the knowledge, skills, motivation, technology and equipment to do their jobs as well as they can. The opportunities are varied and great, from professional to technical positions and workforce development is offered in all areas of the Company. Our commitment to people extends to the places where they live, work and play. This commitment and our efforts are what make Freeport-McMoRan a strong corporate citizen in Arizona today and will continue to do so as we move into the future.

Copper is a critical element in new technology.





MORENCI — *an open-pit copper mining complex in Southeast Arizona, located about 50 miles northeast of Safford in Greenlee County*

Freeport-McMoRan's Morenci operations started in 1872, when the first commercial mining operations were developed. The initial underground mining began in 1881 and the mine later transitioned to open-pit mining beginning in 1937. In 1987, Morenci commissioned its first solution extraction/electrowinning plant and continued as a pioneer for mining technology. Morenci is one of North America's largest producers of copper and one of the largest open-pit mines in the world with great potential for growth and continued prosperity.

SAFFORD — *an open-pit copper mining complex, 170 miles east of Phoenix in Graham County*

Production at Safford is from two copper deposits, Dos Pobres and San Juan, with a single processing facility. Resource evaluation is underway at the Lone Star deposit, important for the long-term future of Safford operations. This modern operation features state-of-the-art production and environmental control technology.

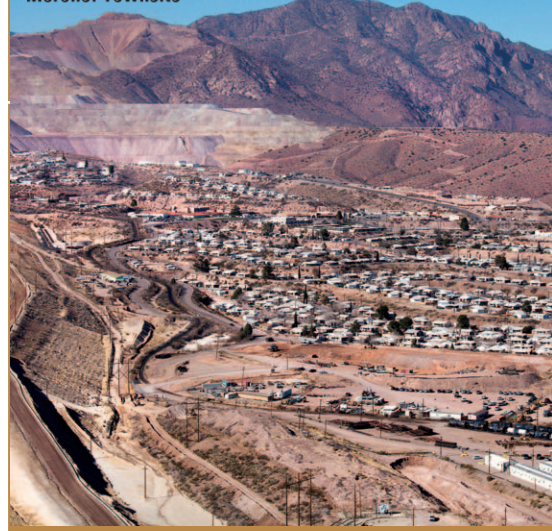
SIERRITA — *an open-pit copper and molybdenum mining complex, 20 miles southwest of Tucson in Pima County*

In 1895, mining claims were recorded at what would become Sierrita. Underground mining began in 1907 and open-pit development was underway by 1957. In December 2009, Freeport-McMoRan purchased the adjacent Twin Buttes copper mine, providing significant synergies in the Sierrita minerals district. This venture included the potential for expanded mining activities, operations growth for mining copper and molybdenum, and reclamation activity.

BAGDAD — *an open-pit copper and molybdenum mining complex, about 100 miles northwest of Phoenix in Yavapai County*

In 1882, the first claims were staked in Bagdad and early production came from underground mining. The first mill began operating in 1928 to process ore from the underground mine. The Bagdad operations transitioned to open-pit mining in 1945.

Morenci Townsite



"Our Neighbor's Farm" in Safford provides fresh produce to the local food bank, supported by the Company.



Molybdenum product is packaged for transport.



Solar panels have been installed at Bagdad.



MIAMI — *an open-pit copper mining complex with a copper smelter and copper rod plant, located 90 miles east of Phoenix in Gila County*

The first prospecting expeditions visited the area in the 1860s and the first copper ore was concentrated in 1911. Miami was among the first to employ “vat leaching” in 1926 and precipitation plants to recover oxide minerals. Copper was mined underground until after World War II, when the first open-pit mining began. The plant’s smelter was modernized in 1974 to meet Clean Air Act standards and further modernized and expanded in 1992. The success of a solution extraction/electrowinning plant commissioned in 1979 ended vat leaching by the mid-1980s and ultimately the concentrator in 1986. The rod mill was commissioned in 1966.



Copper coils are produced at Miami operations.

Corporate headquarters, located in Phoenix.



CORPORATE HEADQUARTERS

Our global operations have corporate headquarters in Phoenix, Arizona. The Freeport-McMoRan Center is a newer addition to the Phoenix skyline and houses offices for nearly 800 employees and contractors. The Center, along with satellite offices in Phoenix, provides managerial oversight of the company’s worldwide businesses as well as technical and administrative support for our operations.

SUPPORT SITES

- The Technology Center (Tucson) is close to the Exploration, Mine Planning and Environmental Technology groups.
- The Climax Technology Center (Sahuarita) is a state-of-the-art engineering and technical services operation of Climax Molybdenum Company, a division of Freeport-McMoRan. It is a customer-focused facility with advanced laboratories and staffed with process engineering expertise that offers technical support to our customers.
- Central Analytical Services Center (Safford) is where we analyze ore samples from the various North American sites.
- The Mining Technology Group (Safford) focuses on identification and implementation of new technologies that improve health and safety, reduce the environmental impact of mining and enhance mining efficiency while reducing operating costs.

ARIZONA LEGACY SITES — *Arizona copper mines, both past and present, have played a critical role in our Company's history. Our story would be incomplete without noting our discontinued and historic operations:*

Ajo — Mining claims were first staked here in 1872 and during the early 1940s the Ajo mine was operating at its peak. The mine closed in 1984 after decades of copper production and growth of the community.

Bisbee/Douglas — In 1877, the first mining claim was staked in Bisbee. By 1910, Bisbee was transformed from a mine camp into one of Arizona's largest cities, driven by the Copper Queen mine. In response to the rapid growth and need for larger, more modern and accessible processing facilities, a smelter was built in Douglas in 1904.

Clarkdale/Jerome — Jerome's mining operation began with the first stake in 1876. In nearby Clarkdale, the smelter began operating in 1915. Following a difficult economic period, Jerome suspended operations in 1932 and the Clarkdale smelter closed in 1950.

Tohono — For more than a century, mining has been conducted on a sporadic basis at the historic Cyprus Tohono mine located in south-central Arizona on land leased from the Tohono O'odham Nation. Operations were last placed on care and maintenance in 2008.



Tailings reclamation work in Bisbee.

Children at Science Camp in Safford.



INVESTING IN COMMUNITIES

The Freeport-McMoRan Foundation and Freeport-McMoRan operations are committed to investing funds back into Arizona communities. We also recognize that community involvement and social investment is more than funding — it is lending our knowledge, business experience, and the generosity of employee volunteers to community programs.

Social investment is about understanding communities' needs to form partnerships that foster sustainability. The pillars for sustainable development include: economic development, community development, education and training, health and wellness, environment and cultural heritage.

JOB TRAINING SITES

In partnership with the San Carlos Apache Tribe, the Company operates a technical training program to teach and certify tribal members in heavy equipment operations and industrial maintenance. Additionally, the Mine Training Institute near Sierra provides a central location where trainers from various sites will receive instruction in the company's new technical training curriculum to standardize the training of job competencies for operations and maintenance employees.



Training in progress at the Mine Training Institute.



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