



Item 2.02. Results of Operations and Financial Condition.

Freeport-McMoRan Inc. (FCX) issued a press release dated April 21, 2023, announcing its first-quarter 2023 financial and operating results. A copy of the press release is furnished hereto as Exhibit 99.1.

Item 7.01. Regulation FD Disclosure.

The slides to be presented in connection with FCX's previously announced first-quarter 2023 earnings conference call being webcast on the internet at 10:00 a.m. Eastern Time on April 21, 2023, are furnished hereto as Exhibit 99.2.

*The information furnished pursuant to Item 2.02 and Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.*

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number       | Exhibit Title   |
|----------------------|---|
| <a href="#">99.1</a> | Press release dated April 21, 2023, titled "Freeport-McMoRan Reports First-Quarter 2023 Results."                                   |
| <a href="#">99.2</a> | Slides presented in connection with FCX's first-quarter 2023 earnings conference call conducted via the internet on April 21, 2023. |
| 104                  | The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.  |

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Freeport-McMoRan Inc.

By: /s/ Ellie L. Mikes

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Ellie L. Mikes  
Vice President and Chief Accounting Officer  
(authorized signatory and  
Principal Accounting Officer)

Date: April 21, 2023



# News Release

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## Freeport-McMoRan Reports First-Quarter 2023 Results

- *Production and sales impacted by February weather event; achieved full recovery in March*
  - *Consolidated unit net cash costs in line with January 2023 estimate*
  - *Advancing leach recovery initiatives*
  - *Strong balance sheet and positive outlook for cash flow generation to support continued organic growth and cash returns to shareholders*
- **Net income** attributable to common stock in first-quarter 2023 totaled \$663 million, \$0.46 per share, and adjusted net income attributable to common stock totaled \$757 million, \$0.52 per share, after excluding net charges totaling \$94 million, \$0.06 per share.
  - **Consolidated production** totaled 965 million pounds of copper, 405 thousand ounces of gold and 21 million pounds of molybdenum in first-quarter 2023.
  - **Consolidated sales** totaled 832 million pounds of copper, 270 thousand ounces of gold and 19 million pounds of molybdenum in first-quarter 2023. Consolidated sales for the year 2023 are expected to approximate 4.1 billion pounds of copper, 1.8 million ounces of gold and 79 million pounds of molybdenum, including 1.1 billion pounds of copper, 500 thousand ounces of gold and 20 million pounds of molybdenum in second-quarter 2023.
  - **Average realized prices** in first-quarter 2023 were \$4.11 per pound for copper, \$1,949 per ounce for gold and \$30.32 per pound for molybdenum.
  - **Average unit net cash costs** in first-quarter 2023 were \$1.76 per pound of copper. Unit net cash costs for the year 2023 are expected to average \$1.55 per pound of copper.
  - **Operating cash flows** totaled \$1.1 billion (net of \$0.5 billion of working capital and other uses) in first-quarter 2023. Based on current sales volume and cost estimates, and assuming average prices of \$4.00 per pound for copper, \$2,000 per ounce for gold and \$18.00 per pound for molybdenum for the remainder of 2023, operating cash flows are expected to approximate \$7.0 billion (including \$0.3 billion of working capital and other sources) for the year 2023.
  - **Capital expenditures** totaled \$1.1 billion (including \$0.4 billion for major mining projects and \$0.3 billion for the Indonesia smelter projects) in first-quarter 2023. Capital expenditures for the year 2023 are expected to approximate \$5.1 billion (including \$2.4 billion for major mining projects and \$1.6 billion for the Indonesia smelter projects).
  - At March 31, 2023, **consolidated debt** totaled \$9.6 billion and **consolidated cash and cash equivalents** totaled \$6.9 billion, resulting in **net debt** of \$2.8 billion (\$1.3 billion excluding net debt for the Indonesia smelter projects). In March 2023, FCX used approximately \$1 billion in cash to fund the maturity of its 3.875% Senior Notes. Refer to the supplemental schedule, "Net Debt," on page VII.

PHOENIX, AZ, April 21, 2023 - Freeport-McMoRan Inc. (NYSE: FCX) reported first-quarter 2023 net income attributable to common stock of \$663 million, \$0.46 per share, and adjusted net income attributable to common stock of \$757 million, \$0.52 per share, after excluding net charges totaling \$94 million, \$0.06 per share, primarily associated with adjustments to environmental obligations, contested tax matters and asset impairments. For additional information, refer to the supplemental schedule, "Adjusted Net Income," on page VI.

Richard C. Adkerson, Chairman and Chief Executive Officer, said, "Our company is a premier global leader in the copper industry, with large-scale, long-lived reserves and an attractive portfolio of organic growth opportunities. We are focused on executing our strategy to supply copper efficiently and responsibly to a world with growing requirements for this critically important metal. Our results in the first quarter reflect the commitment and resolve of our team to overcome challenges and enhance our foundation for long-term success. We are strongly positioned with a favorable long-term market outlook, strong balance sheet and financial strength, a high-quality asset base and an experienced and motivated team to deliver long-term value to all stakeholders."

**SUMMARY FINANCIAL DATA**

|  | Three Months Ended March 31,            |       |      |       |
|--|---|-------|------|-------|
|  | 2023                                    |       | 2022 |       |
|  | (in millions, except per share amounts) |       |      |       |
| Revenues <sup>a,b</sup>                                | \$                                      | 5,389 | \$   | 6,603 |
| Operating income <sup>a</sup>                          | \$                                      | 1,601 | \$   | 2,809 |
| Net income attributable to common stock <sup>c,d</sup> | \$                                      | 663   | \$   | 1,527 |
| Diluted net income per share of common stock           | \$                                      | 0.46  | \$   | 1.04  |
| Diluted weighted-average common shares outstanding     |   | 1,443 |      | 1,469 |
| Operating cash flows <sup>a</sup>                      | \$                                      | 1,050 | \$   | 1,691 |
| Capital expenditures                                   | \$                                      | 1,121 | \$   | 723   |
| At March 31:   |   |       |      |       |
| Cash and cash equivalents                              | \$                                      | 6,852 | \$   | 8,338 |
| Total debt, including current portion                  | \$                                      | 9,635 | \$   | 9,621 |

a. For segment financial results, refer to the supplemental schedules, "Business Segments," beginning on page VIII.

b. Includes favorable adjustments to prior period provisionally priced concentrate and cathode copper sales totaling \$210 million (\$72 million to net income attributable to common stock or \$0.05 per share) in first-quarter 2023 and \$102 million (\$42 million to net income attributable to common stock or \$0.03 per share) in first-quarter 2022. For further discussion, refer to the supplemental schedule, "Derivative Instruments," beginning on page VII.

c. Includes net charges totaling \$94 million (\$0.06 per share) in first-quarter 2023 and \$38 million (\$0.03 per share) in first-quarter 2022 that are described in the supplemental schedule, "Adjusted Net Income," on page VI.

d. FCX defers recognizing profits on intercompany sales until final sales to third parties occur. For a summary of net impacts from changes in these deferrals, refer to the supplemental schedule, "Deferred Profits," on page VIII.

e. Working capital and other uses totaled \$467 million in first-quarter 2023 and \$811 million in first-quarter 2022.

**SUMMARY OPERATING DATA**

|   | Three Months Ended March 31, |          |
|---|------------------------------|----------|
|   | 2023                         | 2022     |
| <b>Copper</b> (millions of recoverable pounds)            |                              |          |
| Production  | 965                          | 1,009    |
| Sales, excluding purchases                                | 832 <sup>a</sup>             | 1,024    |
| Average realized price per pound                          | \$ 4.11                      | \$ 4.66  |
| Site production and delivery costs per pound <sup>b</sup> | \$ 2.57                      | \$ 2.03  |
| Unit net cash costs per pound <sup>b</sup>                | \$ 1.76                      | \$ 1.33  |
| <b>Gold</b> (thousands of recoverable ounces)             |                              |          |
| Production  | 405                          | 415      |
| Sales   | 270 <sup>a</sup>             | 409      |
| Average realized price per ounce                          | \$ 1,949                     | \$ 1,920 |
| <b>Molybdenum</b> (millions of recoverable pounds)        |                              |          |
| Production  | 21                           | 21       |
| Sales, excluding purchases                                | 19                           | 19       |
| Average realized price per pound                          | \$ 30.32                     | \$ 19.30 |

- a. Beginning on January 1, 2023, PT Freeport Indonesia's (PT-FI) commercial arrangement with PT Smelting converted from a concentrate sales agreement to a tolling arrangement, which resulted in a change in timing of sales. As a result of the transition, approximately 110 million pounds of copper and 110 thousand ounces of gold from PT-FI's first-quarter 2023 production is deferred in inventory and will be sold in future periods.
- b. Reflects per pound weighted-average production and delivery costs and unit net cash costs (net of by-product credits) for all copper mines, before net noncash and other costs. For reconciliations of per pound unit net cash costs by operating division to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page X.

**Responsible Production**

**2022 Annual Report on Sustainability.** Today, FCX published its 2022 Annual Report on Sustainability, available on FCX's website at [fcx.com/sustainability](https://fcx.com/sustainability), marking FCX's 22nd year of reporting on its sustainability progress. FCX is committed to building upon its achievements in sustainability and its position as a leading responsible copper producer.

**The Copper Mark.** FCX demonstrates its responsible production performance through the Copper Mark, a comprehensive assurance framework developed specifically for the copper industry. To achieve the Copper Mark, each site is required to complete an independent external assurance process to assess conformance with 32 ESG criteria. Awarded sites must be revalidated every three years.

FCX has achieved the Copper Mark at all 12 of its copper producing sites globally. In addition, following the extension of the Copper Mark framework to molybdenum producers in 2022, FCX's two primary molybdenum mines and its four copper mines that produce by-product molybdenum were awarded the Molybdenum Mark.

**Consolidated Sales Volumes**

First-quarter 2023 sales:

- Copper** sales of 832 million pounds were 8% lower than the January 2023 estimate of 900 million pounds, primarily reflecting lower operating rates at the Grasberg minerals district associated with a significant weather event that temporarily disrupted operations during February 2023. Lower copper sales in first-quarter 2023, compared to first-quarter 2022 sales of 1.0 billion pounds, also reflected the deferral of sales recognition for approximately 110 million pounds related to the PT Smelting tolling arrangement and the timing of shipments.
- Gold** sales of 270 thousand ounces were 10% lower than the January 2023 estimate of 300 thousand ounces, primarily associated with the significant weather event at the Grasberg minerals district. Lower gold sales in first-quarter 2023, compared to first-quarter 2022 sales of 409 thousand ounces, also reflected the deferral of sales recognition for approximately 110 thousand ounces associated with the PT Smelting tolling arrangement.

- **Molybdenum** sales of 19 million pounds approximated the January 2023 estimate and first-quarter 2022 sales.

Consolidated sales volumes for the year 2023 are expected to approximate 4.1 billion pounds of copper, 1.8 million ounces of gold and 79 million pounds of molybdenum, including 1.1 billion pounds of copper, 500 thousand ounces of gold and 20 million pounds of molybdenum in second-quarter 2023. Consolidated copper and gold production volumes for the year 2023 are expected to be above consolidated sales volumes, primarily reflecting a deferral of approximately 110 million pounds of copper and 140 thousand ounces of gold from mine production under the PT Smelting tolling arrangement to be processed and sold as refined metal in future periods. Projected sales volumes are dependent on extension of PT-FI's export license after June 10, 2023, operational performance, weather-related conditions, timing of shipments, and other factors detailed in the Cautionary Statement below.

#### Consolidated Unit Net Cash Costs

First-quarter 2023 consolidated average unit net cash costs (net of by-product credits) for FCX's copper mines of \$1.76 per pound of copper were in line with the January 2023 estimate of \$1.78 per pound, as higher by-product credits were mostly offset by the impact of lower sales volumes. First-quarter 2023 unit net cash costs were 32% higher than the first-quarter 2022 average of \$1.33 per pound, primarily reflecting the impact on consolidated results of lower copper sales volumes from PT-FI. Refer to "Mining Operations" below for further discussion.

Assuming average prices of \$2,000 per ounce of gold and \$18.00 per pound of molybdenum for the remainder of 2023 and achievement of current sales volume and cost estimates, consolidated unit net cash costs (net of by-product credits) for FCX's copper mines are expected to average \$1.55 per pound of copper for the year 2023 (including \$1.51 per pound of copper in second-quarter 2023). The impact of price changes on consolidated unit net cash costs would approximate \$0.04 per pound of copper for each \$100 per ounce change in the average price of gold and \$0.02 per pound of copper for each \$2 per pound change in the average price of molybdenum for the remainder of 2023. Quarterly unit net cash costs vary with fluctuations in sales volumes and realized prices, primarily for gold and molybdenum.

#### MINING OPERATIONS

**Leaching Innovation Initiatives.** FCX is advancing a series of initiatives across its North America and South America operations to incorporate new applications, technologies and data analytics to its leaching processes. FCX believes these leach innovation initiatives provide opportunities to produce incremental copper from its large existing leach stockpiles. Initial results support the potential for incremental low-cost additions to FCX's production and reserve profile and FCX is targeting an annual run rate of approximately 200 million pounds of copper per year through these initiatives by the end of 2023.

**North America Copper Mines.** FCX operates seven open-pit copper mines in North America - Morenci, Bagdad, Safford (including Lone Star), Sierrita and Miami in Arizona, and Chino and Tyrone in New Mexico. In addition to copper, certain of these mines produce molybdenum concentrate, gold and silver. All of the North America mining operations are wholly owned, except for Morenci. FCX records its 72% undivided joint venture interest in Morenci using the proportionate consolidation method.

*Operating and Development Activities.* FCX has substantial reserves and future opportunities in the U.S., primarily associated with existing mining operations.

At Safford/Lone Star, production from oxide ores is approaching 300 million pounds of copper per year, which reflects expansion of the initial design capacity of 200 million pounds of copper per year. FCX has conducted significant exploration drilling in the area in recent years. The positive drilling results indicate opportunities to expand production to include sulfide ores in the future. FCX is advancing metallurgical testing and mine development planning for a potential significant long-term investment for development of identified large sulfide resources.

FCX is planning an expansion to double the concentrator capacity of the Bagdad operation in northwest Arizona. FCX is conducting a feasibility study, which is expected to be completed in the second half of 2023. In parallel, FCX is advancing plans for expanded tailings infrastructure projects to support Bagdad's long-range plans. The timing of future developments will be dependent on market conditions, labor and supply chain considerations and other economic factors.

*Operating Data.* Following is summary consolidated operating data for the North America copper mines:

|  | Three Months Ended March 31, |         |
|--|------------------------------|---------|
|  | 2023                         | 2022    |
| <b>Copper</b> (millions of recoverable pounds)             |                              |         |
| Production   | 332                          | 354     |
| Sales, excluding purchases                                 | 332                          | 381     |
| Average realized price per pound                           | \$ 4.16                      | \$ 4.62 |
| <b>Molybdenum</b> (millions of recoverable pounds)         |                              |         |
| Production <sup>a</sup>                                    | 7                            | 7       |
| <b>Unit net cash costs per pound of copper<sup>b</sup></b> |                              |         |
| Site production and delivery, excluding adjustments        | \$ 2.91                      | \$ 2.38 |
| By-product credits   | (0.59)                       | (0.34)  |
| Treatment charges  | 0.13                         | 0.09    |
| Unit net cash costs  | \$ 2.45                      | \$ 2.13 |

a. Refer to summary operating data on page 3 for FCX's consolidated molybdenum sales, which include sales of molybdenum produced at the North America copper mines.

b. For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page X.

FCX's consolidated copper sales volumes from North America of 332 million pounds in first-quarter 2023 were lower than first-quarter 2022 copper sales volumes of 381 million, primarily reflecting the timing of shipments in first-quarter 2022 and reduced production in first-quarter 2023 associated with lower mining rates, lower ore grades and unplanned maintenance, partly offset by incremental copper associated with leach initiatives. North America copper sales are estimated to approximate 1.4 billion pounds for the year 2023.

Average unit net cash costs (net of by-product credits) for the North America copper mines of \$2.45 per pound of copper in first-quarter 2023 were higher than first-quarter 2022 unit net cash costs of \$2.13 per pound, primarily reflecting lower sales volumes and increased costs for maintenance and supplies, labor and energy, partly offset by higher molybdenum by-product credits.

Average unit net cash costs (net of by-product credits) for the North America copper mines are expected to approximate \$2.62 per pound of copper for the year 2023, based on achievement of current sales volume and cost estimates and assuming an average molybdenum price of \$18.00 per pound for the remainder of 2023. North America's average unit net cash costs for the year 2023 would change by approximately \$0.03 per pound for each \$2 per pound change in the average price of molybdenum for the remainder of 2023.

**South America Mining.** FCX operates two copper mines in South America - Cerro Verde in Peru (in which FCX owns a 53.56% interest) and El Abra in Chile (in which FCX owns a 51% interest). These operations are consolidated in FCX's financial statements. In addition to copper, the Cerro Verde mine produces molybdenum concentrate and silver.

Beginning in December 2022, heightened tensions, protests and social unrest emerged in Peru following a change in the country's political leadership. Cerro Verde operated at reduced rates from time to time during first-quarter 2023. While demonstrations and road blockages subsided in recent weeks, the potential for civil unrest and disruption of commerce and supply chains continues. Cerro Verde resumed normal operations in March 2023. FCX continues to monitor the situation with a priority on safety and security.

**Operating and Development Activities.** El Abra's large sulfide resource supports a potential major mill project similar to the large-scale concentrator at Cerro Verde. Technical and economic studies continue to be evaluated to determine the optimal scope and timing for the sulfide project. FCX is advancing plans to invest in water infrastructure to provide options to extend existing operations, while continuing to monitor potential changes in Chile's regulatory and fiscal matters.

*Operating Data.* Following is summary consolidated operating data for South America mining:

|  | Three Months Ended March 31, |                |
|--|------------------------------|----------------|
|  | 2023                         | 2022           |
| <b>Copper</b> (millions of recoverable pounds)             |                              |                |
| Production   | 304                          | 274            |
| Sales  | 302                          | 264            |
| Average realized price per pound                           | \$ 4.08                      | \$ 4.69        |
| <b>Molybdenum</b> (millions of recoverable pounds)         |                              |                |
| Production <sup>a</sup>                                    | 6                            | 7              |
| <b>Unit net cash costs per pound of copper<sup>b</sup></b> |                              |                |
| Site production and delivery, excluding adjustments        | \$ 2.54                      | \$ 2.43        |
| By-product credits   | (0.53)                       | (0.43)         |
| Treatment charges  | 0.18                         | 0.15           |
| Royalty on metals  | 0.01                         | 0.01           |
| Unit net cash costs  | <u>\$ 2.20</u>               | <u>\$ 2.16</u> |

a. Refer to summary operating data on page 3 for FCX's consolidated molybdenum sales, which include sales of molybdenum produced at Cerro Verde.

b. For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page X.

FCX's consolidated copper sales volumes from South America of 302 million pounds in first-quarter 2023 were higher than first-quarter 2022 copper sales volumes of 264 million pounds, primarily reflecting higher mining rates. Copper sales from South America mining are expected to approximate 1.2 billion pounds for the year 2023.

Average unit net cash costs (net of by-product credits) for South America mining of \$2.20 per pound of copper in first-quarter 2023 were higher than first-quarter 2022 unit net cash costs of \$2.16 per pound, primarily reflecting higher energy and other input costs, partly offset by the impact of higher sales volumes and molybdenum by-product credits.

Average unit net cash costs (net of by-product credits) for South America mining are expected to approximate \$2.36 per pound of copper for the year 2023, based on current sales volume and cost estimates and assuming an average price of \$18.00 per pound of molybdenum for the remainder of 2023.

**Indonesia Mining.** PT-FI operates one of the world's largest copper and gold mines at the Grasberg minerals district in Central Papua, Indonesia. PT-FI produces copper concentrate that contains significant quantities of gold and silver. FCX has a 48.76% ownership interest in PT-FI and manages its mining operations. PT-FI's results are consolidated in FCX's financial statements.

Under the terms of agreements entered into in 2018, FCX's economic interest in PT-FI approximated 81% through 2022, and beginning January 1, 2023, FCX's economic interest in PT-FI is 48.76%. This arrangement was developed to replicate the economics of PT-FI's former joint venture partner interests, which were acquired by the Indonesia government in 2018.

**Operating and Development Activities.** Over a multi-year investment period, PT-FI has successfully commissioned three large-scale block cave mines in the Grasberg minerals district (Grasberg Block Cave, Deep Mill Level Zone and Big Gossan), providing cumulative annualized production volumes of approximately 1.6 billion pounds of copper and 1.6 million ounces of gold.

PT-FI is completing a project to install additional milling facilities, currently expected to be completed in early 2024. The project will increase milling capacity to approximately 240,000 metric tons of ore per day to provide sustained large scale production volumes. PT-FI is also advancing a mill recovery project with the installation of a new copper cleaner circuit that is expected to be completed in 2024, and is expected to provide incremental metal production of approximately 60 million pounds of copper and 40 thousand ounces of gold per year.

**Kucing Liar.** Long-term mine development activities are ongoing for PT-FI's Kucing Liar deposit in the Grasberg minerals district, which is expected to produce over 6 billion pounds of copper and 6 million ounces of gold between 2028 and the end of 2041. Pre-production development activities commenced in 2022 and are expected to continue over an approximate 10-year timeframe. Capital investments are estimated to average approximately \$400 million per year over this period. At full operating rates of approximately 90,000 metric tons of ore per day, annual production from Kucing Liar is expected to approximate 550 million pounds of copper and 560 thousand ounces of gold, providing PT-FI with sustained long-term, large-scale and low-cost production. Kucing Liar will benefit from substantial shared infrastructure and PT-FI's experience and long-term success in block-cave mining.

**Mining Rights.** PT-FI and the Indonesia government continue to engage in discussions regarding the extension of PT-FI's mining rights under its special mining license (IUPK) beyond 2041. An extension beyond 2041 would enable continuity of large-scale operations for the benefit of all stakeholders and provide growth options through additional resource development opportunities in the highly attractive Grasberg minerals district.

**Indonesia Smelter.** In connection with PT-FI's 2018 agreement with the Indonesia government to secure the extension of its long-term mining rights, PT-FI committed to construct additional domestic smelting capacity totaling 2 million metric tons of concentrate per year by the end of 2023 (subject to force majeure provisions). PT-FI is actively engaged in the following projects for additional domestic smelting capacity:

- Construction of the Manyar smelter in Gresik, Indonesia with a capacity to process approximately 1.7 million metric tons of copper concentrate per year. Smelter construction was approximately 60% complete at March 31, 2023, and is expected to be commissioned during 2024 at an estimated cost of \$3.0 billion, including \$2.8 billion for a construction contract (excluding capitalized interest, owner's costs and commissioning) and \$0.2 billion for investment in a desalinization plant.
- Expansion of PT Smelting's capacity by 30% to 1.3 million metric tons of copper concentrate per year, which is expected to be completed by the end of 2023. PT-FI is funding the cost of the expansion, estimated to approximate \$250 million, with a loan that will convert to equity and increase PT-FI's ownership in PT Smelting to a majority ownership interest upon project completion.
- Construction of a precious metals refinery (PMR) to process gold and silver from the Manyar smelter and PT Smelting at an estimated cost of \$400 million. Construction is in progress with commissioning expected during 2024.

During first-quarter 2023, capital expenditures for the Manyar smelter and PMR (collectively, the Indonesia smelter projects) totaled \$0.3 billion, and are expected to approximate \$1.6 billion for the year 2023. Capital expenditures for the Indonesia smelter projects are being funded with proceeds received from PT-FI's April 2022 senior notes offering and availability under its revolving credit facility.

**Export License.** In March 2023, PT-FI received an extension of its export license through June 10, 2023. PT-FI's IUPK provides that exports may continue through 2023, subject to force majeure considerations. PT-FI is working with the Indonesia government to obtain approval to continue exports as required until the Manyar smelter and PMR are fully commissioned.

In March 2023, the Indonesia government verified that construction progress on the Manyar smelter exceeded 50%, allowing PT-FI to be relieved of the payment of export duties, which were previously 2.5%.

*Operating Data.* Following is summary consolidated operating data for Indonesia mining:

|  | Three Months Ended March 31, |                      |
|--|------------------------------|----------------------|
|  | 2023                         | 2022                 |
| <b>Copper</b> (millions of recoverable pounds)               |                              |                      |
| Production   | 329                          | 381                  |
| Sales  | 198                          | 379                  |
| Average realized price per pound                             | \$ 4.07                      | \$ 4.69              |
| <b>Gold</b> (thousands of recoverable ounces)                |                              |                      |
| Production   | 402                          | 412                  |
| Sales  | 266                          | 406                  |
| Average realized price per ounce                             | \$ 1,949                     | \$ 1,920             |
| <b>Unit net cash credits per pound of copper<sup>a</sup></b> |                              |                      |
| Site production and delivery, excluding adjustments          | \$ 2.01                      | \$ 1.41 <sup>b</sup> |
| Gold and silver credits                                      | (2.84)                       | (2.17)               |
| Treatment charges  | 0.37                         | 0.25                 |
| Export duties <sup>c</sup>                                   | 0.09                         | 0.21 <sup>d</sup>    |
| Royalty on metals  | 0.29                         | 0.24                 |
| Unit net cash credits  | \$ (0.08)                    | \$ (0.06)            |

a. For a reconciliation of unit net cash credits per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page X.

b. Excludes a charge totaling \$0.11 per pound of copper associated with an administrative fine levied by the Indonesia government.

c. Reflects export duty rates of 2.5% in first-quarter 2023 and 5% in first-quarter 2022. As noted above, the Indonesia government verified that construction progress on the Manyar smelter exceeded 50%, and as such export duties were eliminated effective March 29, 2023.

d. Excludes a charge totaling \$0.05 per pound of copper to reserve for exposure associated with export duties in prior periods.

On February 11, 2023, PT-FI's operations were temporarily disrupted because of significant rainfall and landslides, which restricted access to infrastructure near its milling operations. After recovery activities and the clearing of debris, PT-FI resumed operations by the end of February 2023 and achieved a full recovery in March 2023. PT-FI's milling rates for ore extracted from its underground mines averaged 164,800 metric tons of ore per day in first-quarter 2023. PT-FI expects milling rates to average in excess of 200,000 metric tons of ore per day for the remainder of 2023.

PT-FI's consolidated sales of 198 million pounds of copper and 266 thousand ounces of gold in first-quarter 2023 were lower than first-quarter 2022 consolidated sales of 379 million pounds of copper and 406 thousand ounces of gold, primarily as a result of the timing of sales associated with the transition to a tolling arrangement with PT Smelting in 2023 and the impact of a temporary disruption of operations in February 2023 associated with the significant weather event.

Consolidated sales volumes from PT-FI are expected to approximate 1.5 billion pounds of copper and 1.8 million ounces of gold for the year 2023, net of a deferral of approximately 110 million pounds of copper and 140 thousand ounces of gold from mine production under tolling arrangements to be processed and sold as refined metal in future periods.

PT-FI's unit net cash credits (including gold and silver credits) of \$0.08 per pound of copper in first-quarter 2023 were in line with unit net cash credits of \$0.06 per pound in first-quarter 2022, reflecting higher gold and silver credits, mostly offset by lower sales volumes and higher treatment charges.

Assuming an average gold price \$2,000 per ounce for the remainder of 2023 and achievement of current sales volumes and cost estimates, unit net cash credits (including gold and silver credits) for PT-FI are expected to approximate \$0.15 per pound of copper for the year 2023. PT-FI's average unit net cash credits for the year 2023 would change by approximately \$0.11 per pound of copper for each \$100 per ounce change in the average price of gold for the remainder of 2023.

**Molybdenum Mines.** FCX operates two wholly owned molybdenum mines in Colorado - the Climax open-pit mine and the Henderson underground mine. The Climax and Henderson mines produce high-purity, chemical-grade molybdenum concentrate, which is typically further processed into value-added molybdenum chemical products. The majority of the molybdenum concentrate produced at the Climax and Henderson mines and at FCX's North America and South America copper mines is processed at FCX's conversion facilities.

The *Platts Metals Daily* Molybdenum Dealer Oxide weekly average price for molybdenum averaged \$32.78 per pound in first-quarter 2023, compared with \$19.08 per pound in first-quarter 2022. The molybdenum price declined to approximately \$21.50 per pound on April 20, 2023. Long-term market fundamentals are positive with favorable demand drivers and limited supply.

**Operating and Development Activities.** Production from the Molybdenum mines totaled 8 million pounds of molybdenum in first-quarter 2023 and was slightly higher than production of 7 million pounds of molybdenum in first-quarter 2022, primarily reflecting higher milling rates. FCX's consolidated molybdenum sales and average realized prices include sales of molybdenum produced at the Molybdenum mines and at FCX's North America and South America copper mines, which are presented on page 3.

Average unit net cash costs for the Molybdenum mines of \$12.24 per pound of molybdenum in first-quarter 2023 were higher than average unit net cash costs of \$10.89 per pound in first-quarter 2022, primarily reflecting increased contract labor and input costs, partly offset by higher sales volumes. Based on current sales volume and cost estimates, average unit net cash costs for the Molybdenum mines are expected to approximate \$13.36 per pound of molybdenum for the year 2023.

For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to the supplemental schedules, "Product Revenues and Production Costs," beginning on page X.

#### EXPLORATION

FCX's mining exploration activities are primarily associated with its existing mines, focusing on opportunities to expand reserves and resources to support development of additional future production capacity. Exploration results continue to indicate opportunities for significant future potential reserve additions at FCX's existing properties in North America and South America. Exploration expenditures for the year 2023 are expected to approximate \$110 million, compared with \$105 million in 2022. FCX plans to advance Lone Star and other opportunities at FCX's North America copper mines.

#### LIQUIDITY, CASH FLOWS, CASH AND DEBT

**Liquidity.** At March 31, 2023, FCX had \$6.9 billion in consolidated cash and cash equivalents and \$3.0 billion of availability under its revolving credit facility. In addition, PT-FI and Cerro Verde have \$1.3 billion and \$350 million, respectively, of availability under their respective revolving credit facilities.

**Operating Cash Flows.** FCX generated operating cash flows of \$1.1 billion (net of \$0.5 billion of working capital and other uses) in first-quarter 2023.

Based on current sales volume and cost estimates, and assuming average prices of \$4.00 per pound of copper, \$2,000 per ounce of gold and \$18.00 per pound of molybdenum for the remainder of 2023, FCX's consolidated operating cash flows are estimated to approximate \$7.0 billion (including \$0.3 billion of working capital and other sources) for the year 2023. The impact of price changes for the remainder of 2023 on operating cash flows would approximate \$315 million for each \$0.10 per pound change in the average price of copper, \$140 million for each \$100 per ounce change in the average price of gold and \$90 million for each \$2 per pound change in the average price of molybdenum.

**Capital Expenditures.** Capital expenditures totaled \$1.1 billion in first-quarter 2023 (including \$0.4 billion for major mining projects and \$0.3 billion for the Indonesia smelter projects).

Capital expenditures are expected to approximate \$5.1 billion for the year 2023 (including \$2.4 billion for major mining projects and \$1.6 billion for the Indonesia smelter projects). Projected capital expenditures for major mining projects include \$1.3 billion for planned projects primarily associated with underground mine development in the Grasberg minerals district and supporting mill and power capital costs and \$1.1 billion for discretionary growth projects. Capital expenditures for the Indonesia smelter projects are being funded with the proceeds received from PT-FI's April 2022 senior notes offering and availability under PT-FI's revolving credit facility.

**Cash.** Following is a summary of the U.S. and international components of consolidated cash and cash equivalents available to the parent company, excluding cash committed for the Indonesia smelter projects and net of noncontrolling interests' share, taxes and other costs at March 31, 2023 (in billions):

|   |           |                    |
|---|-----------|--------------------|
| Cash at domestic companies                          | \$        | 3.4                |
| Cash at international operations                    |           | 3.5                |
| <b>Total consolidated cash and cash equivalents</b> |           | <b>6.9</b>         |
| Cash for Indonesia smelter projects                 |           | (1.5) <sup>a</sup> |
| Noncontrolling interests' share                     |           | (1.0)              |
| Cash, net of noncontrolling interests' share        |           | 4.4                |
| Withholding taxes                                   |           | (0.1)              |
| <b>Net cash available</b>                           | <b>\$</b> | <b>4.3</b>         |

a. *Estimated remaining net proceeds from PT-FI's April 2022 senior notes offerings.*

**Debt.** Following is a summary of total debt and the weighted-average interest rates at March 31, 2023 (in billions, except percentages):

|   |                | <b>Weighted-<br/>Average<br/>Interest Rate</b> |
|---|----------------|--|
| Senior notes:                           |                |  |
| Issued by FCX                           | \$ 6.2         | 4.9%   |
| Issued by PT-FI                         | 3.0            | 5.4%   |
| Issued by Freeport Minerals Corporation | 0.4            | 7.5%   |
| Other                                   | — <sup>a</sup> | 2.0%   |
| <b>Total debt</b>                       | <b>\$ 9.6</b>  | <b>5.1%</b>                                    |

a. *Rounds to less than \$0.1 billion.*

At March 31, 2023, there were no borrowings and \$8 million in letters of credit issued under FCX's \$3.0 billion revolving credit facility.

In March 2023, FCX repaid in full the outstanding principal balance of its 3.875% Senior Notes totaling \$996 million at maturity.

## FINANCIAL POLICY

FCX's financial policy is aligned with its strategic objectives of maintaining a strong balance sheet, providing cash returns to shareholders and advancing opportunities for future growth. The policy includes a base dividend and a performance-based payout framework, whereby up to 50% of available cash flows generated after planned capital spending and distributions to noncontrolling interests are allocated to shareholder returns and the balance to debt reduction and investments in value enhancing growth projects, subject to FCX maintaining its net debt at a level not to exceed the net debt target of \$3.0 billion to \$4.0 billion (excluding project debt for additional smelting capacity in Indonesia). The Board will review the structure of the performance-based payout framework at least annually.

At March 31, 2023, FCX's net debt, excluding net debt for the Indonesia smelter projects, totaled \$1.3 billion. Refer to the supplemental schedule, "Net Debt," on page VII.

On March 22, 2023, FCX declared cash dividends totaling \$0.15 per share on its common stock (which included a base cash dividend of \$0.075 per share and a variable, performance-based cash dividend of \$0.075 per share), which will be paid on May 1, 2023, to shareholders of record as of April 14, 2023. The declaration and payment of dividends (base or variable) is at the discretion of the Board, which will consider FCX's financial results, cash requirements, global economic conditions and other factors it deems relevant.

As of April 20, 2023, FCX has 1.43 billion shares of common stock outstanding and \$3.2 billion is available under its share repurchase program. The timing and amount of share repurchases is at the discretion of management and will depend on a variety of factors. The share repurchase program may be modified, increased, suspended or terminated at any time at the Board's discretion.

## WEBCAST INFORMATION

A conference call with securities analysts to discuss FCX's first-quarter results is scheduled for today at 10:00 a.m. Eastern Time. The conference call will be broadcast on the internet along with slides. Interested parties may listen to the conference call live and view the slides by accessing [fcx.com](http://fcx.com). A replay of the webcast will be available through Friday, May 19, 2023.

## **FREEPORT: Foremost in Copper**

FCX is a leading international mining company with headquarters in Phoenix, Arizona. FCX operates large, long-lived, geographically diverse assets with significant proven and probable reserves of copper, gold and molybdenum. FCX is one of the world's largest publicly traded copper producers.

FCX's portfolio of assets includes the Grasberg minerals district in Indonesia, one of the world's largest copper and gold deposits; and significant mining operations in North America and South America, including the large-scale Morenci minerals district in Arizona and the Cerro Verde operation in Peru.

By supplying responsibly produced copper, FCX is proud to be a positive contributor to the world well beyond its operational boundaries. Additional information about FCX is available on FCX's website at [fcx.com](http://fcx.com).

**Cautionary Statement:** This press release 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 plans, projections, or expectations relating to business outlook, strategy, goals or targets; global market conditions; ore grades and milling rates; production and sales volumes; unit net cash costs and operating costs; capital expenditures; operating plans; cash flows; liquidity; PT-FI's financing, construction and completion of additional domestic smelting capacity in Indonesia in accordance with the terms of its IUPK; extension of PT-FI's IUPK beyond 2041 and export permit beyond June 10, 2023; FCX's commitment to deliver responsibly produced copper and molybdenum, including plans to implement, validate and maintain validation of its operating sites under specific frameworks; execution of FCX's energy and climate strategies and the underlying assumptions and estimated impacts on FCX's business related thereto; achievement of 2030 climate targets and 2050 net zero aspiration; improvements in operating procedures and technology innovations; exploration efforts and results; development and production activities, rates and costs; future organic growth opportunities; tax rates; export quotas; the impact of copper, gold and molybdenum price changes; the impact of deferred intercompany profits on earnings; mineral reserve and mineral resource estimates; final resolution of settlements associated with ongoing legal proceedings; debt repurchases; and the ongoing implementation of FCX's financial policy and future returns to shareholders, including dividend payments (base or variable) and share repurchases. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "could," "to be," "potential," "assumptions," "guidance," "aspirations," "future," "commitments," "pursues," "initiates," "objectives," "opportunities," "strategy" and any similar expressions are intended to identify those assertions as forward-looking statements. The declaration and payment of dividends (base or variable), and timing and amount of any share repurchases is at the discretion of the Board and management, respectively, and is subject to a number of factors, including maintaining FCX's net debt target, capital availability, FCX's financial results, cash requirements, global economic conditions, changes in laws, contractual restrictions and other factors deemed relevant by the Board or management, as applicable. The share repurchase program may be modified, increased, suspended or terminated at any time at the Board's discretion.

FCX cautions readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, expected, 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, but are not limited to, supply of and demand for, and prices of the commodities FCX produces, primarily copper; price and availability of consumables and components FCX purchases as well as constraints on supply and logistics, and transportation services; changes in FCX's cash requirements, financial position, financing or investment plans; changes in general market, economic, regulatory or industry conditions; reductions in liquidity and access to capital; changes in tax laws and regulations, including the impact of the Inflation Reduction Act; any major public health crisis; political and social risks, including the potential effects of violence in Indonesia, civil unrest in Peru, and relations with local communities and Indigenous Peoples; operational risks inherent in mining, with higher inherent risks in underground mining; mine sequencing; changes in mine plans or operational modifications, delays, deferrals or cancellations; production rates; timing of shipments; results of technical, economic or feasibility studies; potential inventory adjustments; potential impairment of long-lived mining assets; PT-FI's ability to export and sell copper concentrate and anode slimes; satisfaction of requirements in accordance with PT-FI's IUPK to extend mining rights from 2031 through 2041; the Indonesia government's approval of a deferred schedule for completion of additional domestic smelting capacity in Indonesia; discussions relating to the extension of PT-FI's IUPK beyond 2041; cybersecurity incidents; labor relations, including labor-related work stoppages and costs; compliance with applicable environmental, health and safety laws and regulations; weather- and climate-related risks; environmental risks, including availability of secure water supplies, and litigation results; FCX's ability to comply with its responsible production commitments under specific frameworks and any changes to such frameworks 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, 2022, filed with the U.S. Securities and Exchange Commission (SEC).

Investors are cautioned that many of the assumptions upon which FCX's forward-looking statements are based are likely to change after the date the forward-looking statements are made, including for example commodity prices, which FCX cannot control, and production volumes and costs or technological solutions and innovation, 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 undertakes no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in its assumptions, changes in business plans, actual experience or other changes.

This press release also contains financial measures such as net debt, adjusted net income and unit net cash costs per pound of copper and molybdenum, which are not recognized under U.S. generally accepted accounting principles. 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 this press release.

Freeport-McMoRan Inc.  
SELECTED OPERATING DATA

Three Months Ended March 31,

| MINING OPERATIONS:  | 2023             |              | 2022                    |                           |
|---|------------------|--------------|-------------------------|---------------------------|
|   | Production       |              | Sales                   |                           |
| <b>COPPER</b> (millions of recoverable pounds)<br>(FCX's net interest in %)     |                  |              |                         |                           |
| <b>North America</b>  |                  |              |                         |                           |
| Morenci (72%) <sup>a</sup>  | 143              | 154          | 142                     | 166                       |
| Safford (100%)  | 63               | 69           | 64                      | 71                        |
| Sierrita (100%)   | 43               | 52           | 42                      | 52                        |
| Bagdad (100%)   | 34               | 34           | 36                      | 42                        |
| Chino (100%)  | 36               | 28           | 35                      | 32                        |
| Tyrone (100%)   | 13               | 14           | 13                      | 15                        |
| Miami (100%)  | 3                | 3            | 3                       | 3                         |
| Other (100%)  | (3)              | —            | (3)                     | —                         |
| <b>Total North America</b>  | <b>332</b>       | <b>354</b>   | <b>332</b>              | <b>381</b>                |
| <b>South America</b>  |                  |              |                         |                           |
| Cerro Verde (53.56%)  | 245              | 237          | 246                     | 229                       |
| El Abra (51%)   | 59               | 37           | 56                      | 35                        |
| <b>Total South America</b>  | <b>304</b>       | <b>274</b>   | <b>302</b>              | <b>264</b>                |
| <b>Indonesia</b>  |                  |              |                         |                           |
| Grasberg (48.76%) <sup>b</sup>  | 329              | 381          | 198                     | 379                       |
| <b>Total</b>  | <b>965</b>       | <b>1,009</b> | <b>832</b> <sup>c</sup> | <b>1,024</b> <sup>c</sup> |
| Less noncontrolling interests   | 311              | 199          | 243                     | 194                       |
| <b>Net</b>  | <b>654</b>       | <b>810</b>   | <b>589</b>              | <b>830</b>                |
| Average realized price per pound  |                  |              | \$ 4.11                 | \$ 4.66                   |
| <b>GOLD</b> (thousands of recoverable ounces)<br>(FCX's net interest in %)      |                  |              |                         |                           |
| <b>North America (100%)</b>   | 3                | 3            | 4                       | 3                         |
| Indonesia (48.76%) <sup>b</sup>   | 402              | 412          | 266                     | 406                       |
| <b>Consolidated</b>   | <b>405</b>       | <b>415</b>   | <b>270</b>              | <b>409</b>                |
| Less noncontrolling interests   | 144 <sup>d</sup> | 77           | 74 <sup>d</sup>         | 76                        |
| <b>Net</b>  | <b>261</b>       | <b>338</b>   | <b>196</b>              | <b>333</b>                |
| Average realized price per ounce  |                  |              | \$ 1,949                | \$ 1,920                  |
| <b>MOLYBDENUM</b> (millions of recoverable pounds)<br>(FCX's net interest in %) |                  |              |                         |                           |
| Climax (100%)   | 5                | 4            | N/A                     | N/A                       |
| Henderson (100%)  | 3                | 3            | N/A                     | N/A                       |
| North America copper mines (100%) <sup>a</sup>                                  | 7                | 7            | N/A                     | N/A                       |
| Cerro Verde (53.56%)  | 6                | 7            | N/A                     | N/A                       |
| <b>Consolidated</b>   | <b>21</b>        | <b>21</b>    | <b>19</b>               | <b>19</b>                 |
| Less noncontrolling interests   | 2                | 3            | 2                       | 2                         |
| <b>Net</b>  | <b>19</b>        | <b>18</b>    | <b>17</b>               | <b>17</b>                 |
| Average realized price per pound  |                  |              | \$ 30.32                | \$ 19.30                  |

a. Amounts are net of Morenci's joint venture partners' undivided interests.

b. Beginning January 1, 2023, FCX's economic interest in PT Freeport Indonesia (PT-FI) is 48.76%. Prior to January 1, 2023, FCX's economic interest in PT-FI approximated 81%.

c. Consolidated sales volumes exclude purchased copper of 48 million pounds in first-quarter 2023 and 15 million pounds in first-quarter 2022.

d. Includes approximately 190 thousand ounces of gold production and sales volumes attributed to PT Mineral Industri Indonesia's approximate 19% economic interest in accordance with the PT-FI shareholders agreement.

**Freeport-McMoRan Inc.**  
**SELECTED OPERATING DATA (continued)**

|  | Three Months Ended March 31, |                |
|--|------------------------------|----------------|
|  | 2023                         | 2022           |
| <b>100% North America Copper Mines</b>                 |                              |                |
| <u>Leach Operations</u>                                |                              |                |
| Leach ore placed in stockpiles (metric tons per day)   | 613,200                      | 708,600        |
| Average copper ore grade (%)                           | 0.27                         | 0.28           |
| Copper production (millions of recoverable pounds)     | 234                          | 245            |
| <u>Mill Operations</u>                                 |                              |                |
| Ore milled (metric tons per day)                       | 297,500                      | 291,400        |
| Average ore grades (%):                                |                              |                |
| Copper   | 0.34                         | 0.36           |
| Molybdenum   | 0.02                         | 0.02           |
| Copper recovery rate (%)                               | 80.4                         | 80.9           |
| Production (millions of recoverable pounds):           |                              |                |
| Copper   | 154                          | 169            |
| Molybdenum   | 8                            | 8              |
| <b>100% South America Mining</b>                       |                              |                |
| <u>Leach Operations</u>                                |                              |                |
| Leach ore placed in stockpiles (metric tons per day)   | 203,900                      | 139,800        |
| Average copper ore grade (%)                           | 0.33                         | 0.36           |
| Copper production (millions of recoverable pounds)     | 86                           | 61             |
| <u>Mill Operations</u>                                 |                              |                |
| Ore milled (metric tons per day)                       | 405,100                      | 394,400        |
| Average ore grades (%):                                |                              |                |
| Copper   | 0.34                         | 0.33           |
| Molybdenum   | 0.01                         | 0.02           |
| Copper recovery rate (%)                               | 83.9                         | 86.6           |
| Production (millions of recoverable pounds):           |                              |                |
| Copper   | 218                          | 213            |
| Molybdenum   | 6                            | 7              |
| <b>100% Indonesia Mining</b>                           |                              |                |
| Ore extracted and milled (metric tons per day):        |                              |                |
| Grasberg Block Cave underground mine                   | 89,700                       | 100,400        |
| Deep Mill Level Zone underground mine                  | 70,000                       | 78,400         |
| Big Gossan underground mine                            | 7,000                        | 7,700          |
| Other adjustments                                      | (1,900)                      | —              |
| Total  | <u>164,800</u>               | <u>186,500</u> |
| Average ore grades:                                    |                              |                |
| Copper (%)   | 1.17                         | 1.23           |
| Gold (grams per metric ton)                            | 1.07                         | 1.03           |
| Recovery rates (%):                                    |                              |                |
| Copper   | 90.3                         | 89.4           |
| Gold   | 78.2                         | 77.2           |
| Production (recoverable):                              |                              |                |
| Copper (millions of pounds)                            | 329                          | 381            |
| Gold (thousands of ounces)                             | 402                          | 412            |
| <b>100% Molybdenum Mines</b>                           |                              |                |
| Ore milled (metric tons per day)                       | 27,300                       | 22,700         |
| Average molybdenum ore grade (%)                       | 0.17                         | 0.18           |
| Molybdenum production (millions of recoverable pounds) | 8                            | 7              |

**Freeport-McMoRan Inc.**  
**CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**

|   | Three Months Ended<br>March 31,         |                       |
|---|---|-----------------------|
|   | 2023                                    | 2022                  |
|   | (In Millions, Except Per Share Amounts) |                       |
| Revenues <sup>a</sup>   | \$ 5,389                                | \$ 6,603 <sup>b</sup> |
| Cost of sales:  |   |                       |
| Production and delivery <sup>c,d</sup>                                      | 3,165                                   | 3,150                 |
| Depreciation, depletion and amortization                                    | 399                                     | 489                   |
| Total cost of sales   | 3,564                                   | 3,639                 |
| Selling, general and administrative expenses                                | 126                                     | 115                   |
| Mining exploration and research expenses                                    | 31                                      | 24                    |
| Environmental obligations and shutdown costs                                | 67                                      | 16                    |
| Total costs and expenses  | 3,788                                   | 3,794                 |
| Operating income  | 1,601                                   | 2,809                 |
| Interest expense, net <sup>e</sup>  | (151) <sup>d</sup>                      | (127)                 |
| Other income, net   | 88 <sup>d</sup>                         | 31                    |
| Income before income taxes and equity in affiliated companies' net earnings | 1,538                                   | 2,713                 |
| Provision for income taxes <sup>f</sup>                                     | (499)                                   | (824)                 |
| Equity in affiliated companies' net earnings                                | 10                                      | 15                    |
| Net income  | 1,049                                   | 1,904                 |
| Net income attributable to noncontrolling interests                         | (386)                                   | (377)                 |
| Net income attributable to common stockholders <sup>g</sup>                 | \$ 663                                  | \$ 1,527              |
| Diluted net income per share attributable to common stock                   | \$ 0.46                                 | \$ 1.04               |
| Diluted weighted-average common shares outstanding                          | 1,443                                   | 1,469                 |
| Dividends declared per share of common stock                                | \$ 0.15                                 | \$ 0.15               |

a. Includes adjustments to provisionally priced concentrate and cathode sales. For a summary of adjustments to provisionally priced copper sales, refer to the supplemental schedule, "Derivative Instruments," beginning on page VII.

b. Includes an \$18 million charge at PT-FI associated with exposure for additional export duties for prior periods, which is included in the supplemental schedule, "Adjusted Net Income," on page VI.

c. FCX is engaged in various studies associated with potential future expansion projects primarily at its mining operations. Production and delivery costs include charges for these feasibility and optimization studies totaling \$50 million in first-quarter 2023 and \$20 million in first-quarter 2022.

d. Includes other net charges totaling \$54 million in first-quarter 2023 and \$43 million in first-quarter 2022, which are summarized in the supplemental schedule, "Adjusted Net Income," on page VI.

e. Consolidated interest costs (before capitalization) totaled \$207 million in first-quarter 2023 and \$153 million in first-quarter 2022. Higher interest costs in first-quarter 2023, compared to first-quarter 2022, primarily reflect the issuance of \$3.0 billion of senior notes by PT-FI in April 2022.

f. For a summary of FCX's income taxes, refer to the supplemental schedule, "Income Taxes," beginning on page VI.

g. FCX defers recognizing profits on intercompany sales until final sales to third parties occur. For a summary of net impacts from changes in these deferrals, refer to the supplemental schedule, "Deferred Profits," on page VIII.

**Freeport-McMoRan Inc.**  
**CONSOLIDATED BALANCE SHEETS (Unaudited)**

|  | March 31,<br>2023 | December 31,<br>2022 |
|--|-------------------|----------------------|
| (In Millions)  |                   |                      |
| <b>ASSETS</b>  |                   |                      |
| <b>Current assets:</b>   |                   |                      |
| Cash and cash equivalents  | \$ 6,852          | \$ 8,146             |
| Trade accounts receivable  | 1,134             | 1,336                |
| Income and other tax receivables                                     | 550               | 459                  |
| <b>Inventories:</b>  |                   |                      |
| Materials and supplies, net  | 2,056             | 1,964                |
| Mill and leach stockpiles  | 1,440             | 1,383                |
| Product  | 2,241             | 1,833                |
| Other current assets   | 473               | 492                  |
| Total current assets   | 14,746            | 15,613               |
| Property, plant, equipment and mine development costs, net           | 33,159            | 32,627               |
| Long-term mill and leach stockpiles                                  | 1,235             | 1,252                |
| Other assets   | 1,769             | 1,601                |
| <b>Total assets</b>  | <b>\$ 50,909</b>  | <b>\$ 51,093</b>     |
| <b>LIABILITIES AND EQUITY</b>  |                   |                      |
| <b>Current liabilities:</b>  |                   |                      |
| Accounts payable and accrued liabilities                             | \$ 3,836          | \$ 4,027             |
| Accrued income taxes   | 846               | 744                  |
| Current portion of environmental and asset retirement obligations    | 333               | 320                  |
| Dividends payable  | 217               | 217                  |
| Current portion of debt  | 49                | 1,037                |
| Total current liabilities  | 5,281             | 6,345                |
| Long-term debt, less current portion                                 | 9,586             | 9,583                |
| Environmental and asset retirement obligations, less current portion | 4,493             | 4,463                |
| Deferred income taxes  | 4,305             | 4,269                |
| Other liabilities  | 1,596             | 1,562                |
| Total liabilities  | 25,261            | 26,222               |
| <b>Equity:</b>   |                   |                      |
| <b>Stockholders' equity:</b>   |                   |                      |
| Common stock   | 162               | 161                  |
| Capital in excess of par value                                       | 25,227            | 25,322               |
| Accumulated deficit  | (3,244)           | (3,907)              |
| Accumulated other comprehensive loss                                 | (319)             | (320)                |
| Common stock held in treasury  | (5,769)           | (5,701)              |
| Total stockholders' equity   | 16,057            | 15,555               |
| Noncontrolling interests   | 9,591             | 9,316                |
| Total equity   | 25,648            | 24,871               |
| <b>Total liabilities and equity</b>                                  | <b>\$ 50,909</b>  | <b>\$ 51,093</b>     |

Freeport-McMoRan Inc.  
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

|   | Three Months Ended<br>March 31, |                 |
|---|---------------------------------|-----------------|
|   | 2023                            | 2022            |
|   | (In Millions)                   |                 |
| Cash flow from operating activities:  |                                 |                 |
| Net income  | \$ 1,049                        | \$ 1,904        |
| Adjustments to reconcile net income to net cash provided by operating activities:                     |                                 |                 |
| Depreciation, depletion and amortization  | 399                             | 489             |
| Stock-based compensation  | 53                              | 49              |
| Net charges for environmental and asset retirement obligations, including accretion                   | 117                             | 55              |
| Payments for environmental and asset retirement obligations   | (60)                            | (55)            |
| Net charges for defined pension and postretirement plans  | 16                              | 10              |
| Pension plan contributions  | (2)                             | (25)            |
| Deferred income taxes   | 35                              | 48              |
| Change in deferred profit on sales to PT Smelting   | (112)                           | 53              |
| Other, net  | 22                              | (26)            |
| Changes in working capital and other:   |                                 |                 |
| Accounts receivable   | 157                             | (222)           |
| Inventories   | (457)                           | 47              |
| Other current assets  | (20)                            | 19              |
| Accounts payable and accrued liabilities  | (303)                           | (519)           |
| Accrued income taxes and timing of other tax payments   | 156                             | (136)           |
| Net cash provided by operating activities   | <u>1,050</u>                    | <u>1,691</u>    |
| Cash flow from investing activities:  |                                 |                 |
| Capital expenditures:   |                                 |                 |
| North America copper mines  | (196)                           | (130)           |
| South America   | (100)                           | (56)            |
| Indonesia mining  | (449)                           | (379)           |
| Indonesia smelter projects  | (323)                           | (130)           |
| Molybdenum mines  | (9)                             | (1)             |
| Other   | (44)                            | (27)            |
| Loans to PT Smelting for expansion  | (23)                            | (9)             |
| Other, net  | (20)                            | 18              |
| Net cash used in investing activities   | <u>(1,164)</u>                  | <u>(714)</u>    |
| Cash flow from financing activities:  |                                 |                 |
| Proceeds from debt  | 284                             | 604             |
| Repayments of debt  | (1,273)                         | (434)           |
| Cash dividends and distributions paid:  |                                 |                 |
| Common stock  | (217)                           | (220)           |
| Noncontrolling interests  | —                               | (204)           |
| Treasury stock purchases  | —                               | (541)           |
| Contributions from noncontrolling interests   | 50                              | 47              |
| Proceeds from exercised stock options   | 31                              | 101             |
| Payments for withholding of employee taxes related to stock-based awards                              | (47)                            | (55)            |
| Other, net  | —                               | (1)             |
| Net cash used in financing activities   | <u>(1,172)</u>                  | <u>(703)</u>    |
| Net (decrease) increase in cash, cash equivalents, restricted cash and restricted cash equivalents    | (1,286)                         | 274             |
| Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of year          | 8,390                           | 8,314           |
| Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period <sup>a</sup> | <u>\$ 7,104</u>                 | <u>\$ 8,588</u> |

a. Includes restricted cash and cash equivalents of \$252 million at March 31, 2023, and \$250 million at March 31, 2022.

**Freeport-McMoRan Inc.**  
**ADJUSTED NET INCOME**

FCX believes adjusted net income provides investors and others with information about FCX's recurring operating performance. This information differs from net income attributable to common stock determined in accordance with U.S. generally accepted accounting principles (GAAP) and should not be considered in isolation or as a substitute for measures of performance determined in accordance with U.S. GAAP. FCX's adjusted net income, which may not be comparable to similarly titled measures reported by other companies, follows (in millions, except per share amounts).

|   | Three Months Ended March 31, |                        |                        |                   |                        |           |
|---|------------------------------|------------------------|------------------------|-------------------|------------------------|-----------|
|   | 2023                         |                        |                        | 2022              |                        |           |
|   | Pre-tax                      | After-tax <sup>a</sup> | Per Share              | Pre-tax           | After-tax <sup>a</sup> | Per Share |
| <b>Net income attributable to common stock</b>          | N/A                          | \$ 663                 | \$ 0.46                | N/A               | \$ 1,527               | \$ 1.04   |
| Net adjustments to environmental obligations            | \$ (56)                      | \$ (56)                | \$ (0.04)              | \$ —              | \$ —                   | \$ —      |
| PT-FI prior period export duties                        | —                            | —                      | —                      | (18)              | (9)                    | (0.01)    |
| Other net charges                                       | (54) <sup>b</sup>            | (38)                   | (0.03)                 | (43) <sup>c</sup> | (29)                   | (0.02)    |
|   | \$ (110)                     | \$ (94)                | \$ (0.06) <sup>d</sup> | \$ (61)           | \$ (38)                | \$ (0.03) |
| <b>Adjusted net income attributable to common stock</b> | N/A                          | \$ 757                 | \$ 0.52                | N/A               | \$ 1,565               | \$ 1.07   |

a. Reflects impact to FCX's net income attributable to common stock (i.e., net of any taxes and noncontrolling interests).

b. Reflects net charges primarily associated with (i) asset impairments and contract cancellation costs in North America recorded to production and delivery (\$24 million) and (ii) contested tax matters recorded to interest expense, net (\$26 million) and other income, net (\$4 million).

c. Reflects net charges recorded to production and delivery associated with contested matters at PT-FI (including historical tax audits and an administrative fine levied by the Indonesia government), asset retirement obligation adjustments and contract cancellation costs.

d. Does not foot because of rounding.

**INCOME TAXES**

Following is a summary of the approximate amounts used in the calculation of FCX's consolidated income tax provision (in millions, except percentages):

|                              | Three Months Ended March 31,  |                       |                                      |                               |                       |                                      |
|------------------------------|-------------------------------|-----------------------|--------------------------------------|-------------------------------|-----------------------|--------------------------------------|
|                              | 2023                          |                       |                                      | 2022                          |                       |                                      |
|                              | Income<br>(Loss) <sup>a</sup> | Effective<br>Tax Rate | Income Tax<br>(Provision)<br>Benefit | Income<br>(Loss) <sup>a</sup> | Effective<br>Tax Rate | Income Tax<br>(Provision)<br>Benefit |
| U.S. <sup>b</sup>            | \$ 213                        | —%                    | \$ 4                                 | \$ 552                        | —%                    | \$ (2)                               |
| South America                | 499                           | 39%                   | (194)                                | 612                           | 39%                   | (241)                                |
| Indonesia                    | 887                           | 37%                   | (330)                                | 1,512                         | 39%                   | (586)                                |
| Eliminations and other       | (61)                          | N/A                   | 22                                   | 37                            | N/A                   | (10)                                 |
| Rate adjustment <sup>d</sup> | —                             | N/A                   | (1)                                  | —                             | N/A                   | 15                                   |
| Continuing operations        | \$ 1,538                      | 32%                   | \$ (499)                             | \$ 2,713                      | 30%                   | \$ (824)                             |

a. Represents income before income taxes and equity in affiliated companies' net earnings.

b. In addition to FCX's North America mining operations, the U.S. jurisdiction reflects corporate-level expenses, which include interest expense associated with senior notes, general and administrative expenses, and environmental obligations and shutdown costs.

c. Includes valuation allowance release on prior year unbenefited net operating losses (NOLs). See below for discussion of the provisions of the U.S. Inflation Reduction Act of 2022 (the Act).

d. In accordance with applicable accounting rules, FCX adjusts its interim provision for income taxes equal to its consolidated tax rate.

In August 2022, the Act was signed into law, which includes, among other provisions, a new Corporate Alternative Minimum Tax (CAMT) of 15% on the adjusted financial statement income (AFSI) of corporations with average AFSI exceeding \$1.0 billion over a three-year period. The provisions of the Act became applicable to FCX on January 1, 2023. As limited guidance related to how the CAMT provisions of the Act should be applied or otherwise administered has been released by the U.S. Department of the Treasury (the Treasury), uncertainty remains regarding the application of and potential adjustments to the CAMT. FCX has made interpretations of certain provisions of the Act, and based on these interpretations, determined that the provisions of the Act did not impact FCX's first-quarter 2023 financial results. However, future guidance released by the Treasury may differ from FCX's interpretations, which could be material and may limit FCX's ability to benefit from its U.S. NOLs.

**Freeport-McMoRan Inc.**  
**INCOME TAXES (continued)**

Assuming achievement of current sales volume and cost estimates and average prices of \$4.00 per pound for copper, \$2,000 per ounce for gold and \$18.00 per pound for molybdenum for the remainder of 2023, FCX estimates its consolidated effective tax rate for the year 2023 would approximate 34%. Changes in projected sales volumes and average prices during 2023 would incur tax impacts at estimated effective rates of 40% for Peru, 36% for Indonesia and 0% for the U.S., which excludes any impact from the Act. FCX's projected estimated effective tax rate of 0% for the U.S. for the year 2023 may be adjusted as additional guidance is released by the Treasury on key provisions of the Act, including guidance on the CAMT.

**NET DEBT**

FCX believes that net debt, which FCX defines as consolidated debt less consolidated cash and cash equivalents, provides investors with information related to the performance-based payout framework in FCX's financial policy, which requires achievement of a net debt target in the range of \$3 billion to \$4 billion (excluding net project debt for additional smelting capacity in Indonesia). This information differs from consolidated debt determined in accordance with U.S. GAAP and should not be considered in isolation or as a substitute for consolidated debt determined in accordance with U.S. GAAP. FCX's net debt, which may not be comparable to similarly titled measures reported by other companies, follows (in billions):

|  | As of March 31, 2023   | As of December 31, 2022 |
|--|------------------------|-------------------------|
| Current portion of debt                                    | \$ — <sup>a</sup>      | \$ 1.0                  |
| Long-term debt, less current portion                       | 9.6                    | 9.6                     |
| Consolidated debt  | 9.6                    | 10.6                    |
| Less: consolidated cash and cash equivalents               | 6.9                    | 8.1                     |
| <b>FCX net debt</b>  | <b>2.8<sup>b</sup></b> | <b>2.5</b>              |
| Less: net debt for Indonesia smelter projects <sup>c</sup> | 1.5                    | 1.2                     |
| <b>FCX net debt, excluding Indonesia smelter projects</b>  | <b>\$ 1.3</b>          | <b>\$ 1.3</b>           |

a. Rounds to less than \$0.1 billion

b. Does not foot because of rounding.

c. Includes consolidated debt of \$3.0 billion and consolidated cash and cash equivalents of \$1.5 billion as of March 31, 2023, and consolidated debt of \$3.0 billion and consolidated cash and cash equivalents of \$1.8 billion as of December 31, 2022.

**DERIVATIVE INSTRUMENTS**

For the three months ended March 31, 2023, FCX's mined copper was sold 53% in concentrate, 22% as cathode and 25% as rod from North America operations. All of FCX's copper concentrate and some cathode sales contracts provide final copper pricing in a specified future month (generally one to four months from the shipment date) based primarily on quoted London Metal Exchange (LME) monthly average copper prices. FCX records revenues and invoices customers at the time of shipment based on then-current LME prices, which results in an embedded derivative on provisionally priced concentrate and cathode sales that is adjusted to fair value through earnings each period, using the period-end forward prices, until final pricing on the date of settlement. LME copper settlement prices averaged \$4.05 per pound during first-quarter 2023 and settled at \$4.05 per pound on March 31, 2023. Because a portion of FCX's copper concentrate and cathode sales in any quarterly period usually remain subject to final pricing, the quarter-end forward price is a determinant of the average recorded copper price for the period. FCX's average realized copper price was \$4.11 per pound in first-quarter 2023.

Following is a summary of the adjustments to prior period and current period provisionally priced copper sales (in millions, except per share amounts):

|   | Three Months Ended March 31, |                             |         |                           |                             |         |
|---|------------------------------|-----------------------------|---------|---------------------------|-----------------------------|---------|
|   | 2023                         |                             |         | 2022                      |                             |         |
|   | Prior Period <sup>a</sup>    | Current Period <sup>b</sup> | Total   | Prior Period <sup>a</sup> | Current Period <sup>b</sup> | Total   |
| Revenues                                | \$ 210                       | \$ 21                       | \$ 231  | \$ 102                    | \$ 116                      | \$ 218  |
| Net income attributable to common stock | \$ 72                        | \$ 7                        | \$ 79   | \$ 42                     | \$ 48                       | \$ 90   |
| Net income per share of common stock    | \$ 0.05                      | \$ —                        | \$ 0.05 | \$ 0.03                   | \$ 0.03                     | \$ 0.06 |

a. Reflects adjustments to provisionally priced copper sales at December 31, 2022 and 2021.

b. Reflects adjustments to provisionally priced copper sales during the three months ended March 31, 2023 and 2022.

At March 31, 2023, FCX had provisionally priced copper sales at its copper mining operations totaling 262 million pounds of copper (net of intercompany sales and noncontrolling interests) recorded at an average price of \$4.08 per pound, subject to final pricing over the next several months. FCX estimates that each \$0.05 change in the

**Freeport-McMoRan Inc.**  
**DERIVATIVE INSTRUMENTS (continued)**

price realized from the quarter-end provisional price would have an approximate \$24 million effect on 2023 revenues (\$8 million to net income attributable to common stock). The LME copper price settled at \$4.03 per pound on April 20, 2023.

Beginning on January 1, 2023, PT-FI's commercial arrangement with PT Smelting converted from a concentrate sales agreement to a tolling arrangement. Under this arrangement, PT-FI pays PT Smelting a tolling fee to smelt and refine its concentrate and PT-FI retains title to all products for sale to third parties (i.e., there are no further sales to PT Smelting). PT-FI's sale of copper cathodes under the tolling arrangement are priced in the month of shipment and are not subject to provisional pricing.

**DEFERRED PROFITS**

FCX defers recognizing profits on sales from its mining operations to Atlantic Copper and, through December 31, 2022, on 39.5% of PT-FI's sales to PT Smelting (PT-FI's 39.5% owned Indonesia smelting unit) until final sales to third parties occur. Changes in these deferrals attributable to variability in intercompany volumes resulted in net additions to operating income totaling \$111 million (\$48 million to net income attributable to common stock) in first-quarter 2023 and \$46 million (\$23 million to net income attributable to common stock) in first-quarter 2022. FCX's net deferred profits on its inventories at Atlantic Copper to be recognized in future periods' operating income totaled \$51 million at March 31, 2023. Quarterly variations in ore grades, the timing of intercompany shipments and changes in product prices will result in variability in FCX's net deferred profits and quarterly earnings.

While the new tolling agreement with PT Smelting does not significantly change PT-FI's economics, it impacted the timing of PT-FI's first-quarter 2023 sales and working capital requirements. PT-FI's first-quarter 2023 production exceeded its sales primarily associated with the deferral of mine production under the tolling arrangement that will be processed and sold as refined metal in future periods.

**NONCONTROLLING INTERESTS**

Net income attributable to noncontrolling interests is primarily associated with PT-FI, Cerro Verde and El Abra and totaled \$386 million in first-quarter 2023 (which represented 25% of FCX's consolidated income before income taxes). Refer to Business Segments below for net income attributable to noncontrolling interests for each of FCX's business segments. As noted above, FCX's economic interest in PT-FI approximated 81% through 2022, and beginning January 1, 2023, FCX's economic interest in PT-FI is 48.76% (with the exception of approximately 190 thousand ounces of first-quarter 2023 gold sales volumes that were attributed approximately 81% to FCX in accordance with the PT-FI shareholder agreement). Based on current sales volume and cost estimates and assuming average prices of \$4.00 per pound for copper, \$2,000 per ounce for gold and \$18.00 per pound for molybdenum, net income attributable to noncontrolling interests is estimated to approximate \$2.2 billion for the year 2023 (which would represent 30% of our consolidated income before income taxes). The actual amount will depend on many factors, including relative performance of each business segment, commodity prices, costs and other factors.

**BUSINESS SEGMENTS**

FCX has organized its mining operations into four primary divisions – North America copper mines, South America mining, Indonesia mining and Molybdenum mines, and operating segments that meet certain thresholds are reportable segments. Separately disclosed in the following tables are FCX's reportable segments, which include the Morenci and Cerro Verde copper mines, the Grasberg minerals district (Indonesia Mining), the Rod & Refining operations and Atlantic Copper Smelting & Refining.

Intersegment sales between FCX's business segments are based on terms similar to arms-length transactions with third parties at the time of the sale. Intersegment sales may not be reflective of the actual prices ultimately realized because of a variety of factors, including additional processing, the timing of sales to unaffiliated customers and transportation premiums.

FCX allocates certain operating costs, expenses and capital expenditures to its operating divisions and individual segments. However, not all costs and expenses applicable to an operation are allocated. U.S. federal and state income taxes are recorded and managed at the corporate level (included in Corporate, Other & Eliminations), whereas foreign income taxes are recorded and managed at the applicable country level. In addition, most mining exploration and research activities are managed on a consolidated basis, and those costs along with some selling, general and administrative costs, are not allocated to the operating divisions or individual segments. Accordingly, the following segment information reflects management determinations that may not be indicative of what the actual financial performance of each operating division or segment would be if it was an independent entity.

**Freeport-McMoRan Inc.**  
**BUSINESS SEGMENTS (continued)**

(In millions)

|   | North America Copper Mines |       |        | South America Mining |        |          | Indonesia Mining      | Molybdenum Mines | Rod & Refining | Atlantic Copper Smelting & Refining | Corporate, Other & Eliminations | FCX Total |
|---|----------------------------|-------|--------|----------------------|--------|----------|-----------------------|------------------|----------------|-------------------------------------|---------------------------------|-----------|
|   | Morenci                    | Other | Total  | Cerro Verde          | Other  | Total    |                       |                  |                |                                     |                                 |           |
| Three Months Ended March 31, 2023                   |                            |       |        |                      |        |          |                       |                  |                |                                     |                                 |           |
| Revenues:   |                            |       |        |                      |        |          |                       |                  |                |                                     |                                 |           |
| Unaffiliated customers                              | \$ 32                      | \$ 97 | \$ 129 | \$ 958               | \$ 234 | \$ 1,192 | \$ 1,199 <sup>a</sup> | \$ —             | \$ 1,523       | \$ 749                              | \$ 597 <sup>b</sup>             | \$ 5,389  |
| Intersegment  | 593                        | 948   | 1,541  | 244                  | —      | 244      | 169                   | 223              | 6              | 7                                   | (2,190)                         | —         |
| Production and delivery                             | 381                        | 781   | 1,162  | 620                  | 187    | 807      | 335                   | 96               | 1,527          | 734                                 | (1,496)                         | 3,165     |
| Depreciation, depletion and amortization            | 43                         | 60    | 103    | 91                   | 16     | 107      | 148                   | 20               | 1              | 7                                   | 13                              | 399       |
| Selling, general and administrative expenses        | —                          | 1     | 1      | 2                    | —      | 2        | 28                    | —                | —              | 8                                   | 87                              | 126       |
| Mining exploration and research expenses            | —                          | —     | —      | —                    | —      | —        | —                     | —                | —              | —                                   | 31                              | 31        |
| Environmental obligations and shutdown costs        | —                          | 21    | 21     | —                    | —      | —        | —                     | —                | —              | —                                   | 46                              | 67        |
| Operating income (loss)                             | 201                        | 182   | 383    | 489                  | 31     | 520      | 857                   | 107              | 1              | 7                                   | (274)                           | 1,601     |
| Interest expense, net                               | —                          | —     | —      | 29                   | —      | 29       | 9                     | —                | —              | 6                                   | 107                             | 151       |
| Provision for (benefit from) income taxes           | —                          | —     | —      | 187                  | 7      | 194      | 330                   | —                | —              | —                                   | (25)                            | 499       |
| Net income attributable to noncontrolling interests | —                          | —     | —      | 140                  | 18     | 158      | 271 <sup>c</sup>      | —                | —              | —                                   | (43)                            | 386       |
| Total assets at March 31, 2023                      | 3,142                      | 5,668 | 8,810  | 8,612                | 1,871  | 10,483   | 21,046                | 1,707            | 221            | 1,152                               | 7,490                           | 50,909    |
| Capital expenditures                                | 56                         | 140   | 196    | 61                   | 39     | 100      | 449                   | 9                | 5              | 12                                  | 350 <sup>d</sup>                | 1,121     |
| Three Months Ended March 31, 2022                   |                            |       |        |                      |        |          |                       |                  |                |                                     |                                 |           |
| Revenues:   |                            |       |        |                      |        |          |                       |                  |                |                                     |                                 |           |
| Unaffiliated customers                              | \$ 90                      | \$ 55 | \$ 145 | \$ 1,106             | \$ 160 | \$ 1,266 | \$ 2,326 <sup>a</sup> | \$ —             | \$ 1,743       | \$ 718                              | \$ 405 <sup>b</sup>             | \$ 6,603  |
| Intersegment  | 711                        | 1,095 | 1,806  | 108                  | —      | 108      | 78                    | 128              | 9              | —                                   | (2,129)                         | —         |
| Production and delivery                             | 363                        | 655   | 1,018  | 558                  | 112    | 670      | 626                   | 75               | 1,754          | 722                                 | (1,715)                         | 3,150     |
| Depreciation, depletion and amortization            | 44                         | 61    | 105    | 87                   | 10     | 97       | 248                   | 16               | 1              | 6                                   | 16                              | 489       |
| Selling, general and administrative expenses        | —                          | 1     | 1      | 2                    | —      | 2        | 27                    | —                | —              | 8                                   | 77                              | 115       |
| Mining exploration and research expenses            | —                          | —     | —      | —                    | —      | —        | —                     | —                | —              | —                                   | 24                              | 24        |
| Environmental obligations and shutdown costs        | —                          | —     | —      | —                    | —      | —        | —                     | —                | —              | —                                   | 16                              | 16        |
| Operating income (loss)                             | 394                        | 433   | 827    | 567                  | 38     | 605      | 1,503                 | 37               | (3)            | (18)                                | (142)                           | 2,809     |
| Interest expense, net                               | —                          | —     | —      | 3                    | —      | 3        | 2                     | —                | —              | 2                                   | 120                             | 127       |
| Provision for (benefit from) income taxes           | —                          | —     | —      | 227                  | 14     | 241      | 586                   | —                | —              | —                                   | (3)                             | 824       |
| Net income attributable to noncontrolling interests | —                          | —     | —      | 168                  | 6      | 174      | 190 <sup>c</sup>      | —                | —              | —                                   | 13                              | 377       |
| Total assets at March 31, 2022                      | 2,773                      | 5,284 | 8,057  | 8,678                | 1,925  | 10,603   | 19,338                | 1,702            | 299            | 1,045                               | 7,788                           | 48,832    |
| Capital expenditures                                | 73                         | 57    | 130    | 33                   | 23     | 56       | 379                   | 1                | 2              | 11                                  | 144 <sup>d</sup>                | 723       |

- a. Includes PT-FI sales to PT Smelting totaling \$27 million in first-quarter 2023 (reflecting adjustments to prior period provisionally priced concentrate sales) and \$917 million in first-quarter 2022. Beginning January 1, 2023, there are no sales from PT-FI to PT Smelting (refer to above discussion of the tolling arrangement between PT-FI and PT Smelting).
- b. Includes revenues from FCX's molybdenum sales company, which includes sales of molybdenum produced by the Molybdenum mines and by certain of the North America and South America copper mines.
- c. Beginning January 1, 2023, FCX's economic and equity ownership interest in PT-FI is 48.76%. Prior to January 1, 2023, FCX's economic interest in PT-FI approximated 81%. In 2023, the attribution of PT-FI's net income is based on equity ownership percentages, except for the net income attributable to approximately 190 thousand ounces of gold sales in first-quarter 2023 in accordance with the PT-FI shareholders agreement.
- d. Primarily includes capital expenditures for the Indonesia smelter projects.

**Freeport-McMoRan Inc.**  
**PRODUCT REVENUES AND PRODUCTION COSTS**

Unit net cash costs (credits) per pound of copper and molybdenum are measures intended to provide investors with information about the cash-generating capacity of FCX's mining operations expressed on a basis relating to the primary metal product for the respective operations. FCX uses this measure for the same purpose and for monitoring operating performance by its mining operations. This information differs from measures of performance determined in accordance with U.S. GAAP and should not be considered in isolation or as a substitute for measures of performance determined in accordance with U.S. GAAP. These measures are presented by other metals mining companies, although FCX's measures may not be comparable to similarly titled measures reported by other companies.

FCX presents gross profit per pound of copper in the following tables using both a "by-product" method and a "co-product" method. FCX uses the by-product method in its presentation of gross profit per pound of copper because (i) the majority of its revenues are copper revenues, (ii) it mines ore, which contains copper, gold, molybdenum and other metals, (iii) it is not possible to specifically assign all of FCX's costs to revenues from the copper, gold, molybdenum and other metals it produces and (iv) it is the method used by FCX's management and Board of Directors to monitor FCX's mining operations and to compare mining operations in certain industry publications. In the co-product method presentations, shared costs are allocated to the different products based on their relative revenue values, which will vary to the extent FCX's metals sales volumes and realized prices change.

FCX shows revenue adjustments for prior period open sales as a separate line item. Because these adjustments do not result from current period sales, these amounts have been reflected separately from revenues on current period sales. Noncash and other costs, net which are removed from site production and delivery costs in the calculation of unit net cash costs (credits), consist of items such as stock-based compensation costs, long-lived asset impairments, idle facility costs, feasibility and optimization study costs, restructuring and/or unusual charges. As discussed above, gold, molybdenum and other metal revenues at copper mines are reflected as credits against site production and delivery costs in the by-product method. The following schedules are presentations under both the by-product and co-product methods together with reconciliations to amounts reported in FCX's consolidated financial statements.

**Freeport-McMoRan Inc.**  
**PRODUCT REVENUES AND PRODUCTION COSTS (continued)**

**North America Copper Mines Product Revenues, Production Costs and Unit Net Cash Costs**

Three Months Ended March 31, 2023  
(In millions)

|  | By-Product<br>Method | Co-Product Method       |                         |                    | Total    |
|--|----------------------|-------------------------|-------------------------|--------------------|----------|
|  |                      | Copper                  | Molybdenum <sup>a</sup> | Other <sup>b</sup> |          |
| Revenues, excluding adjustments  | \$ 1,394             | \$ 1,394                | \$ 212                  | \$ 36              | \$ 1,642 |
| Site production and delivery, before net noncash and other costs shown below | 976                  | 850                     | 149                     | 27                 | 1,026    |
| By-product credits   | (198)                | —                       | —                       | —                  | —        |
| Treatment charges  | 42                   | 40                      | —                       | 2                  | 42       |
| Net cash costs   | 820                  | 890                     | 149                     | 29                 | 1,068    |
| Depreciation, depletion and amortization (DD&A)                              | 102                  | 90                      | 10                      | 2                  | 102      |
| Noncash and other costs, net   | 76 <sup>c</sup>      | 63                      | 12                      | 1                  | 76       |
| Total costs  | 998                  | 1,043                   | 171                     | 32                 | 1,246    |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 15                   | 15                      | —                       | —                  | 15       |
| Gross profit   | \$ 411               | \$ 366                  | \$ 41                   | \$ 4               | \$ 411   |
| Copper sales (millions of recoverable pounds)                                | 335                  | 335                     |                         |                    |          |
| Molybdenum sales (millions of recoverable pounds) <sup>a</sup>               |                      |                         | 7                       |                    |          |
| Gross profit per pound of copper/molybdenum:                                 |                      |                         |                         |                    |          |
| Revenues, excluding adjustments  | \$ 4.16              | \$ 4.16                 | \$ 28.35                |                    |          |
| Site production and delivery, before net noncash and other costs shown below | 2.91                 | 2.54                    | 19.85                   |                    |          |
| By-product credits   | (0.59)               | —                       | —                       |                    |          |
| Treatment charges  | 0.13                 | 0.12                    | —                       |                    |          |
| Unit net cash costs  | 2.45                 | 2.66                    | 19.85                   |                    |          |
| DD&A   | 0.31                 | 0.27                    | 1.36                    |                    |          |
| Noncash and other costs, net   | 0.22 <sup>c</sup>    | 0.18                    | 1.60                    |                    |          |
| Total unit costs   | 2.98                 | 3.11                    | 22.81                   |                    |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 0.04                 | 0.04                    | —                       |                    |          |
| Gross profit per pound   | \$ 1.22              | \$ 1.09                 | \$ 5.54                 |                    |          |
| Reconciliation to Amounts Reported   |                      |                         |                         |                    |          |
|  | Revenues             | Production and Delivery | DD&A                    |                    |          |
| Totals presented above   | \$ 1,642             | \$ 1,026                | \$ 102                  |                    |          |
| Treatment charges  | (6)                  | 36                      | —                       |                    |          |
| Noncash and other costs, net   | —                    | 76                      | —                       |                    |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 15                   | —                       | —                       |                    |          |
| Eliminations and other   | 19                   | 24                      | 1                       |                    |          |
| North America copper mines   | 1,670                | 1,162                   | 103                     |                    |          |
| Other mining <sup>d</sup>  | 5,312                | 3,499                   | 283                     |                    |          |
| Corporate, other & eliminations  | (1,593)              | (1,496)                 | 13                      |                    |          |
| As reported in FCX's consolidated financial statements                       | \$ 5,389             | \$ 3,165                | \$ 399                  |                    |          |

- a. Reflects sales of molybdenum produced by certain of the North America copper mines to FCX's molybdenum sales company at market-based pricing.  
b. Includes gold and silver product revenues and production costs.  
c. Includes charges totaling \$27 million (\$0.08 per pound of copper) for feasibility and optimization studies.  
d. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page VIII.

**Freeport-McMoRan Inc.**  
**PRODUCT REVENUES AND PRODUCTION COSTS (continued)**

**North America Copper Mines Product Revenues, Production Costs and Unit Net Cash Costs**

Three Months Ended March 31, 2022

(In millions)

|  | By-Product Method | Co-Product Method       |                         |                    | Total    |
|--|-------------------|-------------------------|-------------------------|--------------------|----------|
|  |                   | Copper                  | Molybdenum <sup>a</sup> | Other <sup>b</sup> |          |
| Revenues, excluding adjustments  | \$ 1,763          | \$ 1,763                | \$ 138                  | \$ 27              | \$ 1,928 |
| Site production and delivery, before net noncash and other costs shown below | 908               | 839                     | 84                      | 17                 | 940      |
| By-product credits   | (133)             | —                       | —                       | —                  | —        |
| Treatment charges  | 36                | 35                      | —                       | 1                  | 36       |
| Net cash costs   | 811               | 874                     | 84                      | 18                 | 976      |
| DD&A   | 105               | 96                      | 7                       | 2                  | 105      |
| Noncash and other costs, net   | 28 <sup>c</sup>   | 27                      | 1                       | —                  | 28       |
| Total costs  | 944               | 997                     | 92                      | 20                 | 1,109    |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 11                | 11                      | —                       | —                  | 11       |
| Gross profit   | \$ 830            | \$ 777                  | \$ 46                   | \$ 7               | \$ 830   |
| Copper sales (millions of recoverable pounds)                                | 381               | 381                     |                         |                    |          |
| Molybdenum sales (millions of recoverable pounds) <sup>a</sup>               |                   |                         | 7                       |                    |          |
| Gross profit per pound of copper/molybdenum:                                 |                   |                         |                         |                    |          |
| Revenues, excluding adjustments  | \$ 4.62           | \$ 4.62                 | \$ 17.97                |                    |          |
| Site production and delivery, before net noncash and other costs shown below | 2.38              | 2.20                    | 10.95                   |                    |          |
| By-product credits   | (0.34)            | —                       | —                       |                    |          |
| Treatment charges  | 0.09              | 0.09                    | —                       |                    |          |
| Unit net cash costs  | 2.13              | 2.29                    | 10.95                   |                    |          |
| DD&A   | 0.27              | 0.25                    | 0.88                    |                    |          |
| Noncash and other costs, net   | 0.07 <sup>c</sup> | 0.07                    | 0.14                    |                    |          |
| Total unit costs   | 2.47              | 2.61                    | 11.97                   |                    |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 0.03              | 0.03                    | —                       |                    |          |
| Gross profit per pound   | \$ 2.18           | \$ 2.04                 | \$ 6.00                 |                    |          |
| <b>Reconciliation to Amounts Reported</b>                                    |                   |                         |                         |                    |          |
|  | Revenues          | Production and Delivery | DD&A                    |                    |          |
| Totals presented above   | \$ 1,928          | \$ 940                  | \$ 105                  |                    |          |
| Treatment charges  | (4)               | 32                      | —                       |                    |          |
| Noncash and other costs, net   | —                 | 28                      | —                       |                    |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 11                | —                       | —                       |                    |          |
| Eliminations and other   | 16                | 18                      | —                       |                    |          |
| North America copper mines   | 1,951             | 1,018                   | 105                     |                    |          |
| Other mining <sup>d</sup>  | 6,376             | 3,847                   | 368                     |                    |          |
| Corporate, other & eliminations  | (1,724)           | (1,715)                 | 16                      |                    |          |
| As reported in FCX's consolidated financial statements                       | \$ 6,603          | \$ 3,150                | \$ 489                  |                    |          |

a. Reflects sales of molybdenum produced by certain of the North America copper mines to FCX's molybdenum sales company at market-based pricing.

b. Includes gold and silver product revenues and production costs.

c. Includes charges totaling \$8 million (\$0.02 per pound of copper) for feasibility and optimization studies.

d. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page VIII.

Freeport-McMoRan Inc.  
**PRODUCT REVENUES AND PRODUCTION COSTS (continued)**

**South America Mining Product Revenues, Production Costs and Unit Net Cash Costs**

Three Months Ended March 31, 2023  
(In millions)

|  | By-Product Method | Co-Product Method |                    |          |
|--|-------------------|-------------------|--------------------|----------|
|  |                   | Copper            | Other <sup>a</sup> | Total    |
| Revenues, excluding adjustments  | \$ 1,230          | \$ 1,230          | \$ 176             | \$ 1,406 |
| Site production and delivery, before net noncash and other costs shown below | 767               | 684               | 99                 | 783      |
| By-product credits   | (160)             | —                 | —                  | —        |
| Treatment charges  | 55                | 55                | —                  | 55       |
| Royalty on metals  | 2                 | 2                 | —                  | 2        |
| Net cash costs   | 664               | 741               | 99                 | 840      |
| DD&A   | 107               | 93                | 14                 | 107      |
| Noncash and other costs, net   | 26 <sup>c</sup>   | 23                | 3                  | 26       |
| Total costs  | 797               | 857               | 116                | 973      |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 88                | 88                | —                  | 88       |
| Gross profit   | \$ 521            | \$ 461            | \$ 60              | \$ 521   |
| Copper sales (millions of recoverable pounds)                                | 302               | 302               |                    |          |
| Gross profit per pound of copper:  |                   |                   |                    |          |
| Revenues, excluding adjustments  | \$ 4.08           | \$ 4.08           |                    |          |
| Site production and delivery, before net noncash and other costs shown below | 2.54              | 2.27              |                    |          |
| By-product credits   | (0.53)            | —                 |                    |          |
| Treatment charges  | 0.18              | 0.18              |                    |          |
| Royalty on metals  | 0.01              | 0.01              |                    |          |
| Unit net cash costs  | 2.20              | 2.46              |                    |          |
| DD&A   | 0.35              | 0.31              |                    |          |
| Noncash and other costs, net   | 0.09 <sup>c</sup> | 0.07              |                    |          |
| Total unit costs   | 2.64              | 2.84              |                    |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 0.29              | 0.29              |                    |          |
| Gross profit per pound   | \$ 1.73           | \$ 1.53           |                    |          |

**Reconciliation to Amounts Reported**

|   | Revenues | Production and Delivery | DD&A   |
|---|----------|-------------------------|--------|
| Totals presented above  | \$ 1,406 | \$ 783                  | \$ 107 |
| Treatment charges   | (55)     | —                       | —      |
| Royalty on metals   | (2)      | —                       | —      |
| Noncash and other costs, net  | —        | 26                      | —      |
| Other revenue adjustments, primarily for pricing on prior period open sales | 88       | —                       | —      |
| Eliminations and other  | (1)      | (2)                     | —      |
| South America mining  | 1,436    | 807                     | 107    |
| Other mining <sup>b</sup>   | 5,546    | 3,854                   | 279    |
| Corporate, other & eliminations   | (1,593)  | (1,496)                 | 13     |
| As reported in FCX's consolidated financial statements                      | \$ 5,389 | \$ 3,165                | \$ 399 |

- a. Includes silver sales of 1.0 million ounces (\$23.41 per ounce average realized price). Also reflects sales of molybdenum produced by Cerro Verde to FCX's molybdenum sales company at market-based pricing.  
b. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page VIII.  
c. Includes charges totaling \$9 million (\$0.03 per pound of copper) for feasibility studies.

**Freeport-McMoRan Inc.**  
**PRODUCT REVENUES AND PRODUCTION COSTS (continued)**

**South America Mining Product Revenues, Production Costs and Unit Net Cash Costs**

Three Months Ended March 31, 2022

(In millions)

|  | By-Product Method | Co-Product Method |                    |          |
|--|-------------------|-------------------|--------------------|----------|
|  |                   | Copper            | Other <sup>a</sup> | Total    |
| Revenues, excluding adjustments  | \$ 1,236          | \$ 1,236          | \$ 125             | \$ 1,361 |
| Site production and delivery, before net noncash and other costs shown below | 640               | 587               | 67                 | 654      |
| By-product credits   | (111)             | —                 | —                  | —        |
| Treatment charges  | 39                | 39                | —                  | 39       |
| Royalty on metals  | 3                 | 3                 | —                  | 3        |
| Net cash costs   | 571               | 629               | 67                 | 696      |
| DD&A   | 97                | 88                | 9                  | 97       |
| Noncash and other costs, net   | 17                | 16                | 1                  | 17       |
| Total costs  | 685               | 733               | 77                 | 810      |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 55                | 55                | —                  | 55       |
| Gross profit   | \$ 606            | \$ 558            | \$ 48              | \$ 606   |
| Copper sales (millions of recoverable pounds)                                | 264               | 264               |                    |          |
| Gross profit per pound of copper:  |                   |                   |                    |          |
| Revenues, excluding adjustments  | \$ 4.69           | \$ 4.69           |                    |          |
| Site production and delivery, before net noncash and other costs shown below | 2.43              | 2.22              |                    |          |
| By-product credits   | (0.43)            | —                 |                    |          |
| Treatment charges  | 0.15              | 0.15              |                    |          |
| Royalty on metals  | 0.01              | 0.01              |                    |          |
| Unit net cash costs  | 2.16              | 2.38              |                    |          |
| DD&A   | 0.37              | 0.33              |                    |          |
| Noncash and other costs, net   | 0.07              | 0.07              |                    |          |
| Total unit costs   | 2.60              | 2.78              |                    |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 0.21              | 0.21              |                    |          |
| Gross profit per pound   | \$ 2.30           | \$ 2.12           |                    |          |

**Reconciliation to Amounts Reported**

|   | Production |              |        |
|---|------------|--------------|--------|
|   | Revenues   | and Delivery | DD&A   |
| Totals presented above  | \$ 1,361   | \$ 654       | \$ 97  |
| Treatment charges   | (39)       | —            | —      |
| Royalty on metals   | (3)        | —            | —      |
| Noncash and other costs, net  | —          | 17           | —      |
| Other revenue adjustments, primarily for pricing on prior period open sales | 55         | —            | —      |
| Eliminations and other  | —          | (1)          | —      |
| South America mining  | 1,374      | 670          | 97     |
| Other mining <sup>b</sup>   | 6,953      | 4,195        | 376    |
| Corporate, other & eliminations   | (1,724)    | (1,715)      | 16     |
| As reported in FCX's consolidated financial statements                      | \$ 6,603   | \$ 3,150     | \$ 489 |

- a. Includes silver sales of 1.0 million ounces (\$23.36 per ounce average realized price). Also reflects sales of molybdenum produced by Cerro Verde to FCX's molybdenum sales company at market-based pricing.  
b. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page VIII.

**Freeport-McMoRan Inc.**  
**PRODUCT REVENUES AND PRODUCTION COSTS (continued)**

**Indonesia Mining Product Revenues, Production Costs and Unit Net Cash (Credits) Costs**

Three Months Ended March 31, 2023  
(In millions)

|  | By-Product<br>Method | Co-Product Method       |          |                     | Total    |
|--|----------------------|-------------------------|----------|---------------------|----------|
|  |                      | Copper                  | Gold     | Silver <sup>a</sup> |          |
| Revenues, excluding adjustments  | \$ 806               | \$ 806                  | \$ 518   | \$ 28               | \$ 1,352 |
| Site production and delivery, before net noncash and other costs shown below | 399                  | 238                     | 153      | 8                   | 399      |
| Gold and silver credits  | (563)                | —                       | —        | —                   | —        |
| Treatment charges  | 74                   | 44                      | 28       | 2                   | 74       |
| Export duties  | 17                   | 10                      | 7        | —                   | 17       |
| Royalty on metals  | 58                   | 37                      | 20       | 1                   | 58       |
| Net cash (credits) costs   | (15)                 | 329                     | 208      | 11                  | 548      |
| DD&A   | 148                  | 88                      | 57       | 3                   | 148      |
| Noncash and other costs, net   | 30 <sup>b</sup>      | 18                      | 11       | 1                   | 30       |
| Total costs  | 183                  | 435                     | 276      | 15                  | 726      |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 126                  | 126                     | 17       | —                   | 143      |
| PT Smelting intercompany profit  | 112                  | 67                      | 43       | 2                   | 112      |
| Gross profit   | \$ 881               | \$ 564                  | \$ 302   | \$ 15               | \$ 881   |
| Copper sales (millions of recoverable pounds)                                | 198                  | 198                     |          |                     |          |
| Gold sales (thousands of recoverable ounces)                                 |                      |                         | 266      |                     |          |
| Gross profit per pound of copper/per ounce of gold:                          |                      |                         |          |                     |          |
| Revenues, excluding adjustments  | \$ 4.07              | \$ 4.07                 | \$ 1,949 |                     |          |
| Site production and delivery, before net noncash and other costs shown below | 2.01                 | 1.20                    | 574      |                     |          |
| Gold and silver credits  | (2.84)               | —                       | —        |                     |          |
| Treatment charges  | 0.37                 | 0.22                    | 106      |                     |          |
| Export duties  | 0.09                 | 0.05                    | 25       |                     |          |
| Royalty on metals  | 0.29                 | 0.19                    | 76       |                     |          |
| Unit net cash (credits) costs  | (0.08)               | 1.66                    | 781      |                     |          |
| DD&A   | 0.75                 | 0.45                    | 214      |                     |          |
| Noncash and other costs, net   | 0.16 <sup>b</sup>    | 0.09                    | 43       |                     |          |
| Total unit costs   | 0.83                 | 2.20                    | 1,038    |                     |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 0.64                 | 0.64                    | 65       |                     |          |
| PT Smelting intercompany profit  | 0.56                 | 0.34                    | 162      |                     |          |
| Gross profit per pound/ounce   | \$ 4.44              | \$ 2.85                 | \$ 1,138 |                     |          |
| <b>Reconciliation to Amounts Reported</b>                                    |                      |                         |          |                     |          |
|  | Revenues             | Production and Delivery | DD&A     |                     |          |
| Totals presented above   | \$ 1,352             | \$ 399                  | \$ 148   |                     |          |
| Treatment charges  | (52)                 | 22                      | —        |                     |          |
| Export duties  | (17)                 | —                       | —        |                     |          |
| Royalty on metals  | (58)                 | —                       | —        |                     |          |
| Noncash and other costs, net   | —                    | 30                      | —        |                     |          |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 143                  | —                       | —        |                     |          |
| PT Smelting intercompany profit  | —                    | (112)                   | —        |                     |          |
| Eliminations and other   | —                    | (4)                     | —        |                     |          |
| Indonesia mining   | 1,368                | 335                     | 148      |                     |          |
| Other mining <sup>c</sup>  | 5,614                | 4,326                   | 238      |                     |          |
| Corporate, other & eliminations  | (1,593)              | (1,496)                 | 13       |                     |          |
| As reported in FCX's consolidated financial statements                       | \$ 5,389             | \$ 3,165                | \$ 399   |                     |          |

a. Includes silver sales of 0.9 million ounces (\$23.29 per ounce average realized price).

b. Includes charges totaling \$13 million (\$0.07 per pound of copper) for feasibility and optimization studies.

c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page VIII.

**Freeport-McMoRan Inc.**  
**PRODUCT REVENUES AND PRODUCTION COSTS (continued)**

**Indonesia Mining Product Revenues, Production Costs and Unit Net Cash (Credits) Costs**

Three Months Ended March 31, 2022

| (In millions)  | By-Product Method | Co-Product Method       |          |                     |          | Total |
|--|-------------------|-------------------------|----------|---------------------|----------|-------|
|  |                   | Copper                  | Gold     | Silver <sup>a</sup> |          |       |
| Revenues, excluding adjustments  | \$ 1,778          | \$ 1,778                | \$ 780   | \$ 38               | \$ 2,596 |       |
| Site production and delivery, before net noncash and other costs shown below | 534               | 366                     | 160      | 8                   | 534      |       |
| Gold and silver credits  | (821)             | —                       | —        | —                   | —        |       |
| Treatment charges  | 93                | 64                      | 28       | 1                   | 93       |       |
| Export duties  | 79                | 54                      | 24       | 1                   | 79       |       |
| Royalty on metals  | 92                | 63                      | 28       | 1                   | 92       |       |
| Net cash (credits) costs   | (23)              | 547                     | 240      | 11                  | 798      |       |
| DD&A   | 248               | 169                     | 75       | 4                   | 248      |       |
| Noncash and other costs, net   | 27 <sup>b</sup>   | 19                      | 8        | —                   | 27       |       |
| Total costs  | 252               | 735                     | 323      | 15                  | 1,073    |       |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 57                | 57                      | 3        | —                   | 60       |       |
| PT Smelting intercompany loss  | (53)              | (36)                    | (16)     | (1)                 | (53)     |       |
| Gross profit   | \$ 1,530          | \$ 1,064                | \$ 444   | \$ 22               | \$ 1,530 |       |
| Copper sales (millions of recoverable pounds)                                | 379               | 379                     |          |                     |          |       |
| Gold sales (thousands of recoverable ounces)                                 |                   |                         | 406      |                     |          |       |
| Gross profit per pound of copper/per ounce of gold:                          |                   |                         |          |                     |          |       |
| Revenues, excluding adjustments  | \$ 4.69           | \$ 4.69                 | \$ 1,920 |                     |          |       |
| Site production and delivery, before net noncash and other costs shown below | 1.41              | 0.96                    | 395      |                     |          |       |
| Gold and silver credits  | (2.17)            | —                       | —        |                     |          |       |
| Treatment charges  | 0.25              | 0.17                    | 69       |                     |          |       |
| Export duties  | 0.21              | 0.14                    | 59       |                     |          |       |
| Royalty on metals  | 0.24              | 0.17                    | 69       |                     |          |       |
| Unit net cash (credits) costs  | (0.06)            | 1.44                    | 592      |                     |          |       |
| DD&A   | 0.66              | 0.45                    | 183      |                     |          |       |
| Noncash and other costs, net   | 0.07 <sup>b</sup> | 0.05                    | 20       |                     |          |       |
| Total unit costs   | 0.67              | 1.94                    | 795      |                     |          |       |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 0.15              | 0.15                    | 8        |                     |          |       |
| PT Smelting intercompany loss  | (0.13)            | (0.09)                  | (39)     |                     |          |       |
| Gross profit per pound/ounce   | \$ 4.04           | \$ 2.81                 | \$ 1,094 |                     |          |       |
| <b>Reconciliation to Amounts Reported</b>                                    |                   |                         |          |                     |          |       |
|  | Revenues          | Production and Delivery | DD&A     |                     |          |       |
| Totals presented above   | \$ 2,596          | \$ 534                  | \$ 248   |                     |          |       |
| Treatment charges  | (93)              | —                       | —        |                     |          |       |
| Export duties  | (79)              | —                       | —        |                     |          |       |
| Royalty on metals  | (92)              | —                       | —        |                     |          |       |
| Noncash and other costs, net   | 12                | 39                      | —        |                     |          |       |
| Other revenue adjustments, primarily for pricing on prior period open sales  | 60                | —                       | —        |                     |          |       |
| PT Smelting intercompany loss  | —                 | 53                      | —        |                     |          |       |
| Indonesia mining   | 2,404             | 626                     | 248      |                     |          |       |
| Other mining <sup>c</sup>  | 5,923             | 4,239                   | 225      |                     |          |       |
| Corporate, other & eliminations  | (1,724)           | (1,715)                 | 16       |                     |          |       |
| As reported in FCX's consolidated financial statements                       | \$ 6,603          | \$ 3,150                | \$ 489   |                     |          |       |

a. Includes silver sales of 1.6 million ounces (\$24.35 per ounce average realized price).

b. Includes charges of \$41 million (\$0.11 per pound of copper) associated with a settlement of an administrative fine levied by the Indonesia government and \$18 million (\$0.05 per pound of copper) associated with an adjustment to prior-period export duties, partly offset by credits of \$30 million (\$0.08 per pound of copper) associated with adjustments to prior year treatment and refining costs.

c. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page VIII.

**Freeport-McMoRan Inc.**  
**PRODUCT REVENUES AND PRODUCTION COSTS (continued)**

**Molybdenum Mines Product Revenues, Production Costs and Unit Net Cash Costs**

| (In millions)  | Three Months Ended March 31, |          |
|--|------------------------------|----------|
|  | 2023                         | 2022     |
| Revenues, excluding adjustments <sup>a</sup>                                 | \$ 230                       | \$ 134   |
| Site production and delivery, before net noncash and other costs shown below | 91                           | 72       |
| Treatment charges and other  | 7                            | 6        |
| Net cash costs   | 98                           | 78       |
| DD&A   | 20                           | 16       |
| Noncash and other costs, net   | 5                            | 3        |
| Total costs  | 123                          | 97       |
| Gross profit   | \$ 107                       | \$ 37    |
| Molybdenum sales (millions of recoverable pounds) <sup>a</sup>               | 8                            | 7        |
| Gross profit per pound of molybdenum:  |                              |          |
| Revenues, excluding adjustments <sup>a</sup>                                 | \$ 28.96                     | \$ 18.75 |
| Site production and delivery, before net noncash and other costs shown below | 11.39                        | 10.04    |
| Treatment charges and other  | 0.85                         | 0.85     |
| Unit net cash costs  | 12.24                        | 10.89    |
| DD&A   | 2.57                         | 2.27     |
| Noncash and other costs, net   | 0.68                         | 0.40     |
| Total unit costs   | 15.49                        | 13.56    |
| Gross profit per pound   | \$ 13.47                     | \$ 5.19  |

**Reconciliation to Amounts Reported**

|  | Revenues | Production and Delivery | DD&A   |
|--|----------|-------------------------|--------|
| <b>Three Months Ended March 31, 2023</b>               |          |                         |        |
| Totals presented above                                 | \$ 230   | \$ 91                   | \$ 20  |
| Treatment charges and other                            | (7)      | —                       | —      |
| Noncash and other costs, net                           | —        | 5                       | —      |
| Molybdenum mines                                       | 223      | 96                      | 20     |
| Other mining <sup>b</sup>                              | 6,759    | 4,565                   | 366    |
| Corporate, other & eliminations                        | (1,593)  | (1,496)                 | 13     |
| As reported in FCX's consolidated financial statements | \$ 5,389 | \$ 3,165                | \$ 399 |
| <b>Three Months Ended March 31, 2022</b>               |          |                         |        |
| Totals presented above                                 | \$ 134   | \$ 72                   | \$ 16  |
| Treatment charges and other                            | (6)      | —                       | —      |
| Noncash and other costs, net                           | —        | 3                       | —      |
| Molybdenum mines                                       | 128      | 75                      | 16     |
| Other mining <sup>b</sup>                              | 8,199    | 4,790                   | 457    |
| Corporate, other & eliminations                        | (1,724)  | (1,715)                 | 16     |
| As reported in FCX's consolidated financial statements | \$ 6,603 | \$ 3,150                | \$ 489 |

- a. Reflects sales of the Molybdenum mines' production to FCX's molybdenum sales company at market-based pricing. On a consolidated basis, realizations are based on the actual contract terms for sales to third parties; as a result, FCX's consolidated average realized price per pound of molybdenum will differ from the amounts reported in this table.
- b. Represents the combined total for FCX's other mining operations as presented in the supplemental schedule, "Business Segments," beginning on page VIII. Also includes amounts associated with FCX's molybdenum sales company, which includes sales of molybdenum produced by the Molybdenum mines and by certain of the North America and South America copper mines.



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## FCX Conference Call 1<sup>st</sup> Quarter 2023 Results

April 21, 2023

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# 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 plans, projections, or expectations relating to business outlook, strategy, goals or targets; global market conditions; ore grades and milling rates; production and sales volumes; unit net cash costs and operating costs; capital expenditures; operating plans; cash flows; liquidity; PT-FI's financing, construction and completion of additional domestic smelting capacity in Indonesia in accordance with the terms of its special mining license (IUPK); extension of PT-FI's IUPK beyond 2041 and export permit beyond June 10, 2023; FCX's commitment to deliver responsibly produced copper and molybdenum, including plans to implement, validate and maintain validation of its operating sites under specific frameworks; execution of FCX's energy and climate strategies and the underlying assumptions and estimated impacts on FCX's business related thereto; achievement of 2030 climate targets and 2050 net zero aspiration; improvements in operating procedures and technology innovations; exploration efforts and results; development and production activities, rates and costs; future organic growth opportunities; tax rates; export quotas; the impact of copper, gold and molybdenum price changes; the impact of deferred intercompany profits on earnings; mineral reserve and mineral resource estimates; final resolution of settlements associated with ongoing legal proceedings; debt repurchases; and the ongoing implementation of FCX's financial policy and future returns to shareholders, including dividend payments (base or variable) and share repurchases. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "could," "to be," "potential," "assumptions," "guidance," "aspirations," "future," "commitments," "pursues," "initiates," "objectives," "opportunities," "strategy" and any similar expressions are intended to identify those assertions as forward-looking statements. The declaration and payment of dividends (base or variable), and timing and amount of any share repurchases is at the discretion of the Board of Directors (Board) and management, respectively, and is subject to a number of factors, including maintaining FCX's net debt target, capital availability, FCX's financial results, cash requirements, global economic conditions, changes in laws, contractual restrictions and other factors deemed relevant by the Board or management, as applicable. The share repurchase program may be modified, increased, suspended or terminated at any time at the Board's discretion.

FCX cautions readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, expected, 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, but are not limited to, supply of and demand for, and prices of the commodities FCX produces, primarily copper; price and availability of consumables and components FCX purchases as well as constraints on supply and logistics, and transportation services; changes in FCX's cash requirements, financial position, financing or investment plans; changes in general market, economic, regulatory or industry conditions; reductions in liquidity and access to capital; changes in tax laws and regulations, including the impact of the Inflation Reduction Act; any major public health crisis; political and social risks, including the potential effects of violence in Indonesia, civil unrest in Peru, and relations with local communities and Indigenous Peoples; operational risks inherent in mining, with higher inherent risks in underground mining; mine sequencing; changes in mine plans or operational modifications, delays, deferrals or cancellations; production rates; timing of shipments; results of technical, economic or feasibility studies; potential inventory adjustments; potential impairment of long-lived mining assets; PT-FI's ability to export and sell copper concentrate and anode slimes; satisfaction of requirements in accordance with PT-FI's IUPK to extend mining rights from 2031 through 2041; the Indonesia government's approval of a deferred schedule for completion of additional domestic smelting capacity in Indonesia; discussions relating to the extension of PT-FI's IUPK beyond 2041; cybersecurity incidents; labor relations, including labor-related work stoppages and costs; compliance with applicable environmental, health and safety laws and regulations; weather- and climate-related risks; environmental risks, including availability of secure water supplies, and litigation results; FCX's ability to comply with its responsible production commitments under specific frameworks and any changes to such frameworks 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, 2022, filed with the U.S. Securities and Exchange Commission (SEC).

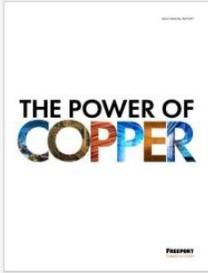
Investors are cautioned that many of the assumptions upon which FCX's forward-looking statements are based are likely to change after the date the forward-looking statements are made, including for example commodity prices, which FCX cannot control, and production volumes and costs or technological solutions and innovation, 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 undertakes no obligation to update any forward-looking statements, which speak only as of the date made, notwithstanding any changes in its assumptions, changes in business plans, actual experience or other changes.

Estimates of mineral reserves and mineral resources are subject to considerable uncertainty. Such estimates are, to a large extent, based on metal prices for the commodities we produce and interpretations of geologic data, which may not necessarily be indicative of future results or quantities ultimately recovered. This presentation includes forward-looking statements regarding mineral resources not included in proven and probable mineral reserves. A mineral resource, which includes measured, indicated and inferred mineral resources, is a concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade or quality, and quantity that there are reasonable prospects for economic extraction. Such a deposit cannot qualify as recoverable proven and probable mineral reserves until legal and economic feasibility are confirmed based upon a comprehensive evaluation of development and operating costs, grades, recoveries and other material modifying factors. This presentation also includes forward-looking statements regarding mineral potential, which includes exploration targets and mineral resources but will not qualify as mineral reserves until comprehensive engineering studies establish legal and economic feasibility. Significant additional evaluation 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 mineral reserves or estimated mineral potential not included in mineral reserves will become proven and probable mineral reserves.

This presentation also contains financial measures such as unit net cash costs per pound of copper and molybdenum, net debt and adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), which are not recognized under U.S. generally accepted accounting principles (GAAP). As required by SEC Regulation G, FCX's calculation and reconciliation of unit net cash costs per pound of copper and net debt to amounts reported in FCX's consolidated financial statements are in the supplemental schedules of FCX's 1Q23 press release, which is available on FCX's website, [fcx.com](http://fcx.com). A reconciliation of amounts reported in FCX's consolidated financial statements to adjusted EBITDA is included on slide 30.

For forward-looking non-GAAP measures FCX is unable to provide a reconciliation to the most comparable GAAP financial measure because the information needed to reconcile these measures is dependent upon future events, many of which are outside of management's control as described above. Additionally, estimating such GAAP measures and providing a meaningful reconciliation consistent with FCX's accounting policies for future periods is extremely difficult and requires a level of precision that is unavailable for these future periods and cannot be accomplished without unreasonable effort. Forward-looking non-GAAP measures are estimated consistent with the relevant definitions and assumptions.

# 2022 Reports



## 2022 Annual Report Highlights

- Premier global leader in copper industry
- Large-scale, long-lived reserves
- Attractive portfolio of organic growth opportunities
- Strongly positioned with favorable market outlook
- Focused on delivering long-term value to all stakeholders



## 2022 Sustainability Report Highlights

- Accelerate the Future, Responsibly
- Leading responsible copper producer
- 22<sup>nd</sup> year of reporting on sustainability progress
- Achieved Copper Mark at all 12 copper producing sites globally

# 1Q 2023 Highlights



## Copper

| Production    | Sales                        | Price Realization |
|---------------|------------------------------|-------------------|
| 965<br>mm lbs | 832 <sup>(1)</sup><br>mm lbs | \$4.11<br>per lb  |

## Gold

|              |                             |                   |
|--------------|-----------------------------|-------------------|
| 405<br>k ozs | 270 <sup>(1)</sup><br>k ozs | \$1,949<br>per oz |
|--------------|-----------------------------|-------------------|

## Molybdenum

|              |              |                |
|--------------|--------------|----------------|
| 21<br>mm lbs | 19<br>mm lbs | \$30<br>per lb |
|--------------|--------------|----------------|

## Unit Net Cash Costs (Credits)

|           |             |
|-----------|-------------|
| \$1.76/lb | \$(0.08)/lb |
|-----------|-------------|

Consolidated                      Indonesia

In line with January Guidance

## Adjusted EBITDA

**\$2.2 bn**<sup>(2)</sup>

## Operating Cash Flow

**\$1.1 bn**

Net of \$0.5 bn in working capital uses

## Net Debt

**\$1.3 bn**<sup>(3)</sup>

Excluding net debt for smelter projects

**Increasing sales volumes  
expected in balance of the year**

(1) Impacted by Grasberg weather event and transition to new tolling agreement.

(2) A reconciliation of amounts reported in FCX's consolidated financial statements to Adjusted EBITDA is included on slide 30.

(3) Net debt equals consolidated debt less consolidated cash. Excludes \$1.5 bn in net debt associated with the Indonesia smelter projects.

See Cautionary Statement

# 1Q23 Execution Under Challenging Circumstances



## Grasberg Weather Event in February

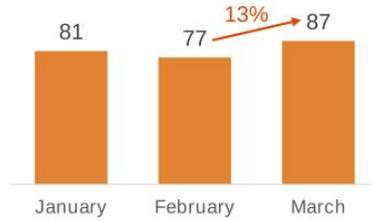
PT-FI Copper Production



- Major rain event triggered landslides in mill area at Grasberg
- Safe execution of cleanup; restored full operations in March
- No significant property damage

## Peruvian Civil Unrest

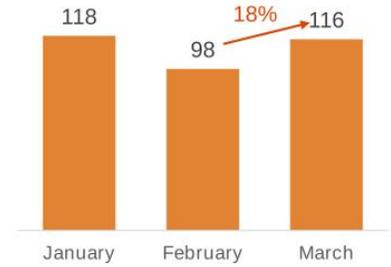
Cerro Verde Copper Production



- Disruptions to supply chains and transportation routes
- Maintained operations with focus on safety and security
- Situation improved in March

## U.S. Labor Shortages, Extreme Weather Events & Equipment Availability Issues

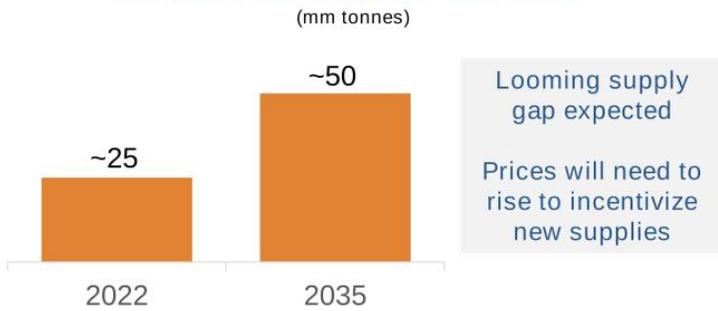
U.S. Copper Production



- Centralized effort to support maintenance and reliability
- Enhanced skill training
- Technology & automation initiatives
- Leach initiatives helped offset shortfalls

# Copper – The Metal of Electrification

## Copper Demand Forecast <sup>(1)</sup>



- Intensity of copper use in electrification is rising
- Low carbon technologies driving massive growth in metals demand
- Renewables growth from 10% to 60% of power under 2050 net zero <sup>(2)</sup>

(1) Source: S&P Global copper study published in July 2022

(2) Source: International Monetary Fund

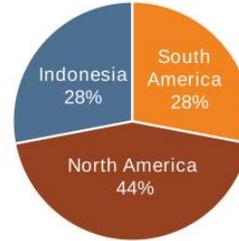
(3) As of 12/31/22. Copper reserves (recoverable metal) based on long-term average prices of \$3.00/lb for copper; copper resources (contained metal) based on long-term average copper price of \$3.50/lb. Mineral resources are not included in mineral reserves and will not qualify as mineral reserves until comprehensive engineering studies establish legal and economic feasibility. Accordingly, no assurance can be given that the estimated mineral resources will become proven and probable mineral reserves. See Cautionary Statement.

## **FM** FREEPORT-McMoRAN

### Strongly Positioned to Support Growing Demand

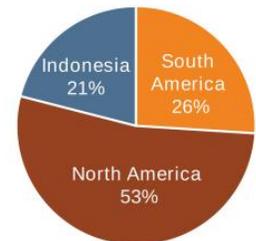
#### Copper Reserves <sup>(3)</sup>

111 bn lbs



#### Copper Resources <sup>(3)</sup>

235 bn lbs



- Established franchises in Americas and Indonesia
- Track record for sustainable resource development
- Experienced team

# Molybdenum Market Commentary

- FCX 1Q23 production 21mm lbs: 63% by-product / 37% primary
- S&P Platts Metals Week Daily molybdenum dealer oxide price
  - Averaged \$32.78/lb in 1Q23 vs. \$19.08/lb in 1Q22
  - Price on April 20, 2023: \$21.50/lb
- Positive long-term market fundamentals
- Consumption expected to increase in key industries, including automotive, aerospace, energy and renewables
- Supplies are limited

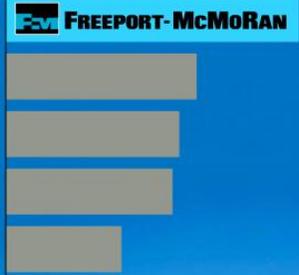


Source: S&P Platts Metals Week Daily Dealer Oxide  
 (1) Based on 2024e/2025e annual average. e = estimate. See Cautionary Statement.

| Annual Sensitivities <sup>(1)</sup> |                     | +\$5.00/lb |
|-------------------------------------|---------------------|------------|
|                                     |                     | -\$5.00/lb |
| (US\$ in mms)                       |                     |            |
| EBITDA                              | Operating Cash Flow |            |
| \$ 400                              | \$375               |            |

## World's Largest Molybdenum Producer

(mm lbs) 0 20 40 60 80 100



Source: Wood Mackenzie April 2023



# Leach Initiatives Gaining Traction



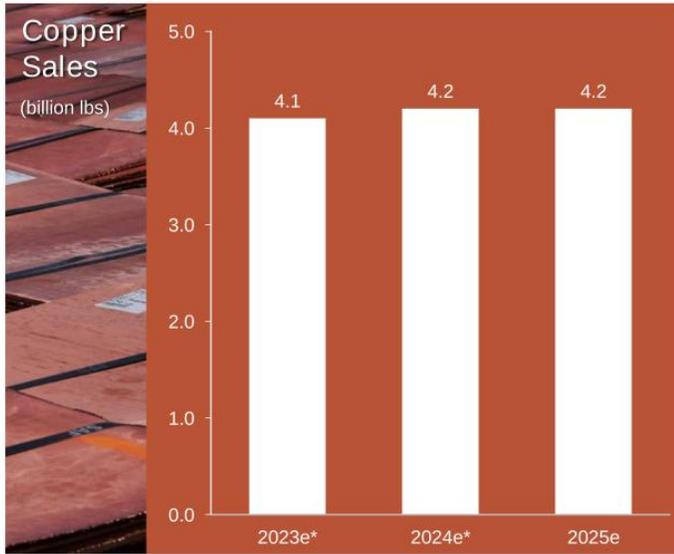
| Operational Initiatives  | Further Innovation to Build Scale  | Significant Potential  |
|--|--|--|
| <p><b>30%</b></p> <p><b>Heat – Proven Enhancer</b></p> <ul style="list-style-type: none"> <li>Covers installed on over 30% (42mm ft<sup>2</sup>) of leach areas</li> <li>Mechanization improving installation execution</li> </ul>   | <p><b>Turning Up the Heat</b></p> <ul style="list-style-type: none"> <li>Evaluating heated injections using renewable sources</li> <li>Cover expansion</li> </ul>  | <p><b>Copper in Leach Stockpiles Unrecoverable by Traditional Leach Methods</b></p> <p><b>38 bn lbs Contained*</b></p> <p>South America 16%</p> <p>Other North America 34%</p> <p>Morenci 50%</p> <p>* Copper from historical placements beyond assumed recovery estimates and is not included in mineral reserves or mineral resources.<br/>See Cautionary Statement.</p> |
| <p><b>50%</b></p> <p><b>Leach “Everywhere”</b></p> <ul style="list-style-type: none"> <li>Targeted drilling to improve flow</li> <li>Injecting solution to lower stockpile sections</li> <li>Sensors measuring conditions</li> <li>Extended side slope leaching</li> </ul> | <p><b>Additives</b></p> <ul style="list-style-type: none"> <li>Pursuing internal &amp; third-party technology</li> <li>Transition from lab to large-scale testing</li> <li>AI-driven evaluation accelerating development</li> </ul>                              |  |
| <p><b>20%</b></p> <p><b>Analytics</b></p> <ul style="list-style-type: none"> <li>Providing valuable insights</li> <li>Optimizing acid concentration</li> <li>Testing response to application rates</li> </ul> <p>~200 mm lbs per annum run rate targeted by YE 2023</p>    | <p><b>Air Injection/Oxidation</b></p> <ul style="list-style-type: none"> <li>Sulfide leaching dependent on oxygen</li> <li>Evaluating new uses of existing technology</li> </ul> <p><b>R&amp;D stage – Potential to build scale to ~800 mm lbs per annum</b></p> |  |

# Organic Development Pipeline

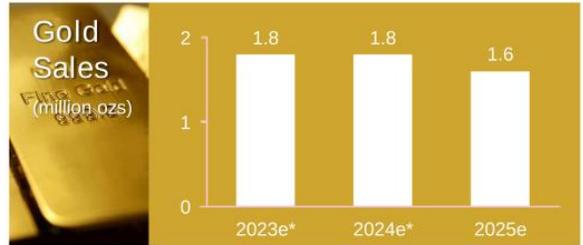
| Near-Term   | Medium-Term  | Long-Term Potential   |
|---|--|---|
| <p>Leach Initiatives<br/>~200 mm lbs*</p> <hr/> <p>North America Staffing &amp; Asset Efficiency<br/>~200 mm lbs*</p>   | <p>Potential Step Change in Leaching Technology<br/>~600 mm lbs*</p> <hr/> <p>Bagdad 2X Expansion<br/>~200 mm lbs*</p> <hr/> <p>El Abra Expansion<br/>~650 mm lbs*</p> <hr/> <p>Kucing Liar<br/>~550 mm lbs &amp; 560 k ozs*</p> | <p>Safford / Lone Star Sulfides<br/>~50 bn lbs<br/>Mineral Potential <sup>(1)</sup></p> <hr/> <p>Other U.S. Brownfield Opportunities<br/>~100 bn lbs<br/>Mineral Potential <sup>(1)</sup></p> <hr/> <p>Grasberg Extension of Operating Rights Beyond 2041<br/>opens significant development potential</p> |
| <p><small>* Annual production estimates<br/>(1) Estimated mineral potential includes exploration targets and mineral resources but will not qualify as mineral reserves until comprehensive engineering studies establish legal and economic feasibility. Significant additional evaluation is required and no assurance can be given that the potential quantities of metal will be produced. Accordingly, no assurance can be given that estimated mineral potential not included in mineral reserves will become proven and probable mineral reserves.<br/>See Cautionary Statement.</small></p> |  |   |

# Annual Sales Profile

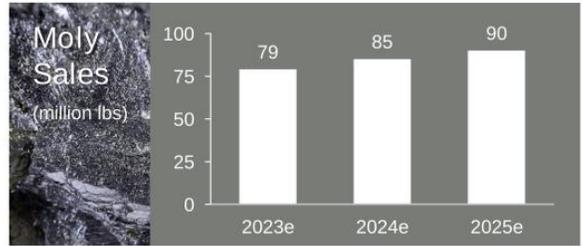
April 2023 Estimate



NOTE: Consolidated copper sales include 1.3 bn lbs in 2023e, 1.4 bn lbs in 2024e and 1.36 bn lbs in 2025e for noncontrolling interests; excludes purchased copper.



NOTE: Consolidated gold sales include 836k ozs in 2023e, 922k ozs in 2024e and 820k ozs in 2025e for noncontrolling interests.



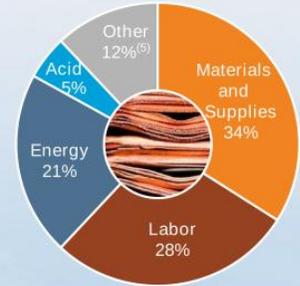
\* Estimates assume deferrals of ~110 mm lbs of copper and ~140k ozs of gold in 2023 related to production deferred in inventory until final sale associated with PT-FI's tolling arrangement with PT Smelting (effective January 2023) and ~100 mm lbs of copper and ~110k ozs of gold in 2024 related to PT-FI's Manyar smelter (expected to commence in 2024).  
e = estimate. See Cautionary Statement.

# Reconciliation of 2023e Unit Net Cash Cost Guidance

(\$ and ¢ per pound of copper)

|  | January 2023e<br>Guidance <sup>(1)</sup> | Impacts            | April 2023e<br>Guidance <sup>(2)</sup> |
|--|--|--------------------|--|
| Site Production & Delivery               | \$2.29                                   | +7¢ <sup>(3)</sup> | \$2.36                                 |
| By-product Credits                       | (1.04)                                   | -10¢               | (1.14)                                 |
| Treatment Charges                        | 0.22                                     |                    | 0.23                                   |
| Royalties & Export Duties <sup>(4)</sup> | 0.13                                     | -3¢                | 0.10                                   |
| <b>Unit Net Cash Costs</b>               | <b>\$1.60</b>                            |                    | <b>\$1.55</b>                          |

2023e Site Production Costs Breakdown



- (1) January 2023e guidance based on \$4.00/lb of copper, \$1,900/oz of gold and \$20/lb of molybdenum for 2023e.
- (2) April 2023e guidance based on \$4.00/lb of copper, \$2,000/oz of gold and \$18/lb of molybdenum for 2Q23e – 4Q23e.
- (3) Primarily reflects lower copper volumes.
- (4) In March 2023, PT-FI was relieved of export duties based on smelter construction progress.
- (5) Support costs, taxes/fees, social costs & other.

e = estimate. See Cautionary Statement.



# EBITDA and Cash Flow at Various Copper Prices

Assuming \$2,000/oz gold, \$18/lb molybdenum



(\$ in bns except copper, gold and molybdenum prices)

**Sensitivities Average '24e/'25e**  
(US\$ in mms)

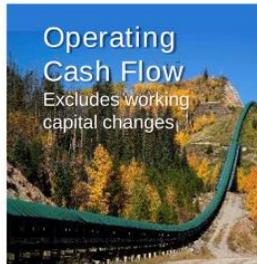


## EBITDA



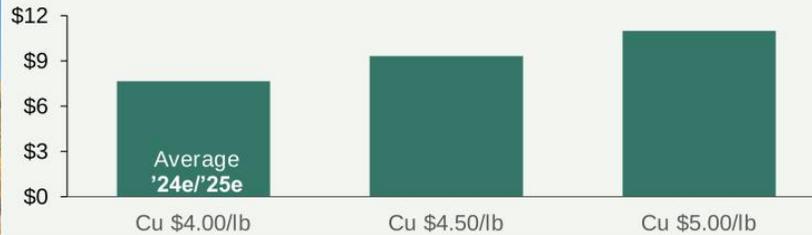
## EBITDA

|                           |               |       |
|---------------------------|---------------|-------|
| Copper                    | +/- \$0.10/lb | \$425 |
| Molybdenum                | +/- \$1.00/lb | \$ 80 |
| Gold                      | +/- \$50/oz   | \$ 80 |
| Currencies <sup>(1)</sup> | +/- 10%       | \$230 |
| Diesel                    | +/- 10%       | \$100 |



## Operating Cash Flow

Excludes working capital changes



## Operating Cash Flow

|                           |               |       |
|---------------------------|---------------|-------|
| Copper                    | +/- \$0.10/lb | \$335 |
| Molybdenum                | +/- \$1.00/lb | \$ 75 |
| Gold                      | +/- \$50/oz   | \$ 55 |
| Currencies <sup>(1)</sup> | +/- 10%       | \$165 |
| Diesel                    | +/- 10%       | \$ 75 |

NOTE: EBITDA equals operating income plus depreciation, depletion and amortization. e = estimate. See Cautionary Statement.

(1) U.S. Dollar Exchange Rates: 800 Chilean peso, 15,500 Indonesian rupiah, \$0.66 Australian dollar, \$1.06 Euro, 3.75 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.

# Consolidated Capital Expenditures

Excluding Indonesia Smelter Projects CAPEX <sup>(1)</sup>



(1) See slide 29; Indonesia smelter projects are being funded with net proceeds from PT-FI's April 2022 senior notes offering and availability under its revolving credit facility.  
 (2) Major projects include CAPEX associated with Grasberg underground development and supporting mill and power capital costs (\$1.1 bn in 2023e and \$0.5 bn in 2024e). For details of discretionary spending see slide 28.  
 NOTE: Amounts include capitalized interest. Discretionary CAPEX and smelter spending will be excluded from the free cash flow (as defined on slide 15) calculation for purposes of the performance-based payout framework. e= estimate. See Cautionary Statement.

# Indonesia Manyar Smelter Project Update

New Greenfield Smelter is ~60% Complete with Commissioning Expected in 2024



NOTE: See slide 29 for additional details.

# Financial Policy: Performance-Based Payout Framework



## Maintain Strong Balance Sheet

- Net Debt/Adjusted EBITDA less than 1x as of 3/31/23
- \$3 - \$4 bn Net Debt target (excluding net debt for new smelter capacity in Indonesia)
- Net Debt of \$1.3 bn<sup>(1)</sup> as of 3/31/23



## Provide Cash Returns to Stockholders

- ~50% free cash flow<sup>(2)</sup> to be returned to shareholders
- \$0.60/share in dividends expected for 2023, incl. \$0.30/share base & \$0.30/share variable
- \$3.2 bn<sup>(3)</sup> available under share repurchase program as of 4/20/23



## Advance Organic Growth Opportunities

- Positioned for future growth
- New projects in progress: Kucing Liar | Lone Star oxide expansion | Grasberg Mill recovery project | Atlantic Copper CirCular
- Organic project pipeline: Leach initiatives | Bagdad 2X | Lone Star sulfide expansions | El Abra expansion

**Board will review structure of performance-based payout framework at least annually**

(1) Net debt equals consolidated debt less consolidated cash. Excludes \$1.5 bn in net debt associated with the Indonesia smelter projects.

(2) Available cash flows generated after planned capital spending (excluding Indonesia smelter projects funded with debt and discretionary CAPEX) and distributions to noncontrolling interests.

(3) FCX has acquired 47.9 mm shares of its common stock for a total cost of \$1.8 bn (\$38.35 avg. cost per share) under program since November 2021. See Cautionary Statement.

# EXECUTING CLEARLY DEFINED STRATEGY FOCUSED ON

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Responsible  
producer of scale

Experienced  
management team

Long-lived  
reserves

Strong balance  
sheet

Embedded  
growth options

Cash returns  
to shareholders

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Reference Slides

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# The Copper Mark & Molybdenum Mark



## Recognition for Responsible Production

- Assurance framework developed to demonstrate the copper industry's responsible production practices
- Producers participating in the Copper Mark are committed to adhering to internationally recognized responsible operating practices
- Copper Mark governed by independent board including NGO participation and multi-stakeholder advisory council
- Framework covers 32 issue areas across 5 ESG categories developed by the Responsible Minerals Initiative's Risk Readiness Assessment
- The Copper Mark recently extended its framework to other base metals including molybdenum ("the Molybdenum Mark")
- FCX has achieved the Copper Mark at all 12 of its copper producing sites and has achieved the Molybdenum Mark at its two primary molybdenum mines and four copper mines that produce by-product molybdenum
- Requires third-party assurance of site performance and independent Copper Mark validation every three years

See Cautionary Statement.

### STATUS BY SITE:

#### AWARDED

|  |                                     |
|--|-------------------------------------|
| Atlantic Copper smelter & refinery (Spain) | Henderson mine (CO)**               |
| Bagdad mine (AZ)*                          | Miami smelter, mine & rod mill (AZ) |
| Cerro Verde mine (Peru)*                   | Morenci mine (AZ)*                  |
| Chino mine (NM)                            | PT-FI mine (Indonesia)              |
| Climax mine (CO)**                         | Safford mine (AZ)                   |
| El Abra mine (Chile)                       | Sierrita mine (AZ)*                 |
| El Paso refinery & rod mill (TX)           | Tyrone mine (NM)                    |

#### LETTER OF COMMITMENT

Fort Madison (IA)  
 Rotterdam (Netherlands)  
 Stowmarket (United Kingdom)

Note: Status as of 04/20/2023

\* Denotes Molybdenum Mark awarded for by-product production

\*\* Denotes Molybdenum Mark for primary production



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# 2022 ESG Highlights

**12 sites**

awarded Copper Mark, including 4 in 2022 and 1 in early 2023

**\$177 million**

invested in our communities

**2030**

GHG emissions reduction targets established for Atlantic Copper and our primary molybdenum sites\*

**Global Tailings Standard**

progressed implementation at applicable tailings storage facilities in the Americas

**89%**

total water use efficiency achieved

## Accelerating the Future, Responsibly.

**99%**

of our employees are from the countries where we operate

**6 sites**

awarded Molybdenum Mark, including 4 in 2022 and 2 in early 2023

**HRIA**

completed human rights impact assessment for all 5 Arizona sites

**41.7%**

of our Board of Directors is represented by women\*\*

**WHC**

15 of our sites certified gold by Wildlife Habitat Council for our biodiversity programs



Top 100 JUST companies in the U.S. by JUST Capital rankings

**Sustainability  
Yearbook Member**

2023 S&P Global Sustainability Yearbook Member



100 Best Corporate Citizens in the U.S. in 2022 by 3BL Media in partnership with Institutional Shareholder Services



Points of Light 2022 The Civic 50 list, recognizing the 50 most community-minded companies in the U.S.

\* In addition to the 2030 intensity reduction targets established for our Americas copper business in 2020 and PT-FI in 2021

\*\* At year-end 2022, 36.4% of FCX's Board of Directors was women and following the appointment of Kathleen L. Quirk to the Board in February 2023, we currently have 41.7% women representation on our Board.

# Financial Highlights

| Sales Data   | 1Q23                  | 1Q22    |
|--|-----------------------|---------|
| <b>Copper</b>  |                       |         |
| Consolidated Volumes, excluding purchases (mm lbs)               | 832 <sup>(1)</sup>    | 1,024   |
| Average Realization (per lb)                                     | \$ 4.11               | \$ 4.66 |
| Site Production & Delivery Costs (per lb)                        | \$ 2.57               | \$ 2.03 |
| Unit Net Cash Costs (per lb)                                     | \$ 1.76               | \$ 1.33 |
| <b>Gold</b>  |                       |         |
| Consolidated Volumes (000's ozs)                                 | 270 <sup>(1)</sup>    | 409     |
| Average Realization (per oz)                                     | \$1,949               | \$1,920 |
| <b>Molybdenum</b>  |                       |         |
| Consolidated Volumes (mm lbs)                                    | 19                    | 19      |
| Average Realization (per lb)                                     | \$30.32               | \$19.30 |
| <b>Financial Results</b> (in billions, except per share amounts) |                       |         |
| Revenues   | \$ 5.4                | \$ 6.6  |
| Net Income Attributable to Common Stock                          | \$ 0.7                | \$ 1.5  |
| Diluted Net Income Per Share                                     | \$ 0.46               | \$ 1.04 |
| Operating Cash Flows <sup>(2)</sup>                              | \$ 1.1                | \$ 1.7  |
| Capital Expenditures   | \$ 1.1                | \$ 0.7  |
| Total Debt   | \$ 9.6 <sup>(3)</sup> | \$ 9.6  |
| Consolidated Cash and Cash Equivalents                           | \$ 6.9 <sup>(4)</sup> | \$ 8.3  |

(1) Beginning on 1/1/2023, PT-FI's commercial arrangement with PT Smelting converted from a concentrate sales agreement to a tolling arrangement, which resulted in a change in timing of sales. As a result, ~110 mm lbs of copper and 110k ozs of gold from PT-FI's 1Q23 production is deferred in inventory and will be sold in future periods.

(2) Includes working capital and other uses of \$0.5 bn for 1Q23 and \$0.8 bn for 1Q22.

(3) Includes \$3.0 bn in senior notes issued by PT-FI in April 2022.

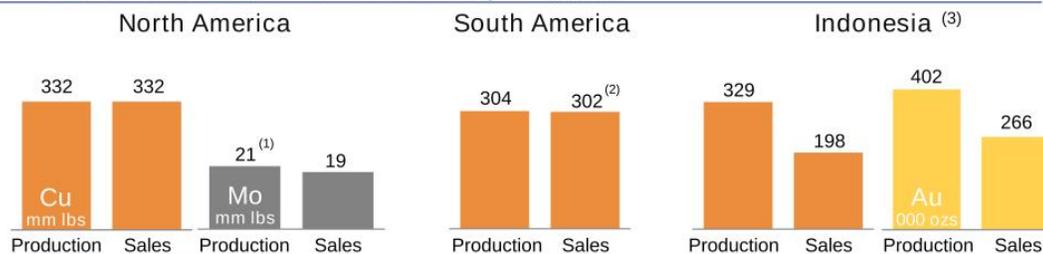
(4) Includes \$1.5 bn from PT-FI senior notes offering that is expected to be used to finance the Indonesia smelter projects.



# 1Q 2023 Mining Operating Summary



## Production and Sales From Mines for 1Q23 by Region



| 1Q23 Unit Net Cash Costs (Credits) (per lb of Cu) | North America | South America | Indonesia       | Consolidated  |
|---|---------------|---------------|-----------------|---------------|
| Site Production & Delivery, excl. adjs.           | \$2.91        | \$2.54        | \$2.01          | \$2.57        |
| By-product Credits                                | (0.59)        | (0.53)        | (2.84)          | (1.10)        |
| Treatment Charges                                 | 0.13          | 0.18          | 0.37            | 0.20          |
| Royalties & Export Duties                         | -             | 0.01          | 0.38            | 0.09          |
| <b>Unit Net Cash Costs (Credits)</b>              | <b>\$2.45</b> | <b>\$2.20</b> | <b>\$(0.08)</b> | <b>\$1.76</b> |

(1) Includes 6 mm lbs from South America.

(2) Silver sales totaled 1.0 mm ozs.

(3) Beginning on 1/1/2023, PT-FI's commercial arrangement with PT Smelting converted from a concentrate sales agreement to a tolling arrangement, which resulted in a change in timing of sales. As a result, ~110 mm lbs of copper and 110k ozs of gold from PT-FI's 1Q23 production is deferred in inventory and will be sold in future periods. Silver sales totaled 0.9 mm ozs.

NOTE: For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to "Product Revenues and Production Costs" in the supplemental schedules of FCX's 1Q23 press release, which is available on FCX's website.

# 2023e Operational Data



## 2023e Sales by Region



| 2023e Unit Net Cash Costs <sup>(3)</sup> (per lb of Cu) | North America | South America | Indonesia       | Consolidated  |
|---|---------------|---------------|-----------------|---------------|
| Site Production & Delivery <sup>(4)</sup>               | \$2.91        | \$2.54        | \$1.70          | \$2.36        |
| By-product Credits                                      | (0.40)        | (0.37)        | (2.48)          | (1.14)        |
| Treatment Charges                                       | 0.11          | 0.18          | 0.37            | 0.23          |
| Royalties & Export Duties                               | -             | 0.01          | 0.26            | 0.10          |
| <b>Unit Net Cash Costs (Credits)</b>                    | <b>\$2.62</b> | <b>\$2.36</b> | <b>\$(0.15)</b> | <b>\$1.55</b> |

(1) Includes molybdenum produced in South America.  
 (2) Includes gold produced in North America.  
 (3) Estimates assume average prices of \$2,000/oz for gold and \$18/lb for molybdenum for 2Q23e - 4Q23e. Quarterly unit costs will vary significantly with quarterly metal sales volumes.  
 (4) Production costs include profit sharing in South America and severance taxes in North America.  
 e = estimate. See Cautionary Statement.

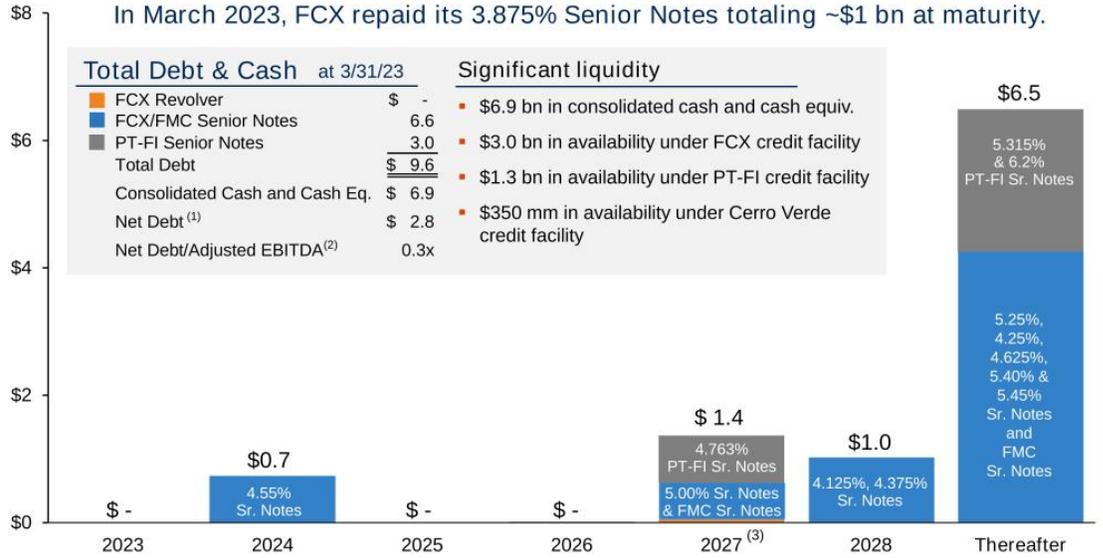
# Strong Balance Sheet and Liquidity

## Attractive Debt Maturity Profile



(US\$ bns)

In March 2023, FCX repaid its 3.875% Senior Notes totaling ~\$1 bn at maturity.



(1) Includes \$1.5 bn of net debt associated with the Indonesia smelter projects.

(2) Trailing 12-months.

(3) For purposes of this schedule, maturities of uncommitted lines of credit and other short-term lines are included in FCX's revolver balance, which matures in 2027. See Cautionary Statement.

# 2023e Outlook

| Sales Outlook  | Unit Net Cash Cost of Copper   | Operating Cash Flows <sup>(1,2)</sup>  | Capital Expenditures   |
|--|--|--|--|
| <ul style="list-style-type: none"> <li>• Copper: 4.1 billion lbs</li> <li>• Gold: 1.8 million ozs</li> <li>• Molybdenum: 79 million lbs</li> </ul> | <ul style="list-style-type: none"> <li>• Site prod. &amp; delivery                             <ul style="list-style-type: none"> <li>○ 2023e: \$2.36/lb</li> <li>○ 2Q23e: \$2.35/lb</li> </ul> </li> <li>• After by-product credits <sup>(1)</sup> <ul style="list-style-type: none"> <li>○ 2023e: \$1.55/lb</li> <li>○ 2Q23e: \$1.51/lb</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• ~\$7 billion<sup>(3)</sup> @ \$4.00/lb copper for 2Q23e – 4Q23e</li> <li>• Each 10¢/lb change in copper in 2Q23e – 4Q23e = \$315 mm impact</li> </ul> | <ul style="list-style-type: none"> <li>• \$3.5 billion (excluding smelter projects<sup>(4)</sup>)                             <ul style="list-style-type: none"> <li>○ \$2.4 billion for major projects<sup>(5)</sup></li> <li>○ \$1.1 billion for other mining</li> </ul> </li> </ul> |

(1) Assumes average prices of \$2,000/oz gold and \$18/lb molybdenum for 2Q23e – 4Q23e.

(2) Each \$100/oz change in gold would have an approximate \$140 mm impact and each \$2/lb change in molybdenum would have an approximate \$90 mm impact.

(3) Including \$0.3 billion of working capital and other sources.

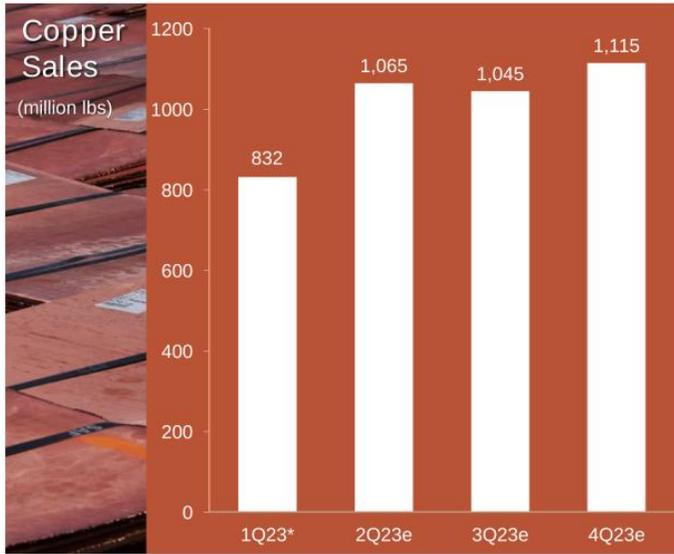
(4) Indonesia smelter projects are being funded with net proceeds from PT-FI's senior notes offering and availability under its revolving credit facility.

(5) Major projects CAPEX includes \$1.3 bn for planned projects and \$1.1 bn of discretionary projects.

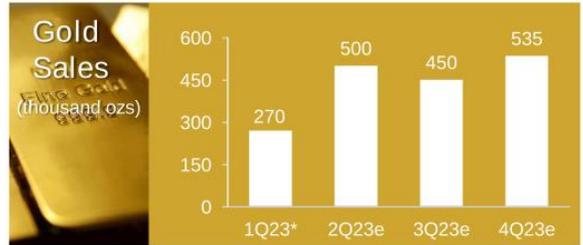
e = estimate. See Cautionary Statement.



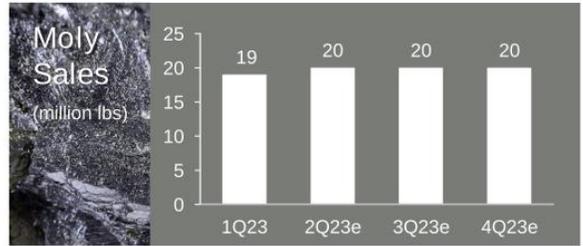
# 2023e Quarterly Sales



NOTE: Consolidated copper sales include 243 mm lbs in 1Q23, 364 mm lbs in 2Q23e, 340 mm lbs in 3Q23e and 371 mm lbs in 4Q23e for noncontrolling interests; excludes purchased copper.



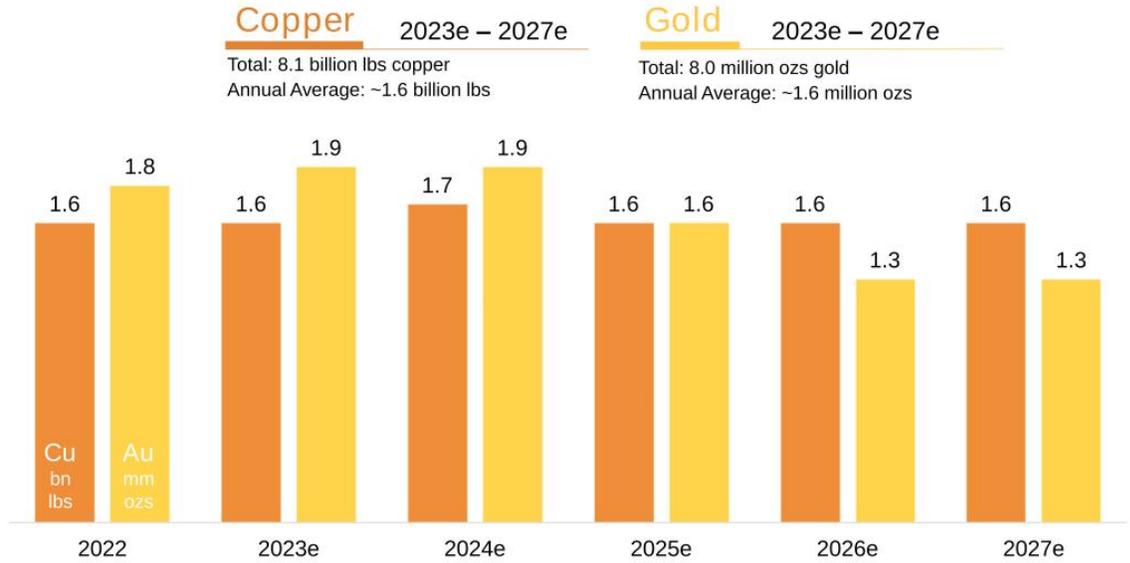
NOTE: Consolidated gold sales include 74k ozs in 1Q23, 256k ozs in 2Q23e, 231k ozs in 3Q23e and 275k ozs in 4Q23e for noncontrolling interests.



\* Beginning January 1, 2023, PT-FI's commercial arrangement with PT Smelting converted to a tolling arrangement. In 1Q23, ~110 mm lbs of copper and ~110k ozs of gold from PT-FI's production was deferred in inventory and will be sold in future periods.  
 e = estimate. See Cautionary Statement.

# PT-FI Mine Plan

## Metal Production, 2022 – 2027e



NOTE: Amounts are projections. Timing of annual production will depend on a number of factors, including operational performance and other factors. FCX's economic interest in PT-FI approximated 81.27% through 2022 and beginning January 1, 2023. FCX's economic interest in PT-FI is 48.76%. PT-FI expects to defer production in inventory until final sale under its new tolling arrangement with PT Smelting (effective January 2023) and upon commencement of its Manyar smelter (expected in 2024). This is not expected to result in a significant change in PT-FI's economics but will impact the timing of PT-FI's sales.  
 e = estimate. See Cautionary Statement.

# Discretionary Capital Projects\*

## Kucing Liar

- Commenced long-term mine development activities in 2022
- Approximate 10-year development timeframe
- Sustain large-scale, low-cost Cu/Au production
- Capital investment: ~\$400 mm/yr average (~\$415 mm in 2023e)
- 6.8 bn lbs copper & 6.5 mm ozs gold
  - ~ 550 mm lbs & 560K ozs per annum

## Grasberg Mill Recovery Project

- Installing new copper cleaner circuit
- Improved Cu concentrate grades/metal recoveries
- Capital investment: ~\$470 mm (~\$230 mm in 2023e)
- Targeted completion: 1H24e
- +60 mm lbs/yr & +40K ozs/yr of incremental Cu/Au

## Lone Star Oxide Expansion

- Low capital intensity investment
- Capital investment: ~\$300 mm (~\$120 mm in 2023e)
- Increase stacking rate: 95k t/d to 120k t/d
- Targeting ~300 mm lbs of copper/annum in 2023e
  - +50 mm lbs/yr of incremental production

## Bagdad 2X Expansion

- Planning expansion to double concentrator capacity
- Conducting feasibility study; expected completion 2H23
- Early works: ~\$285 mm (~\$190 mm in 2023e)

## Atlantic Copper CirCular

- Recycle electronic material
- Capital investment: ~\$330 mm (~\$140 mm in 2023e)
- Expect to commission in 2024e; full rates in 2025e
- ~\$60 mm per annum in incremental EBITDA

\*These discretionary projects and the Indonesia smelter projects will be excluded from the free cash flow calculation (defined on slide 15) for purposes of the performance-based payout framework.  
e = estimate. See Cautionary Statement.

# Indonesia Downstream Processing Activities

## Greenfield Smelter (Manyar)

- 1.7 mm mt of annual concentrate capacity
- Designed to be world's largest single line flash smelter/converter facility
- ~60% complete
- Project expected to be commissioned in 2024
- Cost estimate: ~\$3.0 bn <sup>(1)</sup>

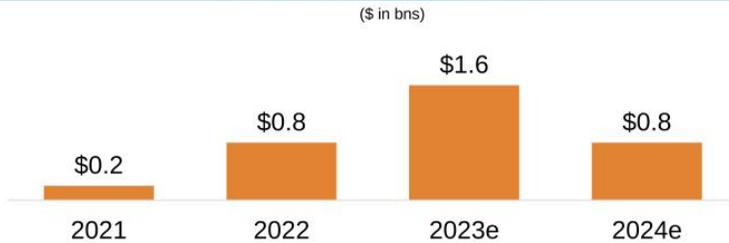
## Precious Metals Refinery (PMR)

- To be constructed to process gold and silver from Manyar smelter and PT Smelting
- Construction is in progress with commission expected during 2024
- Cost estimate: ~\$400 mm

## PT Smelting Expansion

- 30% increase to existing smelter to add 300,000 mt of annual concentrate capacity
- Completed commercial arrangements in 4Q21
- Target completion of YE 2023, ~70% complete
- Cost estimate: ~\$250 mm

## Preliminary Estimate of Spending on Manyar Smelter & PMR (shared 51% PT Inalum/49% FCX)<sup>(2)</sup>



## Expansion Project General Layout



(1) Based on target price of \$2.8 bn for construction contract (excludes capitalized interest, owner's costs and commissioning) and \$0.2 bn for investment in new desalinization plant for the smelter.

(2) Manyar smelter project expected to be funded with net proceeds from PT-FI's senior notes offering and availability under its revolving credit facility. Capital spending on the Manyar smelter will be debt financed and will not be deducted from cash available for returns to FCX shareholders. Estimates exclude capitalized interest, owner's costs and commissioning.

e = estimate. See Cautionary Statement.

# Adjusted EBITDA Reconciliation

| (\$ in mm)  | 1Q23           | 12 mos ended<br>3/31/2023 |
|---|----------------|---------------------------|
| Net income attributable to common stock             | \$663          | \$2,604                   |
| Interest expense, net                               | 151            | 584                       |
| Income tax provision                                | 499            | 1,942                     |
| Depreciation, depletion and amortization            | 399            | 1,929                     |
| Net gain on sales of assets                         | -              | (2)                       |
| Accretion and stock-based compensation              | 85             | 210                       |
| Other net charges <sup>(1)</sup>                    | 80             | 290                       |
| Gain on early extinguishment of debt                | -              | (31)                      |
| Other income, net                                   | (88)           | (264)                     |
| Net income attributable to noncontrolling interests | 386            | 1,020                     |
| Equity in affiliated companies' net earnings        | (10)           | (26)                      |
| FCX Adjusted EBITDA <sup>(2)</sup>                  | <u>\$2,165</u> | <u>\$8,256</u>            |

(1) Includes net adjustments to environmental obligations and litigation reserves (\$56 mm in 1Q23 and \$122 mm for the twelve months ended 3/31/2023) and asset impairments and contract cancellation costs (\$20 mm in 1Q23 and \$28 mm for the twelve months ended 3/31/2023). The twelve months ended 3/31/2023 also include adjustments to reclamation liabilities at PT-FI (\$116 mm).

(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 such measures differently.



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