

Item 2.02. Results of Operations and Financial Condition.

Freeport-McMoRan Inc. ("FCX") issued a press release dated April 22, 2021, announcing its first-quarter 2021 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 2021 earnings conference call being webcast on the internet at 10:00 a.m. Eastern Time on April 22, 2021, 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
99.1	Press release dated April 22, 2021, titled "Freeport-McMoRan Reports First-Quarter 2021 Results."
99.2	Slides presented in connection with FCX's first-quarter 2021 earnings conference call conducted via the internet on April 22, 2021.
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

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/ C. Donald Whitmire, Jr.

C. Donald Whitmire, Jr.
Vice President and Controller -
Financial Reporting
(authorized signatory and
Principal Accounting Officer)

Date: April 22, 2021



Freeport-McMoRan Reports First-Quarter 2021 Results

- *Solid execution of operating plans*
- *Production volumes and costs in line with targets*
- *Ramp-up of Grasberg underground mines advancing on schedule*
- *Strong financial results and cash flow generation*
- *Favorable operational and market outlook*

-
- **Net income** attributable to common stock in first-quarter 2021 totaled \$718 million, \$0.48 per share, and adjusted net income attributable to common stock totaled \$756 million, or \$0.51 per share, after adjusting for net charges totaling \$38 million, \$0.03 per share.
 - **Consolidated sales** totaled 825 million pounds of copper, 258 thousand ounces of gold and 21 million pounds of molybdenum in first-quarter 2021. Consolidated sales for the year 2021 are expected to approximate 3.85 billion pounds of copper, 1.3 million ounces of gold and 85 million pounds of molybdenum, including 975 million pounds of copper, 330 thousand ounces of gold and 21 million pounds of molybdenum in second-quarter 2021.
 - **Average realized prices** in first-quarter 2021 were \$3.94 per pound for copper, \$1,713 per ounce for gold and \$11.62 per pound for molybdenum.
 - **Average unit net cash costs** in first-quarter 2021 were \$1.39 per pound of copper and are expected to average \$1.33 per pound of copper for the year 2021.
 - **Operating cash flows** totaled \$1.1 billion (net of \$0.3 billion of working capital and other uses) in first-quarter 2021. Based on current sales volume and cost estimates, and assuming average prices of \$4.00 per pound for copper, \$1,750 per ounce for gold and \$11.00 per pound for molybdenum for the remainder of 2021, operating cash flows are expected to approximate \$6.5 billion (net of \$0.1 billion of working capital and other uses) for the year 2021.
 - **Capital expenditures** totaled \$0.4 billion (including approximately \$0.3 billion for major projects) in first-quarter 2021. Capital expenditures for the year 2021, excluding Indonesia smelter expenditures, are expected to approximate \$2.3 billion, including \$1.4 billion for major projects primarily associated with underground development activities in the Grasberg minerals district in Indonesia.
 - At March 31, 2021, **consolidated debt** totaled \$9.8 billion and **consolidated cash** totaled \$4.6 billion. FCX had no borrowings and \$3.5 billion available under its revolving credit facility at March 31, 2021.
 - In February 2021, FCX's Board of Directors (Board) **adopted a financial policy** aligned with strategic objectives of maintaining a strong balance sheet, increasing cash returns to shareholders and advancing opportunities for future growth.
 - **FCX added two new independent directors** in April 2021, David P. Abney, retired Chairman and Chief Executive Officer of United Parcel Service, Inc., and Robert W. "Bob" Dudley, retired Group Chief Executive of BP, p.l.c.

PHOENIX, AZ, April 22, 2021 - Freeport-McMoRan Inc. (NYSE: FCX) reported first-quarter 2021 net income attributable to common stock of \$718 million, \$0.48 per share, and adjusted net income attributable to common stock of \$756 million, \$0.51 per share, after adjusting for net charges totaling \$38 million, \$0.03 per share. For additional information, refer to the supplemental schedule, "Adjusted Net Income (Loss)," on page VI.

Richard C. Adkerson, Chairman and Chief Executive Officer, said, "During the first quarter, our global team delivered solid operational execution, building a strong foundation for near-term growth in volumes and cash flows. We strengthened our Board of Directors with the addition of David Abney and Bob Dudley, experienced leaders in international business. Our Board adopted a new financial policy aligned with our strategic position as foremost in copper, prioritizing a strong balance sheet, increasing cash returns to shareholders and disciplined investments in profitable long-term growth. We are well positioned for long-term success as a leading producer of copper required for a growing global economy and accelerating demand from copper's critical role in building infrastructure and the transition to clean energy. Our long-lived and high-quality copper assets are supported by a seasoned and highly motivated global organization focused on building values for all stakeholders."

SUMMARY FINANCIAL DATA

	Three Months Ended March 31,	
	2021	2020
	(in millions, except per share amounts)	
Revenues ^{a,b}	\$ 4,850	\$ 2,798
Operating income (loss) ^a	\$ 1,532	\$ (473)
Net income (loss) attributable to common stock ^{c,d}	\$ 718	\$ (491)
Diluted net income (loss) per share of common stock	\$ 0.48	\$ (0.34)
Diluted weighted-average common shares outstanding	1,477	1,452
Operating cash flows ^e	\$ 1,075	\$ (38)
Capital expenditures	\$ 370	\$ 610
At March 31:		
Cash and cash equivalents	\$ 4,580	\$ 1,602
Total debt, including current portion	\$ 9,809	\$ 10,074

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

b. Includes favorable (unfavorable) adjustments to prior period provisionally priced concentrate and cathode copper sales totaling \$146 million (\$57 million to net income attributable to common stock or \$0.04 per share) in first-quarter 2021 and \$(107) million (\$(45) million to net loss attributable to common stock or \$(0.03) per share) in first-quarter 2020. For further discussion, refer to the supplemental schedule, "Derivative Instruments," beginning on page VII.

c. Includes net charges totaling \$38 million (\$0.03 per share) in first-quarter 2021 and \$256 million (\$0.18 per share) in first-quarter 2020 that are described in the supplemental schedule, "Adjusted Net Income (Loss)," 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) sources totaled \$(336) million in first-quarter 2021 and \$119 million in first-quarter 2020.

SUMMARY OPERATING DATA

	Three Months Ended March 31,	
	2021	2020
Copper (millions of recoverable pounds)		
Production	910	731
Sales, excluding purchases	825	729
Average realized price per pound	\$ 3.94	\$ 2.43
Site production and delivery costs per pound ^a	\$ 1.86	\$ 2.19
Unit net cash costs per pound ^a	\$ 1.39	\$ 1.90
Gold (thousands of recoverable ounces)		
Production	297	156
Sales	258	144
Average realized price per ounce	\$ 1,713	\$ 1,606
Molybdenum (millions of recoverable pounds)		
Production	20	19
Sales, excluding purchases	21	21
Average realized price per pound	\$ 11.62	\$ 11.10

a. 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 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

2020 Annual Report on Sustainability. Today FCX published its 2020 Annual Report on Sustainability, available on FCX's website at fcx.com. FCX has a long history of environmental, social and governance programs and is continuously striving to improve and embrace evolving stakeholder expectations. This report marks FCX's 20th year of reporting on its sustainability progress and FCX's first year reporting in alignment with the Sustainability Accounting Standards Board (SASB) Metals & Mining framework. FCX is committed to building upon its achievements in sustainability and seeks to contribute positively to society by supplying the world with responsibly produced copper.

The Copper Mark. In April 2021, the Morenci operations were awarded the Copper Mark - a new, robust assurance framework demonstrating the copper industry's responsible production practices and contribution to the United Nations Sustainable Development Goals. FCX now has six sites that have achieved the Copper Mark (the Morenci operations, Miami smelter and mine, and El Paso refinery in North America; Cerro Verde and El Abra mines in South America; and Atlantic Copper smelter and refinery in Spain). FCX has future plans to validate all of its copper producing sites against the Copper Mark requirements.

Consolidated Sales Volumes

First-quarter 2021 **copper** sales of 825 million pounds approximated the January 2021 estimate. First-quarter 2021 copper sales were higher than first-quarter 2020 sales of 729 million pounds of copper, primarily reflecting continued progress of the ramp-up of underground mining at PT Freeport Indonesia (PT-FI), partly offset by timing of shipments.

Gold production in first-quarter 2021 was in line with the January 2021 estimate; however, a deferral of certain shipments in Indonesia to second-quarter 2021 resulted in first-quarter 2021 gold sales of 258 thousand ounces being 6 percent lower than the January 2021 estimate. First-quarter 2021 gold sales were higher than first-quarter 2020 sales of 144 thousand ounces of gold, primarily reflecting continued progress of the ramp-up of underground mining at PT-FI.

First-quarter 2021 **molybdenum** sales of 21 million pounds were slightly higher than the January 2021 estimate of 20 million pounds of molybdenum and approximated first-quarter 2020 molybdenum sales.

Consolidated sales volumes for the year 2021 are expected to approximate 3.85 billion pounds of copper, 1.3 million ounces of gold and 85 million pounds of molybdenum, including 975 million pounds of copper, 330 thousand ounces of gold and 21 million pounds of molybdenum in second-quarter 2021. Projected sales volumes

are dependent on operational performance, continued progress of the ramp-up of underground mining at PT-FI, impacts and duration of the COVID-19 pandemic, timing of shipments, and other factors.

Consolidated Unit Net Cash Costs

Consolidated average unit net cash costs (net of by-product credits) for FCX's copper mines of \$1.39 per pound of copper in first-quarter 2021, were significantly lower than the first-quarter 2020 average of \$1.90 per pound, primarily reflecting higher sales volumes and by-product credits.

Assuming average prices of \$1,750 per ounce of gold and \$11.00 per pound of molybdenum for the remainder of 2021 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 \$1.33 per pound of copper for the year 2021. The impact of price changes on consolidated unit net cash costs would approximate \$0.03 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 2021. Quarterly unit net cash costs vary with fluctuations in sales volumes and realized prices, primarily for gold and molybdenum.

MINING OPERATIONS

North America Copper Mines. FCX operates seven open-pit copper mines in North America - Morenci, Bagdad, Safford (including Lone Star), Sierra 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 percent undivided joint venture interest in Morenci using the proportionate consolidation method.

Operating and Development Activities. FCX's North America operating sites continue to focus on strong execution of operating plans. FCX successfully completed the initial development of the Lone Star copper leach project in the second half of 2020 and is on track to achieve expected annual copper production of approximately 200 million pounds beginning in 2021. FCX is advancing studies for potential near-term incremental oxide expansions and long-term development options for its large-scale sulfide resources at Lone Star.

During first-quarter 2021, mining activities at the Chino mine were restarted at a rate of approximately 100 million pounds of copper per year (approximately 50 percent of capacity).

FCX has substantial resources in the United States (U.S.), primarily associated with existing mining operations, and is advancing the evaluation of project options for future growth.

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

	Three Months Ended March 31,	
	2021	2020
Copper (millions of recoverable pounds)		
Production	353	346
Sales, excluding purchases	308	355
Average realized price per pound	\$ 3.88	\$ 2.56
Molybdenum (millions of recoverable pounds)		
Production ^a	8	8
Unit net cash costs per pound of copper^b		
Site production and delivery, excluding adjustments	\$ 2.04	\$ 2.15
By-product credits	(0.30)	(0.22)
Treatment charges	0.11	0.11
Unit net cash costs	\$ 1.85	\$ 2.04

a. Refer to summary operating data on page 3 for FCX's consolidated molybdenum sales, which includes 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 production volumes from North America in first-quarter 2021 approximated first-quarter 2020. Consolidated copper sales volumes of 308 million pounds in first-quarter 2021 were lower than first-quarter 2020 copper sales volumes of 355 million pounds, primarily reflecting the timing of shipments. North America copper sales are estimated to approximate 1.5 billion pounds for the year 2021, compared with 1.4 billion pounds for the year 2020.

Average unit net cash costs (net of by-product credits) for the North America copper mines of \$1.85 per pound of copper in first-quarter 2021 were lower than first-quarter 2020 unit net cash costs of \$2.04 per pound, primarily reflecting lower mining costs and higher by-product credits, partly offset by lower sales volumes.

Average unit net cash costs (net of by-product credits) for the North America copper mines are expected to approximate \$1.92 per pound of copper for the year 2021, based on achievement of current sales volume and cost estimates and assuming an average molybdenum price of \$11.00 per pound for the remainder of 2021. North America's average unit net cash costs for the year 2021 would change by approximately \$0.04 per pound for each \$2 per pound change in the average price of molybdenum for the remainder of 2021.

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

Operating and Development Activities. During first-quarter 2021, Cerro Verde's concentrator facilities exceeded planned milling rates and averaged 390,100 metric tons of ore per day. Operating plan assumptions, which reflect strict COVID-19 restrictions and protocols, include an estimated milling rate of 360,000 metric tons of ore per day for the remainder of 2021, with plans to return to pre-COVID-19 pandemic levels of approximately 400,000 metric tons of ore per day in 2022.

El Abra is implementing plans to increase operating rates during 2021 to pre-COVID-19 pandemic levels, subject to ongoing monitoring of public health conditions in Chile. Stacking rates at El Abra are expected to increase to over 100,000 metric tons of ore per day by mid-2022, resulting in incremental annual production of approximately 70 million pounds of copper.

FCX continues to evaluate a large-scale expansion at El Abra to process additional sulfide material and to achieve higher copper recoveries. El Abra's large sulfide resource could potentially support a major mill project similar to facilities constructed at Cerro Verde in 2015. Technical and economic studies continue to be evaluated to determine the optimal scope and timing for the sulfide project in parallel with extending the life of the current leaching operation.

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

	Three Months Ended March 31,	
	2021	2020
Copper (millions of recoverable pounds)		
Production	259	245
Sales	259	247
Average realized price per pound	\$ 3.96	\$ 2.33
Molybdenum (millions of recoverable pounds)		
Production ^a	5	4
Unit net cash costs per pound of copper^b		
Site production and delivery, excluding adjustments	\$ 2.01	\$ 2.00 ^c
By-product credits	(0.21)	(0.17)
Treatment charges	0.13	0.16
Royalty on metals	0.01	0.01
Unit net cash costs	\$ 1.94	\$ 2.00

a. Refer to summary operating data on page 3 for FCX's consolidated molybdenum sales, which includes 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.
- c. Excludes COVID-19 related costs of \$0.08 per pound of copper, primarily associated with idle facility costs at Cerro Verde as a result of the Peruvian government's issuance of a Supreme Decree and declaration of a National Emergency in its efforts to contain the outbreak of COVID-19 and contract cancellation costs at El Abra.

FCX's consolidated copper sales volumes from South America of 259 million pounds in first-quarter 2021 were higher than first-quarter 2020 copper sales volumes of 247 million pounds, primarily reflecting higher milling rates at Cerro Verde.

Copper sales from South America mining are expected to approximate 1.0 billion pounds for the year 2021, consistent with the year 2020.

Average unit net cash costs (net of by-product credits) for South America mining of \$1.94 per pound of copper in first-quarter 2021 were lower than first-quarter 2020 unit net cash costs of \$2.00 per pound, primarily reflecting higher sales volumes and by-product credits and lower mining costs, partly offset by higher profit sharing costs.

Average unit net cash costs (net of by-product credits) for South America mining are expected to approximate \$1.94 per pound of copper for the year 2021, based on current sales volume and cost estimates and assuming an average price of \$11.00 per pound of molybdenum for the remainder of 2021.

Indonesia Mining. PT-FI operates one of the world's largest copper and gold mines at the Grasberg minerals district in Papua, Indonesia. PT-FI produces copper concentrate that contains significant quantities of gold and silver. FCX has a 48.76 percent ownership interest in PT-FI and manages its mining operations. Under the terms of the shareholders agreement, FCX's economic interest in PT-FI approximates 81 percent through 2022. PT-FI's results are consolidated in FCX's financial statements.

Operating and Development Activities. The ramp-up of underground production at the Grasberg minerals district in Indonesia continues to advance on schedule. First-quarter 2021 highlights include:

- Production approximated 75 percent of the projected ultimate annualized level.
- A total of 50 new drawbells were constructed at the Grasberg Block Cave and Deep Mill Level Zone (DMLZ) underground mines, bringing cumulative open drawbells to over 420.
- Combined average production from the Grasberg Block Cave and DMLZ underground mines approximated 98,500 metric tons of ore per day.

The successful completion of this ramp up is expected to enable PT-FI to generate average annual production for the next several years of 1.55 billion pounds of copper and 1.6 million ounces of gold at an attractive unit net cash cost, providing significant margins and cash flows. PT-FI expects production for the year 2021 to approximate 1.3 billion pounds of copper and 1.3 million ounces of gold, which is nearly double 2020 levels.

PT-FI's estimated annual capital spending on underground mine development projects is expected to average approximately \$0.9 billion per year for the two-year period 2021 through 2022, net of scheduled contributions from PT Indonesia Asahan Aluminium (Persero) (PT Inalum, also known as MIND ID). In accordance with applicable accounting guidance, aggregate costs (before scheduled contributions from PT Inalum), which are expected to average \$1.1 billion per year for the two-year period 2021 through 2022, will be reflected as an investing activity in FCX's cash flow statement, and contributions from PT Inalum will be reflected as a financing activity.

In March 2021, PT-FI received a one-year extension of its export license through March 15, 2022. Export licenses are valid for one year periods, subject to review and approval by the Indonesia government every six months, depending on smelter construction progress.

Indonesia Smelter. In connection with PT-FI's 2018 agreement with the Indonesia government associated with the extension of its long-term mining rights, PT-FI committed to construct new domestic smelting capacity totaling 2 million metric tons of concentrate per year by December 2023. Prior to the COVID-19 pandemic, PT-FI selected a site for a greenfield smelter in East Java and initiated ground preparation and commenced engineering and commercial negotiations.

During 2020, PT-FI notified the Indonesia government of schedule delays resulting from the COVID-19 pandemic and continues to discuss with the government a revised schedule for the project.

In recent months, PT-FI has explored alternatives to the greenfield smelter and has advanced discussions with the other shareholders of the existing Indonesia smelter (PT Smelting) regarding an expansion to increase smelter concentrate treatment capacity by approximately 30 percent (300,000 metric tons of concentrate per year). Commercial and financial arrangements for this project are being advanced and engineering is in progress. The current estimate for the cost of the expansion, which would be funded by PT-FI, approximates \$250 million.

PT-FI has also engaged in discussions with a third party to develop new smelter capacity at an alternate location in Indonesia to fulfill its smelter commitment. To date, commercial discussions have not resulted in a mutually acceptable agreement.

In the interim, PT-FI is continuing planning for the development of a greenfield smelter and related refinery in East Java with a capacity to process 1.7 million metric tons of concentrate per year. The estimated capital cost associated with this project approximates \$3 billion. Under this option, PT-FI would finance the smelter development with debt which, pursuant to the shareholders agreement, would be shared 51 percent by PT Inalum and 49 percent by FCX. Construction of new smelter capacity would result in the elimination of export duties, providing an offset to the economic cost associated with the smelter development.

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

	Three Months Ended March 31,	
	2021	2020
Copper (millions of recoverable pounds)		
Production	298	140
Sales	258	127
Average realized price per pound	\$ 4.00	\$ 2.28
Gold (thousands of recoverable ounces)		
Production	294	152
Sales	256	139
Average realized price per ounce	\$ 1,713	\$ 1,606
Unit net cash costs per pound of copper^a		
Site production and delivery, excluding adjustments	\$ 1.48	\$ 2.68
Gold and silver credits	(1.79)	(1.85)
Treatment charges	0.25	0.30
Export duties	0.11	0.03
Royalty on metals	0.24	0.15
Unit net cash costs	\$ 0.29	\$ 1.31

a. 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.

PT-FI's consolidated sales of 258 million pounds of copper and 256 thousand ounces of gold in first-quarter 2021 were higher than first-quarter 2020 consolidated sales of 127 million pounds of copper and 139 thousand ounces of gold, primarily reflecting higher mining rates and ore grades. Consolidated sales volumes from PT-FI are expected to approximate 1.34 billion pounds of copper and 1.3 million ounces of gold for the year 2021, compared with 804 million pounds of copper and 0.8 million ounces of gold for the year 2020.

PT-FI's first-quarter 2021 production volumes were in line with January 2021 estimates. Changes in shipping schedules resulted in a deferral of certain shipments to second-quarter 2021.

Because of the fixed nature of a large portion of PT-FI's costs, unit net cash costs can vary significantly from quarter to quarter depending on copper and gold volumes. PT-FI's unit net cash costs (including gold and silver credits) of \$0.29 per pound of copper in first-quarter 2021, were lower than unit net cash costs of \$1.31 per pound in first-quarter 2020, primarily reflecting higher sales volumes.

Assuming an average gold price of \$1,750 per ounce for the remainder of 2021 and achievement of current sales volume and cost estimates, unit net cash costs (including gold and silver credits) for PT-FI are expected to approximate \$0.21 per pound of copper for the year 2021. PT-FI's average unit net cash costs for the year 2021 would change by approximately \$0.08 per pound for each \$100 per ounce change in the average price of gold for the remainder of 2021.

Molybdenum Mines. FCX operates two wholly owned molybdenum mines in Colorado - the Henderson underground mine and the Climax open-pit mine. The Henderson and Climax 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 Henderson and Climax mines, as well as from FCX's North America and South America copper mines, is processed at FCX's conversion facilities.

Operating and Development Activities. Production from the molybdenum mines totaled 7 million pounds of molybdenum in both first-quarter 2021 and first-quarter 2020. Refer to summary operating data on page 3 for FCX's consolidated molybdenum sales and average realized prices, which includes sales of molybdenum produced at the Molybdenum mines and from FCX's North America and South America copper mines.

Average unit net cash costs for the Molybdenum mines of \$8.98 per pound of molybdenum in first-quarter 2021 were lower than average unit net cash costs of \$10.03 per pound in first-quarter 2020, primarily reflecting higher ore grades and lower input and labor costs. Based on current sales volume and cost estimates, average unit net cash costs for the Molybdenum mines are expected to approximate \$9.50 per pound of molybdenum for the year 2021.

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 generally 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 in North America and South America. Exploration expenditures for the year 2021 are expected to approximate \$45 million. FCX has long-lived reserves and a significant resource position in its existing portfolio.

CASH FLOWS, CASH AND DEBT

Operating Cash Flows. FCX generated operating cash flows of \$1.1 billion (net of \$0.3 billion of working capital and other uses) in first-quarter 2021.

Based on current sales volume and cost estimates, and assuming average prices of \$4.00 per pound of copper, \$1,750 per ounce of gold and \$11.00 per pound of molybdenum for the remainder of 2021, FCX's consolidated operating cash flows are estimated to approximate \$6.5 billion (net of \$0.1 billion of working capital and other uses) for the year 2021. The impact of price changes for the remainder of 2021 on operating cash flows would approximate \$265 million for each \$0.10 per pound change in the average price of copper, \$70 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 \$0.4 billion in first-quarter 2021 (including approximately \$0.3 billion for major projects). Capital expenditures are expected to approximate \$2.3 billion for the year 2021, including \$1.4 billion for major projects primarily associated with underground development activities in the Grasberg minerals district and exclude Indonesia smelter expenditures.

Cash. Following is a summary of the U.S. and international components of consolidated cash and cash equivalents available to the parent company, net of noncontrolling interests' share, taxes and other costs at March 31, 2021 (in billions):

Cash at domestic companies	\$	3.5
Cash at international operations		1.1
Total consolidated cash and cash equivalents		4.6
Noncontrolling interests' share		(0.5)
Cash, net of noncontrolling interests' share	\$	4.1
Withholding taxes		— ^a
Net cash available	\$	4.1

a. Rounds to less than \$0.1 billion.

Debt. Following is a summary of total debt and the weighted-average interest rates at March 31, 2021 (in millions, except percentages).

		Weighted-Average Interest Rate
Senior Notes	\$ 9,141	4.8%
Cerro Verde Term Loan	524	2.0%
Other	144	1.7%
Total debt	\$ 9,809	4.6%

At March 31, 2021, FCX had no borrowings, \$10 million in letters of credit issued and \$3.5 billion available under its revolving credit facility. FCX's 3.55% Senior Notes are due March 2022 (\$524 million principal amount), the Cerro Verde Term Loan matures in June 2022, and FCX has no other senior note maturities until March 2023.

FINANCIAL POLICY

FCX's Board has adopted a financial policy for the allocation of cash flows aligned with FCX's strategic objectives of maintaining a strong balance sheet, increasing cash returns to shareholders and advancing opportunities for future growth. The policy includes a base dividend of \$0.30 per share per year and a performance-based payout framework to be implemented following achievement of a net debt target in the range of \$3 billion to \$4 billion, excluding project debt for additional smelting capacity in Indonesia. Under the performance-based payout framework, up to 50 percent of available cash flows generated after planned capital spending and distributions to noncontrolling interests would be allocated to shareholder returns and the balance to debt reduction and investments in value enhancing growth projects. Available cash flows for performance-based payout distributions in excess of the base dividend will be assessed at least annually.

On March 24, 2021, FCX declared a quarterly cash dividend of \$0.075 per share on its common stock, which will be paid on May 3, 2021, to shareholders of record as of April 15, 2021. The declaration of dividends is at the discretion of the Board and will depend upon FCX's financial results, cash requirements, future prospects and other factors deemed relevant by the Board.

WEBCAST INFORMATION

A conference call with securities analysts to discuss FCX's first-quarter 2021 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." A replay of the webcast will be available through Friday, May 21, 2021.

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.

Cautionary Statement and Regulation G Disclosure: 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 ore grades and milling rates; business outlook; production and sales volumes; unit net cash costs; cash flows; capital expenditures; liquidity; operating costs; operating plans; FCX's financial policy; FCX's expectations regarding PT-FI's ramp-up of underground mining activities and future cash flows through 2022; PT-FI's development, financing, construction and completion of a greenfield smelter in Indonesia and possible expansion of the smelter at PT Smelting; FCX's commitments to deliver responsibly produced copper, including plans to implement and validate all of its operating sites under specific frameworks; improvements in operating procedures and technology; exploration efforts and results; development and production activities, rates and costs; tax rates; export quotas and duties; the impact of copper, gold and molybdenum price changes; the impact of deferred intercompany profits on earnings; mineralization and reserve estimates; execution of the settlement agreements associated with the Louisiana coastal erosion cases and tail-related litigation; and future dividend payments, share purchases and sales. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "could," "to be," "potential," "assumptions," "guidance," "future" and any similar expressions are intended to identify those assertions as forward-looking statements. The declaration of future dividends is at the discretion of the Board and will depend on FCX's financial results, cash requirements, future prospects, global economic conditions, and other factors deemed relevant by the Board.

FCX cautions readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, 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, changes in the credit ratings of FCX; changes in FCX's cash requirements, financial position, financing plans or investment plans; changes in general market, economic, tax, regulatory or industry conditions; the duration and scope of and uncertainties associated with the COVID-19 pandemic, and the impact thereof on commodity prices, FCX's business and the global economy and any related actions taken by governments and businesses; FCX's ability to contain and mitigate the risk of spread or major outbreak of COVID-19 at its operating sites, including at PT-FI's remote operating site in Papua; supply of and demand for, and prices of, copper, gold and molybdenum; mine sequencing; changes in mine plans or operational modifications, delays, deferrals or cancellations; production rates; timing of shipments; results of feasibility studies; potential inventory adjustments; potential impairment of long-lived mining assets; the potential effects of violence in Indonesia generally and in the province of Papua; the Indonesia government's extension of PT-FI's export license after March 15, 2022; risks associated with underground mining; satisfaction of requirements in accordance with PT-FI's special mining license to extend mining rights from 2031 through 2041; the Indonesia government's approval of a deferred schedule for completion of the greenfield smelter in Indonesia; expected results from improvements in operating procedures and technology, including innovation initiatives; industry risks; regulatory changes; political and social risks; labor relations, including labor-related work stoppages; weather- and climate-related risks; environmental risks; litigation results; cybersecurity incidents; changes in general market, economic and industry conditions; financial condition of FCX's customers, suppliers, vendors, partners and affiliates, particularly during weak economic conditions and extended periods of volatile commodity prices; reductions in liquidity and access to capital; 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, 2020, 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, 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 certain financial measures such as net debt, adjusted net income (loss) and unit net cash costs per pound of copper and molybdenum, which are not recognized under U.S. generally accepted accounting principles. Net debt equals consolidated debt less consolidated cash. 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,			
	2021	2020	2021	2020
	Production		Sales	
MINING OPERATIONS:				
COPPER (millions of recoverable pounds)				
<i>(FCX's net interest in %)</i>				
North America				
Morenci (72%) ^a	154	173	140	178
Bagdad (100%)	44	46	42	48
Safford (100%)	64	29	51	28
Sierrita (100%)	49	41	42	41
Miami (100%)	4	4	3	4
Chino (100%)	25	42	19	44
Tyrone (100%)	13	11	11	11
Other (100%)	—	—	—	1
Total North America	353	346	308	355
South America				
Cerro Verde (53.56%)	217	203	215	206
El Abra (51%)	42	42	44	41
Total South America	259	245	259	247
Indonesia				
Grasberg (48.76%) ^b	298	140	258	127
Total	910	731	825 ^c	729 ^c
Less noncontrolling interests	177	141	170	140
Net	733	590	655	589
Average realized price per pound			\$ 3.94	\$ 2.43
GOLD (thousands of recoverable ounces)				
<i>(FCX's net interest in %)</i>				
North America (100%)	3	4	2	5
Indonesia (48.76%) ^b	294	152	256	139
Consolidated	297	156	258	144
Less noncontrolling interests	55	29	48	26
Net	242	127	210	118
Average realized price per ounce			\$ 1,713	\$ 1,606
MOLYBDENUM (millions of recoverable pounds)				
<i>(FCX's net interest in %)</i>				
Henderson (100%)	3	2	N/A	N/A
Climax (100%)	4	5	N/A	N/A
North America copper mines (100%) ^a	8	8	N/A	N/A
Cerro Verde (53.56%)	5	4	N/A	N/A
Consolidated	20	19	21	21
Less noncontrolling interests	2	2	3	3
Net	18	17	18	18
Average realized price per pound			\$ 11.62	\$ 11.10

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

b. FCX's economic interest in PT Freeport Indonesia (PT-FI) approximates 81 percent through 2022 and 48.76 percent thereafter.

c. Consolidated sales volumes exclude purchased copper of 53 million pounds in first-quarter 2021 and 88 million pounds in first-quarter 2020.

Freeport-McMoRan Inc.
SELECTED OPERATING DATA (continued)

	Three Months Ended March 31,	
	2021	2020
100% North America Copper Mines		
<i>Leach Operations</i>		
Leach ore placed in stockpiles (metric tons per day)	705,100	728,100
Average copper ore grade (percent)	0.28	0.27
Copper production (millions of recoverable pounds)	262	235
<i>Mill Operations</i>		
Ore milled (metric tons per day)	268,000	333,400
Average ore grades (percent):		
Copper	0.37	0.32
Molybdenum	0.03	0.02
Copper recovery rate (percent)	78.7	87.0
Production (millions of recoverable pounds):		
Copper	151	178
Molybdenum	9	8
100% South America Mining		
<i>Leach Operations</i>		
Leach ore placed in stockpiles (metric tons per day)	153,800	182,500
Average copper ore grade (percent)	0.36	0.37
Copper production (millions of recoverable pounds)	61	63
<i>Mill Operations</i>		
Ore milled (metric tons per day)	390,100	349,600 ^a
Average ore grades (percent):		
Copper	0.31	0.35
Molybdenum	0.01	0.01
Copper recovery rate (percent)	87.6	78.4
Production (millions of recoverable pounds):		
Copper	198	182
Molybdenum	5	4
100% Indonesia Mining		
Ore extracted and milled (metric tons per day):		
Grasberg Block Cave underground mine ^b	51,800	19,000
Deep Mill Level Zone underground mine ^b	46,700	18,500
Deep Ore Zone underground mine	18,600	20,200
Big Gossan underground mine	6,800	6,800
Grasberg open pit	—	7,500 ^c
Total	<u>124,100 ^d</u>	<u>72,000</u>
Average ore grades:		
Copper (percent)	1.41	1.15
Gold (grams per metric ton)	1.08	0.99
Recovery rates (percent):		
Copper	91.3	91.8
Gold	78.9	76.7
Production (recoverable):		
Copper (millions of pounds)	298	140
Gold (thousands of ounces)	294	152
100% Molybdenum Mines		
Ore milled (metric tons per day)	18,800	26,900
Average molybdenum ore grade (percent)	0.20	0.15
Molybdenum production (millions of recoverable pounds)	7	7

a. Cerro Verde mill operations were impacted as a result of the Peruvian government's issuance of a Supreme Decree and declaration of a National Emergency in mid-march 2020 associated with its efforts to contain the outbreak of COVID-19.

b. Reflects ore extracted, including ore from development activities that result in metal production.

c. Represents ore from the Grasberg open-pit stockpiles.

d. Does not foot because of rounding.

Freeport-McMoRan Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

	Three Months Ended March 31,	
	2021	2020
	(In Millions, Except Per Share Amounts)	
Revenues ^a	\$ 4,850	\$ 2,798
Cost of sales:		
Production and delivery ^b	2,786	2,545 ^c
Depreciation, depletion and amortization	419	341 ^c
Metals inventory adjustments	1	222
Total cost of sales	3,206	3,108
Selling, general and administrative expenses	100	110
Mining exploration and research expenses	7	16
Environmental obligations and shutdown costs	5	26
Net loss on sales of assets	—	11
Total costs and expenses	3,318	3,271
Operating income (loss)	1,532	(473)
Interest expense, net ^{d,e}	(145)	(127)
Net loss on early extinguishment of debt	—	(32)
Other income, net ^f	11	20
Income (loss) before income taxes and equity in affiliated companies' net (losses) earnings	1,398	(612)
(Provision for) benefit from income taxes ^e	(443)	60
Equity in affiliated companies' net (losses) earnings	(2)	3
Net income (loss)	953	(549)
Net (income) loss attributable to noncontrolling interests	(235)	58
Net income (loss) attributable to common stockholders ^f	\$ 718	\$ (491)
Diluted net income (loss) per share attributable to common stock:	\$ 0.48	\$ (0.34)
Diluted weighted-average common shares outstanding:	1,477	1,452
Dividends declared per share of common stock	\$ 0.075	\$ —

- 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 net charges totaling \$45 million for first-quarter 2021 and \$16 million for first-quarter 2020, which are summarized in the supplemental schedule, "Adjusted Net Income (Loss)," on page VI.
- c. Includes COVID-19 related costs totaling \$28 million, which are summarized in the supplemental schedule, "Adjusted Net Income (Loss)," on page VI.
- d. Consolidated interest costs (before capitalization) totaled \$160 million in first-quarter 2021 and \$171 million in first-quarter 2020.
- e. For a summary of FCX's income taxes, refer to the supplemental schedule, "Income Taxes," on page VII.
- f. 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, 2021	December 31, 2020
(In Millions)		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,580	\$ 3,657
Trade accounts receivable	1,248	892
Income and other tax receivables	522	520
Inventories:		
Materials and supplies, net	1,596	1,594
Mill and leach stockpiles	1,007	1,014
Product	1,542	1,285
Other current assets	361	341
Total current assets	10,856	9,303
Property, plant, equipment and mine development costs, net	29,775	29,818
Long-term mill and leach stockpiles	1,475	1,463
Other assets	1,537	1,560
Total assets	\$ 43,643	\$ 42,144
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,866	\$ 2,708
Current portion of debt	656	34
Accrued income taxes	647	324
Current portion of environmental and asset retirement obligations	331	351
Dividends payable	111	—
Total current liabilities	4,611	3,417
Long-term debt, less current portion	9,153	9,677
Deferred income taxes	4,446	4,408
Environmental and asset retirement obligations, less current portion	3,720	3,705
Other liabilities	2,140	2,269
Total liabilities	24,070	23,476
Equity:		
Stockholders' equity:		
Common stock	160	159
Capital in excess of par value	26,080	26,037
Accumulated deficit	(10,963)	(11,681)
Accumulated other comprehensive loss	(580)	(583)
Common stock held in treasury	(3,777)	(3,758)
Total stockholders' equity	10,920	10,174
Noncontrolling interests ^a	8,653	8,494
Total equity	19,573	18,668
Total liabilities and equity	\$ 43,643	\$ 42,144

a. Includes \$4.6 billion associated with the December 2018 PT-FI transaction, including \$4.1 billion associated with the PT Indonesia Asahan Aluminium (Persero) acquisition of Rio Tinto's joint venture interest.

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

	Three Months Ended	
	March 31,	
	2021	2020
	(In Millions)	
Cash flow from operating activities:		
Net income (loss)	\$ 953	\$ (549)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation, depletion and amortization	419	341
Metals inventory adjustments	1	222
Net loss on sales of assets	—	11
Stock-based compensation	41	27
Net charges for environmental and asset retirement obligations, including accretion	39	60
Payments for environmental and asset retirement obligations	(54)	(71)
Net charges for defined pension and postretirement plans	—	18
Pension plan contributions	(21)	(26)
Net loss on early extinguishment of debt	—	32
Deferred income taxes	38	(118)
Charges for Cerro Verde royalty dispute	5	9
Payments for Cerro Verde royalty dispute	(38)	(57)
Other, net	28	(56)
Changes in working capital and other:		
Accounts receivable	(361)	205
Inventories	(225)	154
Other current assets	6	(89)
Accounts payable and accrued liabilities	(42)	(149)
Accrued income taxes and timing of other tax payments	286	(2)
Net cash provided by (used in) operating activities	<u>1,075</u>	<u>(38)</u>
Cash flow from investing activities:		
Capital expenditures:		
North America copper mines	(26)	(184)
South America	(21)	(74)
Indonesia	(310)	(326)
Molybdenum mines	(1)	(7)
Other	(12)	(19)
Proceeds from sales of assets	5	66 ^a
Other, net	(3)	(2)
Net cash used in investing activities	<u>(368)</u>	<u>(546)</u>
Cash flow from financing activities:		
Proceeds from debt	130	1,478
Repayments of debt	(32)	(1,242)
Cash dividends paid on common stock	—	(73)
Contributions from noncontrolling interests	41	32
Proceeds from exercised stock options	106	1
Payments for withholding of employee taxes related to stock-based awards	(19)	(5)
Debt financing costs and other, net	(1)	(18)
Net cash provided by financing activities	<u>225</u>	<u>173</u>
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents	932	(411)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of year	3,903	2,278
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period ^b	<u>\$ 4,835</u>	<u>\$ 1,867</u>

a. Includes \$60 million in contingent consideration associated with the 2016 sale of TF Holdings Limited because the average cobalt price exceeded \$20 per pound during the 24-month period ending December 31, 2019.

b. Includes restricted cash and restricted cash equivalents of \$255 million at March 31, 2021, and \$265 million at March 31, 2020.

Freeport-McMoRan Inc.
ADJUSTED NET INCOME (LOSS)

Adjusted net income (loss) is intended to provide investors and others with information about FCX's recurring operating performance. This information differs from net income (loss) 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 (loss) follows, which may not be comparable to similarly titled measures reported by other companies (in millions, except per share amounts).

	Three Months Ended March 31,					
	2021			2020		
	Pre-tax	After-tax ^a	Per Share	Pre-tax	After-tax ^a	Per Share
Net income (loss) attributable to common stock	N/A	\$ 718	\$ 0.48	N/A	\$ (491)	\$ (0.34)
PT-FI charges	\$ (22)	\$ (20)	\$ (0.01)	\$ —	\$ —	\$ —
Metals inventory adjustments	(1)	(1)	—	(222)	(182)	(0.12)
COVID-19 related costs	—	—	—	(28)	(9)	(0.01)
Other net charges	(23)	(20)	(0.01)	(16)	(8)	(0.01)
Net adjustments to environmental obligations and related litigation reserves	3	3	—	(14)	(14)	(0.01)
Net loss on sales of assets	—	—	—	(11)	(11)	(0.01)
Net loss on early extinguishment of debt	—	—	—	(32)	(32)	(0.02)
Net tax charges ^f	N/A	—	—	N/A	(1)	—
	\$ (44)	\$ (38)	\$ (0.03)	\$ (323)	\$ (256)	\$ (0.18)
Adjusted net income (loss) attributable to common stock	N/A	\$ 756	\$ 0.51	N/A	\$ (235)	\$ (0.16)

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

b. Reflects charges recorded in production and delivery (\$13 million), interest expense, net (\$4 million) and other income, net (\$5 million), associated with contested matters at PT-FI, including an administrative fine levied by the Indonesia government and historical tax audits.

c. Includes \$20 million recorded to production and delivery and \$8 million to depreciation, depletion, and amortization, primarily related to idle facility costs at Cerro Verde and contract cancellation costs at El Abra.

d. Reflects net charges recorded to production and delivery primarily associated with employee separation charges, international tax matters and asset retirement obligation adjustments.

e. Includes other charges recorded to production and delivery (\$5 million), other income, net (\$4 million), and interest expense, net (\$7 million), primarily related to a change in a tax position at Cerro Verde and asset impairments.

f. Refer to "Income Taxes" below for further discussion of net tax charges.

g. Does not foot because of rounding.

Freeport-McMoRan Inc.
INCOME TAXES

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

	Three Months Ended March 31,					
	2021			2020		
	Income (Loss) ^a	Effective Tax Rate	Income Tax (Provision) Benefit	Income (Loss) ^a	Effective Tax Rate	Income Tax (Provision) Benefit
U.S. ^b	\$ 185	N/A	\$ — ^c	\$ (451)	1%	\$ 4 ^d
South America	493	39%	(194)	(202)	39%	78
Indonesia	757	42%	(315)	(19)	(63)%	(12) ^e
Eliminations and other	(37)	N/A	4	60	N/A	(11)
Rate adjustment ^f	—	N/A	62	—	N/A	1
Continuing operations	<u>\$ 1,398</u>	32% ^g	<u>\$ (443)</u>	<u>\$ (612)</u>	10% ^{g,h}	<u>\$ 60</u>

a. Represents income (loss) before income taxes and equity in affiliated companies' net (losses) 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.

d. Includes a tax credit of \$6 million associated with the removal of a valuation allowance on deferred tax assets.

e. Includes a tax charge of \$8 million (\$7 million net of noncontrolling interest) associated with an unfavorable 2012 Indonesia Supreme Court ruling.

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

g. FCX's consolidated effective income tax rate is a function of the combined effective tax rates for the jurisdictions in which it operates.

h. FCX's U.S. jurisdiction generated net losses in the first three months of 2020 that did not result in a realized tax benefit; applicable accounting rules required FCX to adjust its estimated annual effective tax rate to exclude the impact of U.S. net losses.

Assuming achievement of current sales volume and cost estimates and average prices of \$4.00 per pound for copper, \$1,750 per ounce for gold and \$11.00 per pound for molybdenum for the remainder of 2021, FCX estimates its consolidated effective tax rate for the year 2021 would approximate 32 percent. Changes in projected sales volumes and average prices during 2021 would incur tax impacts at estimated effective rates of 40 percent for Peru, 38 percent for Indonesia and 0 percent for the U.S.

DERIVATIVE INSTRUMENTS

For the three months ended March 31, 2021, FCX's mined copper was sold 58 percent in concentrate, 21 percent as cathode and 21 percent as rod from North America operations. Substantially all of FCX's copper concentrate and 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 \$3.86 per pound during first-quarter 2021 and settled at \$4.01 per pound on March 31, 2021. Because a significant 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 major determinant of the average recorded copper price for the period. FCX's average realized copper price was \$3.94 per pound in first-quarter 2021.

Freeport-McMoRan Inc.
DERIVATIVE INSTRUMENTS (continued)

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,					
	2021			2020		
	Prior Period ^a	Current Period ^b	Total	Prior Period ^a	Current Period ^b	Total
Revenues	\$ 146	\$ 61	\$ 207	\$ (107)	\$ (131)	\$ (238)
Net income attributable to common stock	\$ 57	\$ 23	\$ 80	\$ (45)	\$ (54)	\$ (99)
Net income per share of common stock	\$ 0.04	\$ 0.02	\$ 0.06	\$ (0.03)	\$ (0.04)	\$ (0.07)

a. Reflects adjustments to provisionally priced copper sales at December 30, 2021 and 2020.

b. Reflects adjustments to provisionally priced copper sales during the three months ended March 31, 2021 and 2020.

At March 31, 2021, FCX had provisionally priced copper sales at its copper mining operations totaling 276 million pounds of copper (net of intercompany sales and noncontrolling interests) recorded at an average price of \$3.99 per pound, subject to final pricing over the next several months. FCX estimates that each \$0.05 change in the price realized from the quarter-end provisional price would have an approximate \$8 million effect on 2021 net income attributable to common stock. The LME copper price settled at \$4.26 per pound on April 21, 2021.

DEFERRED PROFITS

FCX defers recognizing profits on sales from its mining operations to Atlantic Copper and on 25 percent of PT-FI's sales to PT Smelting (PT-FI's 25 percent-owned Indonesia smelting unit) until final sales to third parties occur. Changes in these deferrals attributable to variability in intercompany volumes resulted in net (reductions) additions to operating income (loss) totaling \$(85) million (\$63) million to net income attributable to common stock in first-quarter 2021 and \$11 million (\$7 million to net loss attributable to common stock) in first-quarter 2020. FCX's net deferred profits on its inventories at Atlantic Copper and PT Smelting to be recognized in future periods' net income attributable to common stock totaled \$121 million at March 31, 2021. 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. FCX currently expects second-quarter 2021 results to reflect an increase in net deferred profits, totaling an approximate \$60 million reduction to net income, mostly associated with an anticipated increase in sales to Atlantic Copper, which will be recognized in future periods as Atlantic Copper sells final refined products to third parties.

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, Cerro Verde and Grasberg (Indonesia Mining) copper mines, 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 Mines		Cerro Verde	Other Mines								Total
			Total			Total							
Three Months Ended March 31, 2021													
Revenues:													
Unaffiliated customers	\$ 4	\$ 28	\$ 32	\$ 917	\$ 175	\$ 1,092	\$ 1,383 ^a	\$ —	\$ 1,309	\$ 687	\$ 347 ^b	\$ 4,850	
Intersegment	564	742	1,306	45	—	45	52	70	7	—	(1,480)	—	
Production and delivery	269	480	749	436	103	539	455	57	1,316	673	(1,003) ^c	2,786	
Depreciation, depletion and amortization	34	46	80	89	12	101	199	15	1	7	16	419	
Metals inventory adjustments	—	—	—	—	—	—	—	1	—	—	—	1	
Selling, general and administrative expenses	—	1	1	2	—	2	26	—	—	7	64	100	
Mining exploration and research expenses	—	—	—	—	—	—	—	—	—	—	7	7	
Environmental obligations and shutdown costs	—	—	—	—	—	—	—	—	—	—	5	5	
Operating income (loss)	265	243	508	435	60	495	755	(3)	(1)	—	(222)	1,532	
Interest expense, net	—	—	—	13	—	13	1	—	—	1	130	145	
Provision for (benefit from) income taxes	—	—	—	173	21	194	315	—	—	—	(66)	443	
Total assets at March 31, 2021	2,629	5,283	7,912	8,723	1,738	10,461	17,551	1,753	235	997	4,734	43,643	
Capital expenditures	10	16	26	20	1	21	310	1	1	6	5	370	
Three Months Ended March 31, 2020													
Revenues:													
Unaffiliated customers	\$ 2	\$ 7	\$ 9	\$ 376	\$ 98	\$ 474	\$ 445 ^a	\$ —	\$ 1,115	\$ 429	\$ 326 ^b	\$ 2,798	
Intersegment	442	534	976	38	—	38	—	71	8	11	(1,104)	—	
Production and delivery	349	511	860	424	110	534	343	66	1,119	411	(788)	2,545	
Depreciation, depletion and amortization	44	48	92	93	15	108	101	16	2	7	15	341	
Metals inventory adjustments	4	141	145	—	60	60	—	4	—	—	13	222	
Selling, general and administrative expenses	1	—	1	2	—	2	28	—	—	5	74	110	
Mining exploration and research expenses	—	1	1	—	—	—	—	—	—	—	15	16	
Environmental obligations and shutdown costs	—	—	—	—	—	—	—	—	1	—	25	26	
Net loss on sales of assets	—	—	—	—	—	—	—	—	—	—	11	11	
Operating income (loss)	46	(160)	(114)	(105)	(87)	(192)	(27)	(15)	1	17	(143)	(473)	
Interest expense, net	1	—	1	28	—	28	1	—	—	3	94	127	
(Benefit from) provision for income taxes	—	—	—	(52)	(26)	(78)	12	—	—	—	6	(60)	
Total assets at March 31, 2020	2,814	5,093	7,907	8,471	1,655	10,126	16,711	1,788	231	635	2,821	40,219	
Capital expenditures	44	140	184	59	15	74	326	7	2	6	11	610	

a. Includes PT-FI's sales to PT Smelting totaling \$792 million in first-quarter 2021 and \$380 million in first-quarter 2020.

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. Includes charges associated with the major maintenance turnaround at the Miami smelter totaling \$68 million.

Freeport-McMoRan Inc.
PRODUCT REVENUES AND PRODUCTION COSTS

Unit net cash costs 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 (loss) 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 (loss) 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 (credits), which are removed from site production and delivery costs in the calculation of unit net cash costs, consist of items such as stock-based compensation costs, long-lived asset impairments, idle facility costs, restructuring and/or unusual charges (credits). 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, 2021

(In millions)	By-Product Method	Co-Product Method			Total
		Copper	Molybdenum ^a	Other ^b	
Revenues, excluding adjustments	\$ 1,193	\$ 1,193	\$ 88	\$ 34	\$ 1,315
Site production and delivery, before net noncash and other costs shown below	627	580	56	21	657
By-product credits	(92)	—	—	—	—
Treatment charges	33	31	—	2	33
Net cash costs	568	611	56	23	690
Depreciation, depletion and amortization (DD&A)	80	74	4	2	80
Noncash and other costs, net	41	40	—	1	41
Total costs	689	725	60	26	811
Other revenue adjustments, primarily for pricing on prior period open sales	7	7	—	—	7
Gross profit	\$ 511	\$ 475	\$ 28	\$ 8	\$ 511
Copper sales (millions of recoverable pounds)	308	308			
Molybdenum sales (millions of recoverable pounds) ^a			8		
Gross profit per pound of copper/molybdenum:					
Revenues, excluding adjustments	\$ 3.88	\$ 3.88	\$ 10.49		
Site production and delivery, before net noncash and other costs shown below	2.04	1.89	6.67		
By-product credits	(0.30)	—	—		
Treatment charges	0.11	0.10	—		
Unit net cash costs	1.85	1.99	6.67		
DD&A	0.26	0.24	0.46		
Noncash and other costs, net	0.13	0.13	0.06		
Total unit costs	2.24	2.36	7.19		
Other revenue adjustments, primarily for pricing on prior period open sales	0.02	0.02	—		
Gross profit per pound	\$ 1.66	\$ 1.54	\$ 3.30		
Reconciliation to Amounts Reported					
	Revenues	Production and Delivery	DD&A		
Totals presented above	\$ 1,315	\$ 657	\$ 80		
Treatment charges	(5)	28	—		
Noncash and other costs, net	—	41	—		
Other revenue adjustments, primarily for pricing on prior period open sales	7	—	—		
Eliminations and other	21	23	—		
North America copper mines	1,338	749	80		
Other mining ^c	4,645	3,040	323		
Corporate, other & eliminations	(1,133)	(1,003)	16		
As reported in FCX's consolidated financial statements	\$ 4,850	\$ 2,786	\$ 419		

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. 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, 2020

(In millions)	By-Product Method	Co-Product Method			Total
		Copper	Molybdenum ^a	Other ^b	
Revenues, excluding adjustments	\$ 906	\$ 906	\$ 77	\$ 25	\$ 1,008
Site production and delivery, before net noncash and other costs shown below	760	698	71	18	787
By-product credits	(75)	—	—	—	—
Treatment charges	38	36	—	2	38
Net cash costs	723	734	71	20	825
DD&A	92	84	6	2	92
Metals inventory adjustments	145	142	—	3	145
Noncash and other costs, net	34	29	2	3	34
Total costs	994	989	79	28	1,096
Other revenue adjustments, primarily for pricing on prior period open sales	(22)	(22)	—	—	(22)
Gross loss	\$ (110)	\$ (105)	\$ (2)	\$ (3)	\$ (110)

Copper sales (millions of recoverable pounds)	354	354			
Molybdenum sales (millions of recoverable pounds) ^a			8		

Gross loss per pound of copper/molybdenum:

Revenues, excluding adjustments	\$ 2.56	\$ 2.56	\$ 9.69		
Site production and delivery, before net noncash and other costs shown below	2.15	1.97	8.93		
By-product credits	(0.22)	—	—		
Treatment charges	0.11	0.10	—		
Unit net cash costs	2.04	2.07	8.93		
DD&A	0.26	0.24	0.73		
Metals inventory adjustments	0.41	0.40	—		
Noncash and other costs, net	0.10	0.09	0.23		
Total unit costs	2.81	2.80	9.89		
Other revenue adjustments, primarily for pricing on prior period open sales	(0.06)	(0.06)	—		
Gross loss per pound	\$ (0.31)	\$ (0.30)	\$ (0.20)		

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A	Metals Inventory Adjustments
Totals presented above	\$ 1,008	\$ 787	\$ 92	\$ 145
Treatment charges	(8)	30	—	—
Noncash and other costs, net	—	34	—	—
Other revenue adjustments, primarily for pricing on prior period open sales	(22)	—	—	—
Eliminations and other	7	9	—	—
North America copper mines	985	860	92	145
Other mining ^c	2,591	2,473	234	64
Corporate, other & eliminations	(778)	(788)	15	13
As reported in FCX's consolidated financial statements	\$ 2,798	\$ 2,545	\$ 341	\$ 222

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. 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, 2021

(In millions)	By-Product Method	Co-Product Method		
		Copper	Other ^a	Total
Revenues, excluding adjustments	\$ 1,026	\$ 1,026	\$ 65	\$ 1,091
Site production and delivery, before net noncash and other costs shown below	520	491	39	530
By-product credits	(55)	—	—	—
Treatment charges	35	35	—	35
Royalty on metals	2	2	—	2
Net cash costs	502	528	39	567
DD&A	101	95	6	101
Noncash and other costs, net	10	9	1	10
Total costs	613	632	46	678
Other revenue adjustments, primarily for pricing on prior period open sales	83	83	—	83
Gross profit	\$ 496	\$ 477	\$ 19	\$ 496
Copper sales (millions of recoverable pounds)	259	259		
Gross profit per pound of copper:				
Revenues, excluding adjustments	\$ 3.96	\$ 3.96		
Site production and delivery, before net noncash and other costs shown below	2.01	1.90		
By-product credits	(0.21)	—		
Treatment charges	0.13	0.13		
Royalty on metals	0.01	0.01		
Unit net cash costs	1.94	2.04		
DD&A	0.39	0.37		
Noncash and other costs, net	0.04	0.03		
Total unit costs	2.37	2.44		
Other revenue adjustments, primarily for pricing on prior period open sales	0.32	0.32		
Gross profit per pound	\$ 1.91	\$ 1.84		
Reconciliation to Amounts Reported				
	Revenues	Production and Delivery	DD&A	
Totals presented above	\$ 1,091	\$ 530	\$ 101	
Treatment charges	(35)	—	—	
Royalty on metals	(2)	—	—	
Noncash and other costs, net	—	10	—	
Other revenue adjustments, primarily for pricing on prior period open sales	83	—	—	
Eliminations and other	—	(1)	—	
South America mining	1,137	539	101	
Other mining ^b	4,846	3,250	302	
Corporate, other & eliminations	(1,133)	(1,003)	16	
As reported in FCX's consolidated financial statements	\$ 4,850	\$ 2,786	\$ 419	

a. Includes silver sales of 0.9 million ounces (\$26.13 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)

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

Three Months Ended March 31, 2020

(In millions)

	By-Product Method	Co-Product Method		
		Copper	Other ^a	Total
Revenues, excluding adjustments	\$ 575	\$ 575	\$ 54	\$ 629
Site production and delivery, before net noncash and other costs shown below	494	457	49	506
By-product credits	(42)	—	—	—
Treatment charges	40	40	—	40
Royalty on metals	1	1	—	1
Net cash costs	493	498	49	547
DD&A	107	98	9	107
Metals inventory adjustments	60	60	—	60
Noncash and other costs, net	30 ^b	28	2	30
Total costs	690	684	60	744
Other revenue adjustments, primarily for pricing on prior period open sales	(75)	(75)	—	(75)
Gross loss	\$ (190)	\$ (184)	\$ (6)	\$ (190)
Copper sales (millions of recoverable pounds)	247	247		
Gross loss per pound of copper:				
Revenues, excluding adjustments	\$ 2.33	\$ 2.33		
Site production and delivery, before net noncash and other costs shown below	2.00	1.85		
By-product credits	(0.17)	—		
Treatment charges	0.16	0.16		
Royalty on metals	0.01	0.01		
Unit net cash costs	2.00	2.02		
DD&A	0.44	0.40		
Metals inventory adjustments	0.24	0.24		
Noncash and other costs, net	0.12 ^b	0.11		
Total unit costs	2.80	2.77		
Other revenue adjustments, primarily for pricing on prior period open sales	(0.30)	(0.30)		
Gross loss per pound	\$ (0.77)	\$ (0.74)		

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A	Metals Inventory Adjustments
Totals presented above	\$ 629	\$ 506	\$ 107	\$ 60
Treatment charges	(40)	—	—	—
Royalty on metals	(1)	—	—	—
Noncash and other costs, net	—	30	—	—
Other revenue adjustments, primarily for pricing on prior period open sales	(75)	—	—	—
Eliminations and other	(1)	(2)	1	—
South America mining	512	534	108	60
Other mining ^c	3,064	2,799	218	149
Corporate, other & eliminations	(778)	(788)	15	13
As reported in FCX's consolidated financial statements	\$ 2,798	\$ 2,545	\$ 341	\$ 222

a. Includes silver sales of 0.9 million ounces (\$17.71 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. Includes COVID-19 related costs of \$20 million (\$0.08 per pound of copper), primarily associated with idle facility costs at Cerro Verde as a result of the Peruvian government's issuance of a Supreme Decree and declaration of a National Emergency in its efforts to contain the outbreak of COVID-19 and contract cancellation costs at El Abra.

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 Costs

Three Months Ended March 31, 2021

	By-Product Method	Co-Product Method			Total
		Copper	Gold	Silver ^a	
Revenues, excluding adjustments	\$ 1,032	\$ 1,032	\$ 437	\$ 30	\$ 1,499
Site production and delivery, before net noncash and other credits shown below	383	264	112	7	383
Gold and silver credits	(462)	—	—	—	—
Treatment charges	65	45	19	1	65
Export duties	29	20	8	1	29
Royalty on metals	61	42	18	1	61
Net cash costs	76	371	157	10	538
DD&A	199	137	58	4	199
Noncash and other credits, net	(8) ^b	(6)	(2)	—	(8)
Total costs	267	502	213	14	729
Other revenue adjustments, primarily for pricing on prior period open sales	65	65	(5)	—	60
PT Smelting intercompany loss	(49)	(34)	(14)	(1)	(49)
Gross profit	\$ 781	\$ 561	\$ 205	\$ 15	\$ 781
Copper sales (millions of recoverable pounds)	258	258			
Gold sales (thousands of recoverable ounces)			256		
Gross profit per pound of copper/per ounce of gold:					
Revenues, excluding adjustments	\$ 4.00	\$ 4.00	\$ 1.713		
Site production and delivery, before net noncash and other credits shown below	1.48	1.02	438		
Gold and silver credits	(1.79)	—	—		
Treatment charges	0.25	0.17	74		
Export duties	0.11	0.08	33		
Royalty on metals	0.24	0.16	71		
Unit net cash costs	0.29	1.43	616		
DD&A	0.77	0.53	228		
Noncash and other credits, net	(0.03) ^b	(0.02)	(10)		
Total unit costs	1.03	1.94	834		
Other revenue adjustments, primarily for pricing on prior period open sales	0.25	0.25	(19)		
PT Smelting intercompany loss	(0.20)	(0.14)	(56)		
Gross profit per pound/ounce	\$ 3.02	\$ 2.17	\$ 804		
Reconciliation to Amounts Reported					
	Revenues	Production and Delivery	DD&A		
Totals presented above	\$ 1,499	\$ 383	\$ 199		
Treatment charges	(65)	—	—		
Export duties	(29)	—	—		
Royalty on metals	(61)	—	—		
Noncash and other credits, net	31	23	—		
Other revenue adjustments, primarily for pricing on prior period open sales	60	—	—		
PT Smelting intercompany loss	—	49	—		
Indonesia mining	1,435	455	199		
Other mining ^c	4,548	3,334	204		
Corporate, other & eliminations	(1,133)	(1,003)	16		
As reported in FCX's consolidated financial statements	\$ 4,850	\$ 2,786	\$ 419		

a. Includes silver sales of 1.2 million ounces (\$24.61 per ounce average realized price).

b. Includes credits of \$31 million (\$0.12 per pound of copper) associated with adjustments to prior year treatment and refining charges and charges of \$13 million (\$0.05 per pound of copper) associated with a potential settlement of an administrative fine levied by the Indonesia government.

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 Costs

Three Months Ended March 31, 2020

(In millions)

	By-Product Method	Co-Product Method				Total
		Copper	Gold	Silver ^a		
Revenues, excluding adjustments	\$ 290	\$ 290	\$ 223	\$ 8	\$ 521	
Site production and delivery, before net noncash and other costs shown below	341	190	146	5	341	
Gold and silver credits	(236)	—	—	—	—	
Treatment charges	38	21	16	1	38	
Export duties	4	2	2	—	4	
Royalty on metals	19	12	7	—	19	
Net cash costs	166	225	171	6	402	
DD&A	101	56	43	2	101	
Noncash and other costs, net	27	15	12	—	27	
Total costs	294	296	226	8	530	
Other revenue adjustments, primarily for pricing on prior period open sales	(20)	(20)	5	—	(15)	
PT Smelting intercompany profit	25	14	11	—	25	
Gross profit (loss)	\$ 1	\$ (12)	\$ 13	\$ —	\$ 1	

Copper sales (millions of recoverable pounds)

127

127

Gold sales (thousands of recoverable ounces)

139

Gross profit (loss) per pound of copper/per ounce of gold:

Revenues, excluding adjustments	\$ 2.28	\$ 2.28	\$ 1,606
Site production and delivery, before net noncash and other costs shown below	2.68	1.49	1,052
Gold and silver credits	(1.85)	—	—
Treatment charges	0.30	0.17	118
Export duties	0.03	0.02	11
Royalty on metals	0.15	0.09	50
Unit net cash costs	1.31	1.77	1,231
DD&A	0.79	0.44	310
Noncash and other costs, net	0.21	0.12	82
Total unit costs	2.31	2.33	1,623
Other revenue adjustments, primarily for pricing on prior period open sales	(0.16)	(0.16)	33
PT Smelting intercompany profit	0.20	0.11	77
Gross profit (loss) per pound/ounce	\$ 0.01	\$ (0.10)	\$ 93

Reconciliation to Amounts Reported

	Revenues	Production and Delivery	DD&A
Totals presented above	\$ 521	\$ 341	\$ 101
Treatment charges	(38)	—	—
Export duties	(4)	—	—
Royalty on metals	(19)	—	—
Noncash and other costs, net	—	27	—
Other revenue adjustments, primarily for pricing on prior period open sales	(15)	—	—
PT Smelting intercompany profit	—	(25)	—
Indonesia mining	445	343	101
Other mining ^b	3,131	2,990	225
Corporate, other & eliminations	(778)	(788)	15
As reported in FCX's consolidated financial statements	\$ 2,798	\$ 2,545	\$ 341

a. Includes silver sales of 0.6 million ounces (\$14.09 per ounce average realized price).

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)

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

(In millions)	Three Months Ended March 31,	
	2021	2020
Revenues, excluding adjustments ^a	\$ 76	\$ 77
Site production and delivery, before net noncash and other costs shown below	54	64
Treatment charges and other	6	6
Net cash costs	60	70
DD&A	15	16
Metals inventory adjustments	1	4
Noncash and other costs, net	3	2
Total costs	79	92
Gross loss	\$ (3)	\$ (15)
Molybdenum sales (millions of recoverable pounds) ^a	7	7
Gross loss per pound of molybdenum:		
Revenues, excluding adjustments ^a	\$ 11.38	\$ 10.97
Site production and delivery, before net noncash and other costs shown below	8.13	9.17
Treatment charges and other	0.85	0.86
Unit net cash costs	8.98	10.03
DD&A	2.23	2.29
Metals inventory adjustments	0.13	0.51
Noncash and other costs, net	0.42	0.30
Total unit costs	11.76	13.13
Gross loss per pound	\$ (0.38)	\$ (2.16)

Reconciliation to Amounts Reported

Three Months Ended March 31, 2021	Revenues	Production and Delivery	DD&A	Metals
				Inventory Adjustments
Totals presented above	\$ 76	\$ 54	\$ 15	\$ 1
Treatment charges and other	(6)	—	—	—
Noncash and other costs, net	—	3	—	—
Molybdenum mines	70	57	15	1
Other mining ^b	5,913	3,732	388	—
Corporate, other & eliminations	(1,133)	(1,003)	16	—
As reported in FCX's consolidated financial statements	\$ 4,850	\$ 2,786	\$ 419	\$ 1
Three Months Ended March 31, 2020				
Totals presented above	\$ 77	\$ 64	\$ 16	\$ 4
Treatment charges and other	(6)	—	—	—
Noncash and other costs, net	—	2	—	—
Molybdenum mines	71	66	16	4
Other mining ^b	3,505	3,267	310	205
Corporate, other & eliminations	(778)	(788)	15	13
As reported in FCX's consolidated financial statements	\$ 2,798	\$ 2,545	\$ 341	\$ 222

- 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.

CHARGING AHEAD

RESPONSIBLY. RELIABLY. RELENTLESSLY.

FCX Conference Call 1st Quarter 2021 Results

April 22, 2021



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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 ore grades and milling rates; business outlook; production and sales volumes; unit net cash costs; cash flows; capital expenditures; liquidity; operating costs; operating plans; FCX's financial policy; FCX's expectations regarding PT-FI's ramp-up of underground mining activities and future cash flows through 2022; PT-FI's development, financing, construction and completion of a greenfield smelter in Indonesia and possible expansion of the smelter at PT Smelting; FCX's commitments to deliver responsibly produced copper, including plans to implement and validate all of its operating sites under specific frameworks; improvements in operating procedures and technology; exploration efforts and results; development and production activities, rates and costs; tax rates; export quotas and duties; the impact of copper, gold and molybdenum price changes; the impact of deferred intercompany profits on earnings; mineralization and reserve estimates; execution of the settlement agreements associated with the Louisiana coastal erosion cases and talc-related litigation; and future dividend payments, share purchases and sales. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "targets," "intends," "likely," "will," "should," "could," "to be," "potential," "assumptions," "guidance," "future" and any similar expressions are intended to identify those assertions as forward-looking statements. The declaration of future dividends is at the discretion of the Board of Directors (Board) and will depend on FCX's financial results, cash requirements, future prospects, global economic conditions, and other factors deemed relevant by the Board.

FCX cautions readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, 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, changes in the credit ratings of FCX, changes in FCX's cash requirements, financial position, financing plans or investment plans; changes in general market, economic, tax, regulatory or industry conditions; the duration and scope of and uncertainties associated with the COVID-19 pandemic, and the impact thereof on commodity prices, FCX's business and the global economy and any related actions taken by governments and businesses; FCX's ability to contain and mitigate the risk of spread or major outbreak of COVID-19 at its operating sites, including at PT-FI's remote operating site in Papua; supply of and demand for, and prices of, copper, gold and molybdenum; mine sequencing; changes in mine plans or operational modifications, delays, deferrals or cancellations; production rates; timing of shipments; results of feasibility studies; potential inventory adjustments; potential impairment of long-lived mining assets; the potential effects of violence in Indonesia generally and in the province of Papua; the Indonesia government's extension of PT-FI's export license after March 15, 2022; risks associated with underground mining, satisfaction of requirements in accordance with PT-FI's special mining license to extend mining rights from 2031 through 2041; the Indonesia government's approval of a deferred schedule for completion of the greenfield smelter in Indonesia; expected results from improvements in operating procedures and technology, including innovation initiatives, industry risks; regulatory changes, political and social risks; labor relations, including labor-related work stoppages; weather- and climate-related risks; environmental risks; litigation results; cybersecurity incidents; changes in general market, economic and industry conditions; financial condition of FCX's customers, suppliers, vendors, partners and affiliates, particularly during weak economic conditions and extended periods of volatile commodity prices; reductions in liquidity and access to capital; 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, 2020, 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, 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 presentation also includes forward-looking statements regarding mineralized material not included in proven and probable mineral reserves. Mineralized material is a mineralized body that has been delineated by appropriately spaced drilling and/or underground sampling to support the estimated tonnage and average metal grades. Such a deposit cannot qualify as recoverable proven and probable reserves until legal and economic feasibility are confirmed based upon a comprehensive evaluation of development costs, unit costs, grades, recoveries and other material factors. Significant additional drilling is required and no assurance can be given that the potential quantities of metal will be produced. Accordingly, no assurances can be given that estimated mineralized material not included in reserves will become proven and probable mineral reserves.

This presentation also contains certain financial measures such as unit net cash costs per pound of copper, net debt and adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), which are not recognized under U.S. generally accepted accounting principles. As required by SEC Regulation G, FCX's calculation and reconciliation of unit net cash costs per pound of copper to amounts reported in FCX's consolidated financial statements is in the supplemental schedules of FCX's 1Q21 press release, which is available on FCX's website, "fcx.com." Net debt equals consolidated debt less consolidated cash. A reconciliation of adjusted EBITDA to amounts reported in FCX's consolidated financial statements is included on slide 36.



2020 Annual Reports

CHARGING AHEAD
RESPONSIBLY. RELIABLY. RELENTLESSLY.

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Our **2020 Annual Report** highlights the momentum Freport achieved through resiliency, strong operating performance and project execution during 2020 to establish a solid foundation for future growth.

Our **2020 Sustainability Report** marks Freport's 20th year of reporting on its sustainability progress and Freport's first year reporting in alignment with the Sustainability Accounting Standards Board (SASB) Metals & Mining Framework.



ICMM
International Council
on Mining & Metals

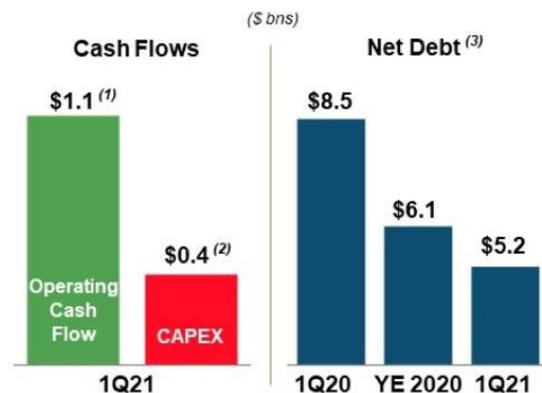
THE COPPER MARK
RESPONSIBLY
PRODUCED
COPPER

NOTE: To date, six Freport sites have been awarded the Copper Mark: Morenci, Cerro Verde, El Abra, Atlantic Copper, the Miami smelter and mine, and the El Paso refinery.

1Q21 Highlights

- **Solid execution** of operating plans
 - Production volumes and costs **in line with targets**
 - Ramp-up of Grasberg underground mines **advancing on schedule**
 - **Strong financial results** and cash flow generation
 - Adopted a performance-based payout framework for **increasing cash returns** to shareholders
 - **Advancing** organic growth opportunities
 - Addition of **two new independent directors** to FCX Board
- **Favorable operational and market outlook**

Key Stats	Actual
Copper Sales <i>(mm lbs)</i>	825
Copper Realization <i>(\$/lb)</i>	\$3.94
Gold Sales <i>(k ozs)</i>	258
Unit Net Cash Costs <i>(\$/lb)</i>	\$1.39



(1) Includes working capital uses of \$0.3 bn

(2) Includes \$0.3 bn for major projects

(3) Net debt equals consolidated debt less consolidated cash.

See Cautionary Statement.

Copper – Metal of the Future

Critical to Global Decarbonization

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Intensity of Use is Increasing with Decarbonization



More than 70% of the world's copper is used in applications that deliver electricity. ⁽¹⁾

Electric vehicles use up to four times more copper than internal combustion engines. ⁽¹⁾

Renewable energy technologies use four to five times more copper than fossil fuel power generation. ⁽¹⁾

Copper consumption associated with electric vehicles and renewable energy technologies is expected to grow rapidly over the next several years.

Freeport is strategically positioned as a leading copper producer

⁽¹⁾ International Copper Association
See Cautionary Statement.

Compelling Investment Case For Copper & Freeport

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Rising Demand



Supply Scarcity

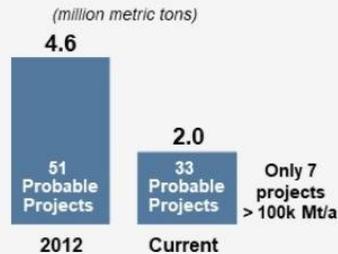
Structural Deficits/ Premium Value

- Global Growth Accelerating
- New Demand Drivers for Clean Energy



See Cautionary Statement

- Permitting
- Geology
- Longer Lead Times
- Pipeline is Thin



Project Approval Rate Has
Been Slow in Recent Years

Source: Wood Mackenzie

- Responsible Producer of Scale
- Strong Current Cash Flows
- Embedded Growth Options
- Long-lived Reserves

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Growing Margins & Cash Flow

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► Volume Growth

	2021e v. 2020	2022e v 2021e
Copper	~20%	~15%
Gold	~55%	~20%

► Attractive Cost Structure

► Expanding Margins

► Laser Focused on Execution

► Additional Embedded Growth Options in Portfolio



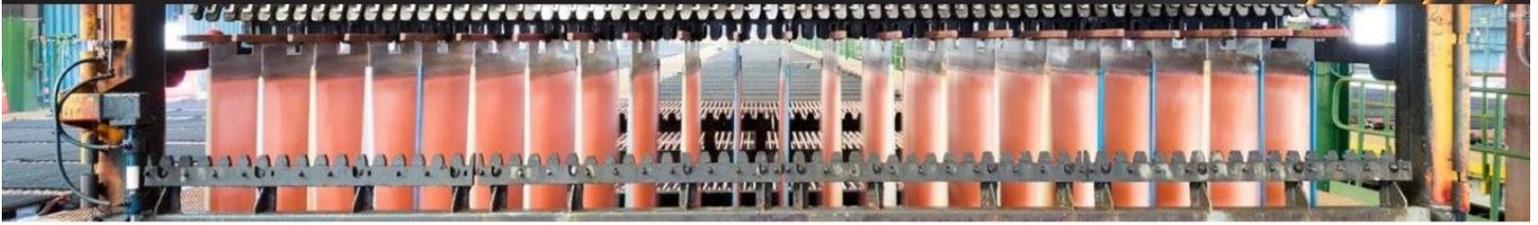
Annual EBITDA Estimates ⁽¹⁾

(\$ in billions)



(1) Based on April 2021e sales estimates. 2021e EBITDA approximates \$9.8 bn assuming \$4.00/lb Cu and \$1,750/oz Au for 2Q21e - 4Q21e.

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



- Policy aligned with strategic objectives of maintaining a strong balance sheet, increasing cash returns to shareholders and advancing opportunities for future growth
- In February 2021, Board reinstated annual base dividend of \$0.30/share* per annum; first quarterly base dividend to be paid in May
- Also adopted a Performance-Based Payout Policy
- After net debt target of \$3 bn - \$4 bn is achieved (excluding smelter CAPEX), up to 50% of Free Cash Flow for shareholder returns
 - Determine at least annually taking into account market conditions, operational/financial outlook, future investments, etc.
- Maintain flexibility for debt reduction, future investments



* FCX's previous cash dividend on its common stock was \$0.20/share per annum, which was suspended in March 2020 in connection with its comprehensive response to the COVID-19 pandemic. See Cautionary Statement

Future Growth Embedded in Existing Asset Base

Provides Increased Leverage to Higher Copper Prices

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NORTH AMERICA

- **Bagdad Expansion**
 - Current ~80-year reserve life
 - Reviewing +100K st/d mill expansion with +0.2 bn lbs Cu per year
- **Lone Star**
 - Oxide project advances opportunity for development of potentially massive sulfide resource (mill project)
 - Potential 50+ bn lb Cu resource*
- **Other U.S. brownfield projects**
- **Leach Technology Advancements**

SOUTH AMERICA

- **El Abra Mill Project - Chile**
 - 17+ bn lb Cu resource
 - Reviewing potential 240K mt/d mill project with +0.7 bn lbs Cu per year
- **Ongoing optimization at Cerro Verde - Peru**
- **Leach Technology Advancements**

EUROPE

- **CirCular Project - Spain**
 - ESG project (Circular Economy); recycle electronic material

INDONESIA

- **Kucing Liar - Grasberg District**
 - Reserves: 6 bn lbs Cu & 6 mm ozs Au
 - Leverage existing infrastructure
 - 90K mt/d block cave; optimize value with focus on lower pyrite areas of deposit
 - Proceeding with studies, test work & drilling

* Potential resources are not included in reserves and will not qualify as reserves until comprehensive engineering studies establish legal and economic feasibility. Accordingly, no assurance can be given that the potential resources will become proven and probable reserves. See Cautionary Statement.

Long-Lived Reserve Base

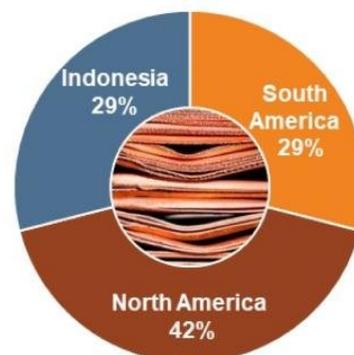
30+ Year Implied Reserve Life for Copper, Excluding Mineralized Material

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Consolidated As of 12/31/2020

	Reserves ⁽¹⁾ (recoverable)	Mineralized Material ⁽²⁾ (contained)
Copper (bn lbs)	113	120
Gold (mm ozs)	29	58
Molybdenum (bn lbs)	3.7	3.6

Copper Reserves ⁽¹⁾ By Region



(1) Estimate of recoverable proven and probable consolidated reserves using long-term average prices of \$2.50/lb for copper, \$1,200/oz for gold and \$10/lb for molybdenum; FCX's net equity interest of copper reserves totaled 82 bn lbs as of 12/31/2020.

(2) Estimate of consolidated mineralized material (contained copper) using a long-term average copper price of \$3.00/lb, gold price of \$1,200/oz and molybdenum price of \$12/lb. Mineralized material is not included in reserves and will not qualify as reserves until comprehensive engineering studies establish legal and economic feasibility. Accordingly, no assurance can be given that the estimated mineralized material will become proven and probable reserves.

See Cautionary Statement.



“Charging Ahead”

Responsibly. Reliably. Relentlessly.

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»» Global Industry Leader

One of the world's largest publicly traded copper producers; Seasoned and value-driven global team; 30+ year reserve life with substantial additional resources

»» Trusted Operator

Strong reputation and franchise in 4 countries; Synergistic operation of all assets

»» World-Class Developer

Industry leading track record for major project execution in complex jurisdictions

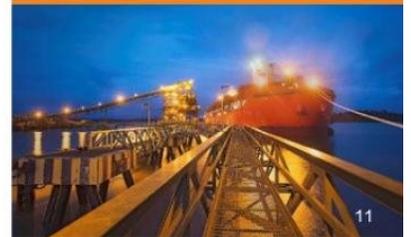
See Cautionary Statement.

»» Block Cave Leader

Industry leading technical capabilities; Decades of block caving experience

»» Responsible Producer

Long-standing commitment to all of our stakeholders including our employees, communities, host countries, customers and suppliers



“Charging Ahead” As One Freeport

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Financial Review & Outlook

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1Q 2021 Operations Update

Continue to Focus on Strong Execution

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NORTH AMERICA

Cu Sales: 308 mm lbs



SOUTH AMERICA

Cu Sales: 259 mm lbs



INDONESIA

Cu Sales: 258 mm lbs

Au Sales: 256 k ozs



➤ Lone Star - Arizona

- Successfully completed initial development in 2H20
- Annual Cu production expected to approximate 200 mm lbs
- Advancing studies for potential incremental oxide expansions/long-term development options

➤ Chino - New Mexico

- Restarted mining activities during 1Q21

➤ Morenci - Arizona

- Increasing mining rates by 10%

➤ Cerro Verde - Peru

- Mill avg: 390k mt/d (+17k mt/d higher than 4Q20)
- 2021e plan assumes 360k mt/d for remainder of 2021e
- Plan to return to pre-COVID-19 levels of ~400k mt/d in 2022

➤ El Abra - Chile

- Implementing plans to increase operating rates during 2021e to pre-COVID-19 levels, subject to public health conditions in Chile
- Incremental copper production: 70 mm lbs per annum* beginning in 2022e

➤ Grasberg Underground

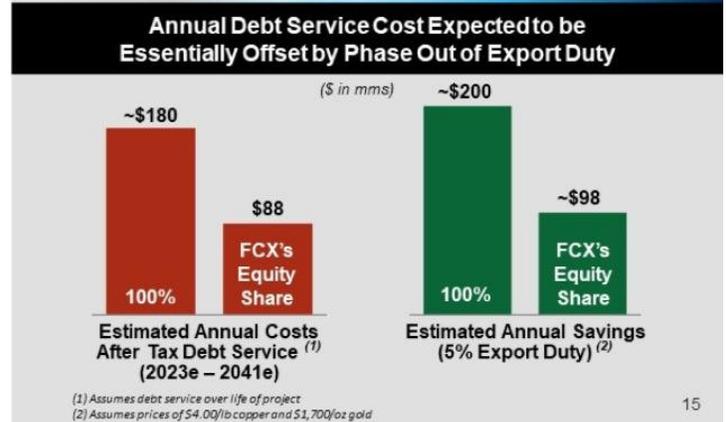
- Production was 40 mm lbs of Cu and 38k ozs of Au higher than sales because of shipping deferrals from 1Q21 to 2Q21e
- 1Q21 annualized metal sales reached 75% of post ramp-up targets; expected to approach 90% by mid-2021e
- 50 new drawbells added; over 420 cum.
- DMLZ/Grasberg Block Cave Operating Rates
 - 1Q21 Avg: ~98k t/d; 16% above 4Q20 rates

e = estimate. See Cautionary Statement.

*~50% of increase is expected in 2021e with full rates to be achieved in 2022e

Indonesian Smelter Update

- **PT-FI committed in 2018 IUPK to construct 2 mm tpy in-country processing facility of Cu concentrate by December 2023**
 - Project has been delayed by COVID-19
- **Advancing commercial and financial arrangements for 30% expansion of existing smelter (PT Smelting)**
- **Consideration of alternative new smelter developed by a third-party**
 - To date, commercial discussions have not resulted in a mutually acceptable agreement
- **PT-FI continuing plans for development of a greenfield smelter and related refinery in East Java near PT Smelting**
- **Expect to finance smelter investments with debt at PT-FI**
 - Shared 51%/49% (PT Inalum/FCX)



e = estimate. See Cautionary Statement.

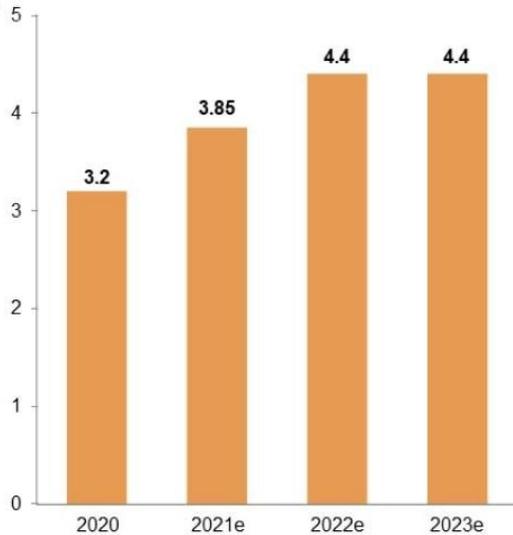
Annual Sales Profile

April 2021 Estimate

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Copper Sales⁽¹⁾ (billion lbs)

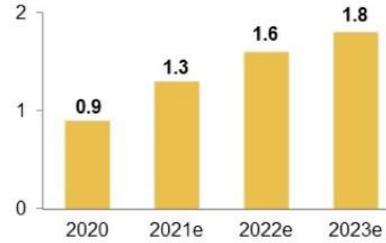


(1) Consolidated copper sales include 608 mm lbs in 2020, 740 mm lbs in 2021e, 860 mm lbs in 2022e and 1,460 mm lbs in 2023e for noncontrolling interests; excludes purchased copper.

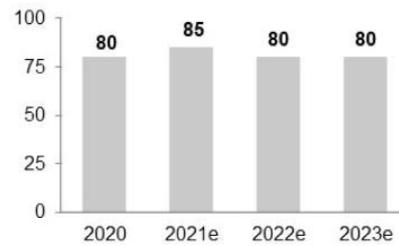
(2) Consolidated gold sales include 158k ozs in 2020, 248k ozs in 2021e, 300k ozs in 2022e and 810k ozs in 2023e for noncontrolling interests. e = estimate. See Cautionary Statement.



Gold Sales⁽²⁾ (million ozs)



Molybdenum Sales (million lbs)



Reconciliation of 2021e Unit Net Cash Cost Guidance

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(\$ and ¢ per pound of copper)

	January 2021 Guidance Price Assumptions \$3.50 Cu / \$1,850 Au / \$9 Mo	Impact of Updated Assumptions			April 2021 Guidance Price Assumptions \$4.00 Cu / \$1,750 Au / \$11 Mo
Site Production & Delivery	\$1.78	<u>Energy</u> +3¢	<u>Freight</u> +1¢	<u>Other*</u> +1¢	\$1.83
By-product Credits	(0.81)	<u>Lower Gold Price</u> +3¢		<u>Higher Moly Price</u> -2¢	(0.80)
Treatment Charges	0.16	No Change			0.16
Royalties & Duties	<u>0.12</u>	<u>Higher Copper Prices (+50¢)</u> +2¢			<u>0.14</u>
Net Unit Cash Costs 2021e	<u>\$1.25</u>	Higher Costs: +5¢ Lower By-product: +1¢ Higher Cu Price: +2¢			<u>\$1.33</u>

* Higher mining rates/profit sharing, net of higher volumes
e = estimate. See Cautionary Statement.



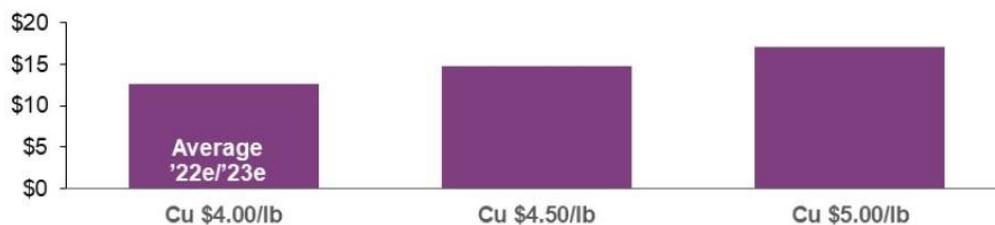
EBITDA and Cash Flow at Various Copper Prices

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



EBITDA | (\$1,750/oz gold, \$11/lb molybdenum)



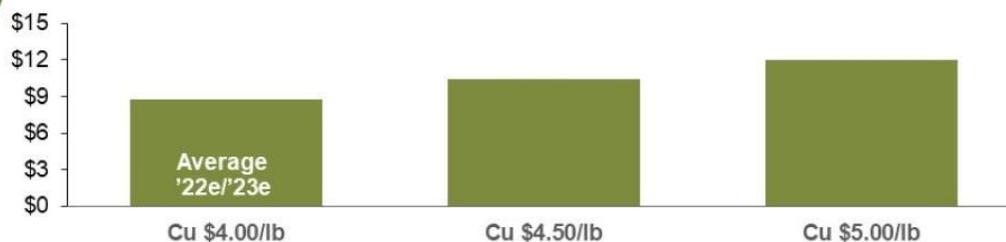
Sensitivities Average '22e/'23e (US\$ in mms)

EBITDA

Copper	+/- \$0.10/lb	\$435
Molybdenum	+/- \$1.00/lb	\$ 80 ⁽¹⁾
Gold	+/- \$50/oz	\$ 80
Currencies ⁽²⁾	+/- 10%	\$200
Diesel	+/- 10%	\$ 55



Operating cash flow | Excludes working capital changes (\$1,750/oz gold, \$11/lb molybdenum)



Operating Cash Flow

Copper	+/- \$0.10/lb	\$330
Molybdenum	+/- \$1.00/lb	\$ 70 ⁽¹⁾
Gold	+/- \$50/oz	\$ 55
Currencies ⁽²⁾	+/- 10%	\$140
Diesel	+/- 10%	\$ 40

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

(1) At \$9/lb moly, the sensitivity would approximate \$45 mm for EBITDA and \$35 mm for operating cash flow.

(2) U.S. Dollar Exchange Rates: 725 Chilean peso, 14,400 Indonesian rupiah, \$0.78 Australian dollar, \$1.19 Euro, 3.69 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.

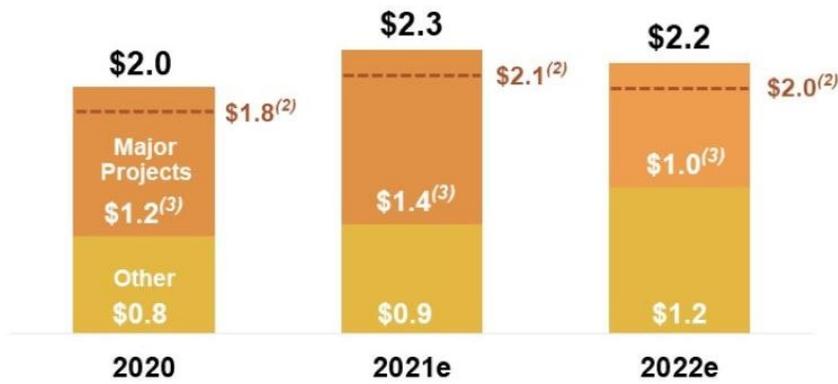
Consolidated Capital Expenditures

Estimates Excluding Potential Indonesian Smelter CAPEX ⁽¹⁾

(\$ in bns)



Net of Scheduled Contributions



(1) See slide 15 regarding alternatives under consideration; smelter investments expected to be funded by PT-FI with debt financing.

(2) Net of scheduled contributions from PT Inalum for expansion capital spending that will be reflected in financing on the cash flow statement.

(3) Major projects include CAPEX associated with Grasberg underground development and supporting mill and power capital costs (\$1.0 bn in 2020, \$1.3 bn in 2021e, and \$0.9 bn in 2022e) and Lone Star (\$0.2 bn in 2020).

NOTE: Amounts include capitalized interest.

e= estimate. See Cautionary Statement.



Strong Financial Performance

Driven by Growing Volumes and Pricing

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Financial Policy Provides Framework for Cash Returns to Shareholders, Investments & Balance Sheet Management

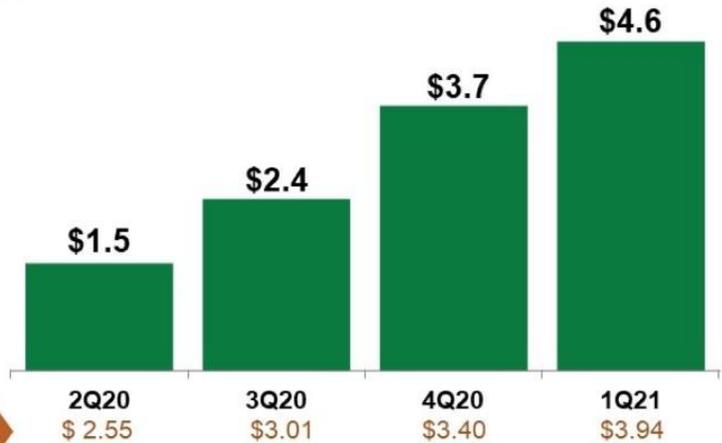


Copper Realizations (\$/lb)



Consolidated Cash

(US\$ bns)



2Q20
\$ 2.55

3Q20
\$3.01

4Q20
\$3.40

1Q21
\$3.94

See Cautionary Statement.



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»» **Portfolio of High-Quality
Copper / Gold Assets with
Embedded Growth Options**

Difficult to Replicate

»» **Strong Track Record
and Commitment to Communities /
Environmental Responsibility**

»» **Technically Proficient**
Proven Capabilities

»» **Experienced** Management Team

»» **Industry Leader**
with Size, Scale and Durability

»» **Copper Supported** by Positive
Long-Term Fundamentals

»» **Growing Production**
and **Cash Flow** Profile

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Reference Slides

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Our COVID-19 Response

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Prioritizing the Health & Well-Being of Our Workforce



Supporting Our Communities



Serving Our Customers



Active and preventive management, through the implementation of global health guidelines, including testing, screening and tracking

Providing monetary and in-kind contributions of medical supplies and food in areas where we operate

As a leading supplier of copper to the global economy, FCX continues to meet the needs of its customers

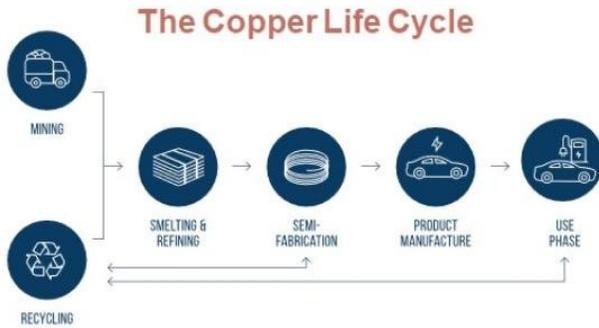
WE ARE IN THIS TOGETHER

Responsible Value Chains

Dedicated to Delivering Responsibly Produced Copper to Markets Around the World

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- **Focused on advancing responsibility in our value chains by:**
 - 1) managing risks in our own supply chain;
 - 2) managing risks of our products and by-products in use; and
 - 3) understanding life cycle impacts of our products along the value chain
- **Recently published a Responsible Sourcing of Minerals Policy and inaugural OECD* Step 5 Due Diligence Report**
- **FCX is committed to validating its Cu production sites against the Copper Mark - 6 sites awarded to date, including Morenci in April 2021**



* The Organisation for Economic Co-operation and Development (OECD)

NOTE: To date, six Freeport sites have been awarded the Copper Mark: Morenci, Cerro Verde, El Abra, Atlantic Copper, the Miami smelter and mine, and the El Paso refinery.
See Cautionary Statement.

The Copper Mark is a new assurance framework developed to demonstrate the copper industry's responsible production practices

THE
COPPER
MARK

Financial Highlights

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Sales Data	1Q21	1Q20
Copper		
Consolidated Volumes (<i>mm lbs</i>)	825	729
Average Realization (<i>per lb</i>)	\$ 3.94	\$ 2.43
Site Production & Delivery Costs (<i>per lb</i>)	\$ 1.86	\$ 2.19
Unit Net Cash Costs (<i>per lb</i>)	\$ 1.39	\$ 1.90
Gold		
Consolidated Volumes (<i>000's ozs</i>)	258	144
Average Realization (<i>per oz</i>)	\$1,713	\$1,606
Molybdenum		
Consolidated Volumes (<i>mm lbs</i>)	21	21
Average Realization (<i>per lb</i>)	\$11.62	\$11.10

Financial Results (in billions, except per share amounts)

Revenues	\$ 4.9	\$ 2.8
Net Income (Loss) Attributable to Common Stock	\$ 0.7	\$ (0.5)
Diluted Net Income (Loss) Per Share	\$ 0.48	\$(0.34)
Operating Cash Flows ⁽¹⁾	\$ 1.1	\$ (0.0)
Capital Expenditures	\$ 0.4	\$ 0.6
Total Debt	\$ 9.8	\$ 10.1
Consolidated Cash	\$ 4.6	\$ 1.6

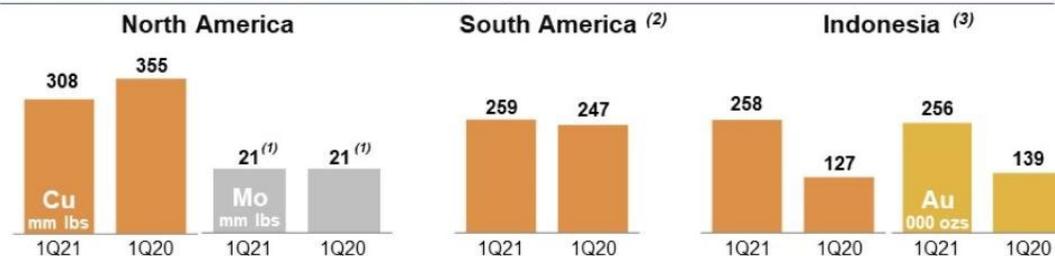
(1) Includes working capital (uses) sources of \$(0.3) bn for 1Q21 and \$0.1 bn for 1Q20.



1Q21 Mining Operating Summary

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Sales From Mines for 1Q21 & 1Q20 *by Region*



1Q21 Unit Production Costs <i>(per lb of Cu)</i>	North America	South America	Indonesia	Consolidated
Cash Unit Costs				
Site Production & Delivery	\$2.04	\$2.01	\$1.48	\$1.86
By-product Credits	(0.30)	(0.21)	(1.79)	(0.74)
Treatment Charges	0.11	0.13	0.25	0.16
Royalties & Export Duties	-	0.01	0.35	0.11
Unit Net Cash Costs	\$1.85	\$1.94	\$0.29	\$1.39

(1) Includes 5 mm lbs in 1Q21 and 4 mm lbs in 1Q20 from South America.

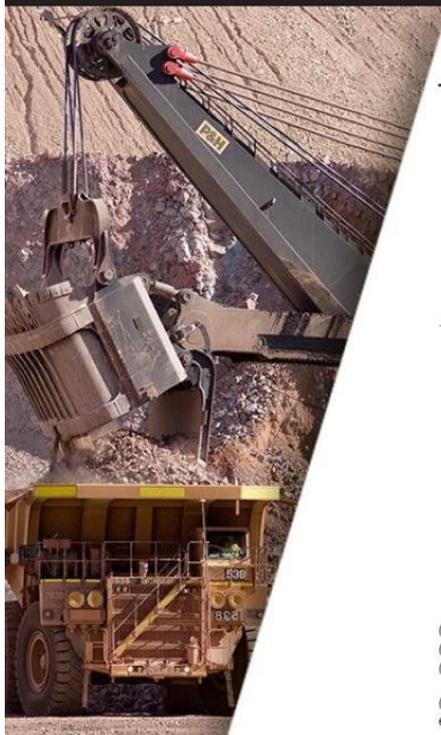
(2) Silver sales totaled 0.9 mm ozs in 1Q21 and 0.9 mm ozs in 1Q20.

(3) Silver sales totaled 1.2 mm ozs in 1Q21 and 0.6 mm ozs in 1Q20.

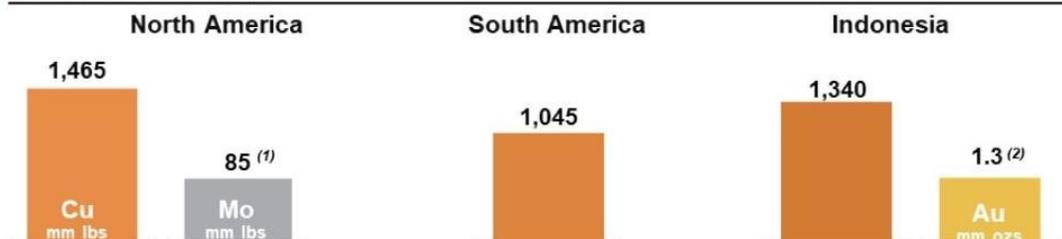
NOTE: For a reconciliation of unit net cash costs per pound to production and delivery costs applicable to sales reported in FCX's consolidated financial statements, refer to "Product Revenues and Production Costs" in the supplemental schedules of FCX's 1Q21 press release, which is available on FCX's website.

2021e Operational Data

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2021e Sales *by Region*



2021e Unit Net Cash Costs ⁽³⁾ *(per lb of Cu)*

	North America	South America	Indonesia	Consolidated
Site Production & Delivery, excl. adjs. ⁽⁴⁾	\$2.09	\$2.03	\$1.40	\$1.83
By-product Credits	(0.27)	(0.24)	(1.81)	(0.80)
Treatment Charges	0.10	0.14	0.24	0.16
Royalties & Export Duties	-	0.01	0.38	0.14
Unit Net Cash Costs	\$1.92	\$1.94	\$0.21	\$1.33

⁽¹⁾ Includes molybdenum produced in South America.

⁽²⁾ Includes gold produced in North America.

⁽³⁾ Estimates assume average prices of \$1,750/oz for gold and \$11/lb for molybdenum for 2Q21e–4Q21e. 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.

2021e Outlook

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Sales Outlook	Unit Net Cash Cost of Copper	Operating Cash Flows ⁽²⁾	Capital Expenditures
<ul style="list-style-type: none"> ➤ Copper: 3.85 billion lbs ➤ Gold: 1.3 million ozs ➤ Molybdenum: 85 million lbs 	<ul style="list-style-type: none"> ➤ Site prod. & delivery <ul style="list-style-type: none"> ➤ 2021e: \$1.83/lb ➤ 2Q21e: \$1.90/lb ➤ After by-product credits ⁽¹⁾ <ul style="list-style-type: none"> ➤ 2021e: \$1.33/lb ➤ 2Q21e: \$1.42/lb 	<ul style="list-style-type: none"> ➤ ~\$6.5 billion @ \$4.00/lb copper for 2Q21e – 4Q21e ➤ Each 10¢/lb change in copper in 2Q21e – 4Q21e = \$265 million 	<ul style="list-style-type: none"> ➤ \$2.3 billion ⁽³⁾ <ul style="list-style-type: none"> ➤ \$1.4 billion for major projects ➤ \$0.9 billion for other mining

(1) Assumes average prices of \$1,750/oz gold and \$11/lb molybdenum in 2Q21e – 4Q21e.

(2) Assumes average prices of \$1,750/oz gold and \$11/lb molybdenum in 2Q21e – 4Q21e; each \$100/oz change in gold would have an approximate \$70 mm impact and each \$2/lb change in molybdenum would have an approximate \$90 mm impact.

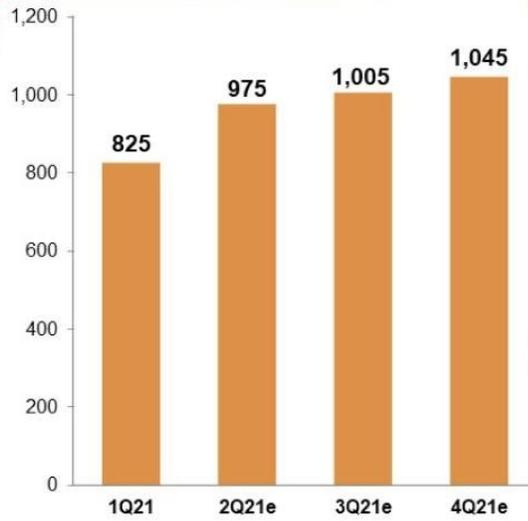
(3) PT Inalum scheduled contributions in 2021e approximate \$0.2 bn; excludes capital expenditures for greenfield smelter in Indonesia.
e = estimate. See Cautionary Statement.



2021e Quarterly Sales



Copper Sales (million lbs)

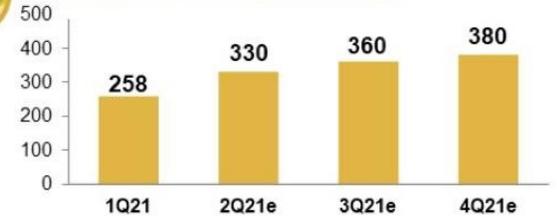


Note: Consolidated copper sales include 170 mm lbs in 1Q21, 175 mm lbs in 2Q21e, 190 mm lbs in 3Q21e and 205 mm lbs in 4Q21e for noncontrolling interests; excludes purchased copper.

e = estimate. See Cautionary Statement.



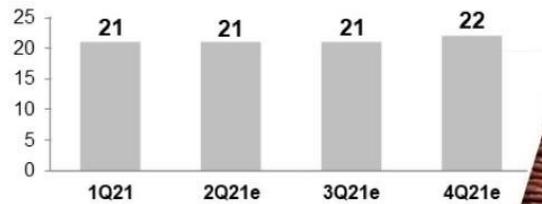
Gold Sales (thousand ozs)



Note: Consolidated gold sales include 48k ozs in 1Q21, 62k ozs in 2Q21e, 67k ozs in 3Q21e and 71k ozs in 4Q21e for noncontrolling interests.

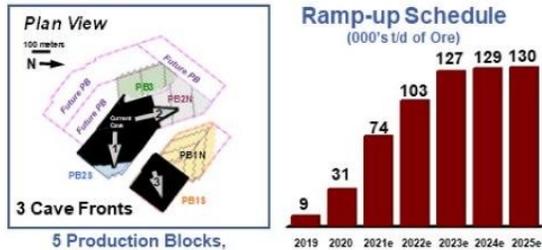


Molybdenum Sales (million lbs)



Substantial Infrastructure in Place to Support Large-Scale Production

Grasberg Block Cave



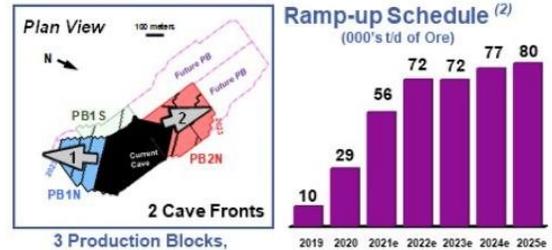
5 Production Blocks,
3 Currently Active

- Continuation of Ore Mined in Open Pit (300 meters below)
- 874 mm t @ 1.08% Copper & 0.73 g/t Gold
- YE 2020 Reserves: 17 bn lbs Copper; 13 mm ozs Gold
- By 2023: 335,000 Sq Meter Footprint (over 80 acres)
- Life of Mine: 725,000 Sq Meter Footprint (180 acres)
- Fully Autonomous Underground Rail System
- Annual Production @ Avg. Reserve Grade⁽¹⁾
 - 950 mm lbs Copper & 700,000 ozs Gold

(1) Access to higher ore grades expected in early years of production.

(2) DMLZ ramp-up adjustments in April 2020 plan reflect one year deferral in SAG mill installation. e = estimate. See Cautionary Statement.

DMLZ



3 Production Blocks,
2 Currently Active

- Located Below DOZ Underground Block Cave Mine
- 1,500 meters below surface
- 439 mm t @ 0.89% Copper & 0.72 g/t Gold
- YE 2020 Reserves: 7 bn lbs Copper; 8 mm ozs Gold
- By 2022: 200,000 Sq Meter Footprint (~ 50 acres)
- Life of Mine: 450,000 Sq Meter Footprint (110 acres)
- Annual Production @ Avg. Reserve Grade⁽¹⁾
 - 500 mm lbs Copper & 540,000 ozs Gold

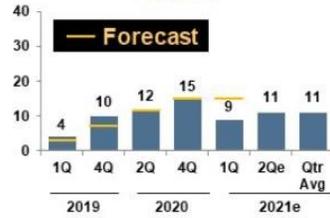
Project Update

Grasberg Transition Remains on Track

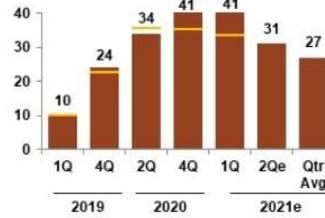
Deep MLZ (DMLZ) & Grasberg Block Cave (GBC) averaged 98,500 t/d in 1Q21: 16% above 4Q20 rates

Drawbelling

DMLZ

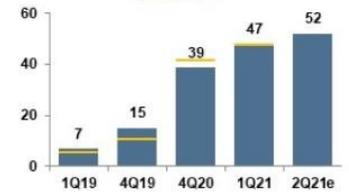


GBC



Ore Extraction (000 t/d)

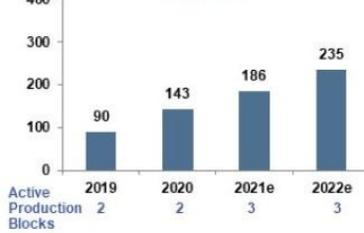
DMLZ



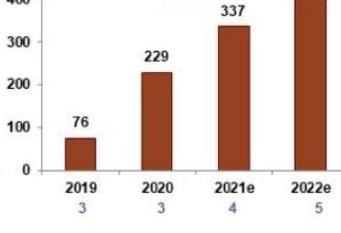
2021e Exit Rate: 68

Open drawbells provide scale – cumulative blasted

DMLZ

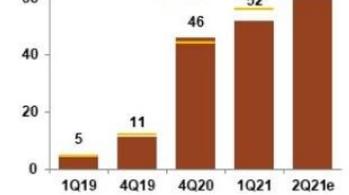


GBC



Active Production Blocks

GBC

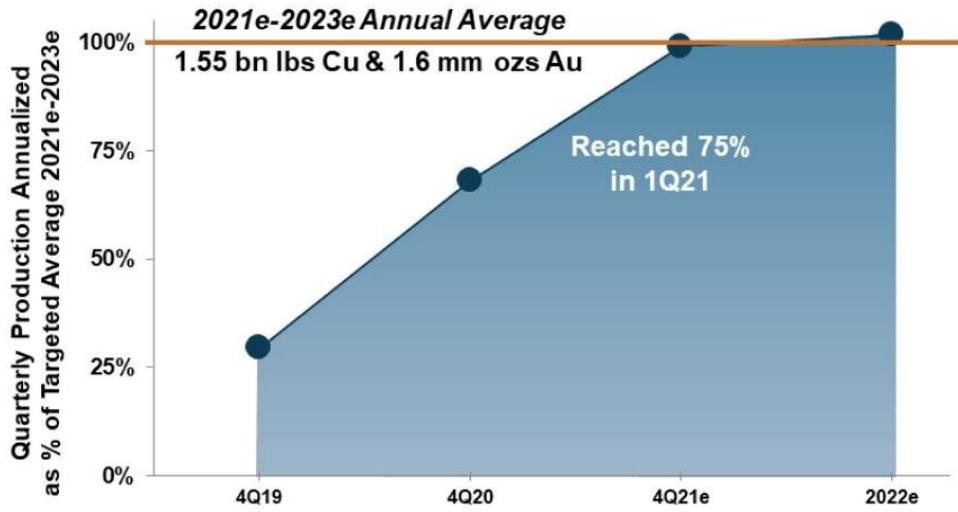


2021e Exit Rate: 89

e = estimate. See Cautionary Statement.

Grasberg Underground Ramp-up Accelerating

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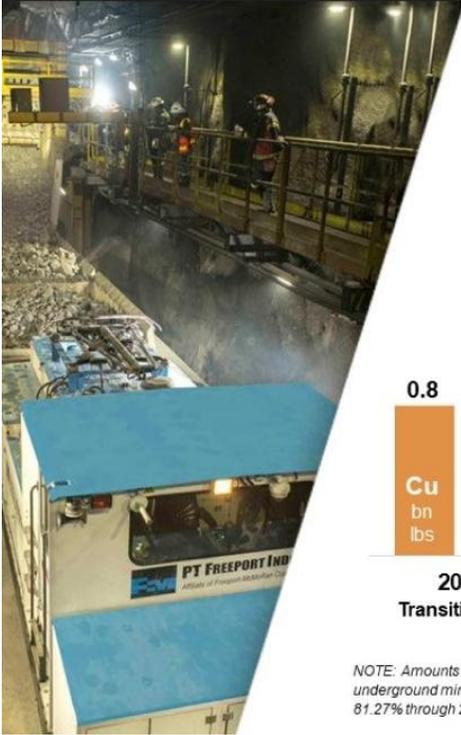
Note: Includes production from Grasberg Block Cave, DMLZ, DOZ and Big Gossan

e = estimate. See Cautionary Statement.



PT-FI Mine Plan

Metal Sales, 2020 – 2025e

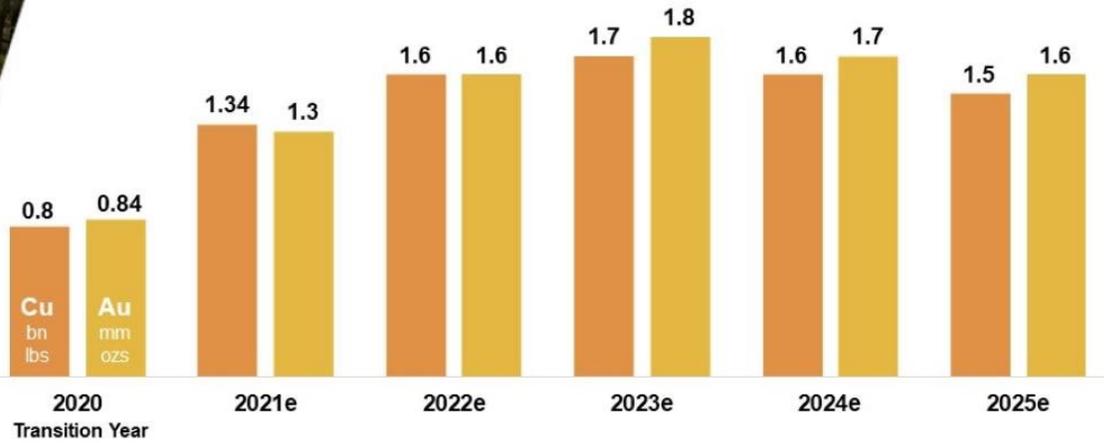


Copper 2021e – 2025e

Total: 7.7 billion lbs copper
Annual Average: 1.55 billion lbs

Gold 2021e – 2025e

Total: 8.0 million ozs gold
Annual Average: 1.6 million ozs

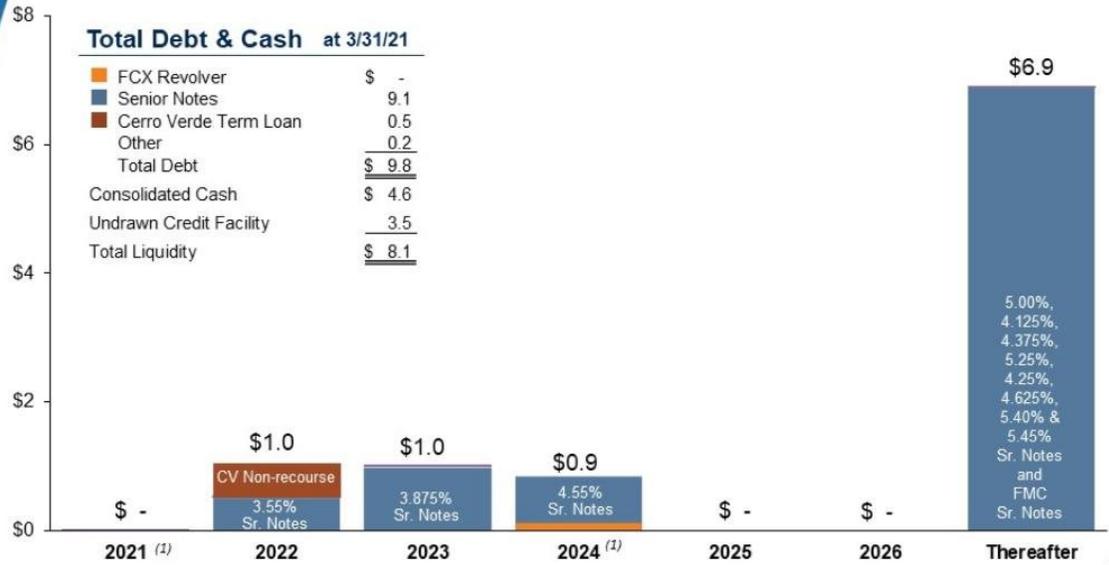


NOTE: Amounts are projections. Timing of annual sales will depend on a number of factors, including operational performance, continued progress of the ramp-up of underground mining at PT-FI, impacts and duration of the COVID-19 pandemic, timing of shipments, and other factors. FCX's economic interest in PT-FI approximates 81.27% through 2022 and 48.76% thereafter. See Cautionary Statement. e = estimate.

FCX Debt Maturities as of 3/31/21



(US\$ bns)



(1) 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 2024.

1Q21 Copper Realization & 2Q21e Guidance

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1Q21 LME Average Copper Price	\$3.86/lb
3-Mo. Fwd Price for Copper at the End of March	\$3.99/lb
FCX 1Q21 Consolidated Copper Price Realization	\$3.94/lb ⁽¹⁾ (Generally, 50/50 weight of qtrly avg and 3-mo forward price at end of period)
FCX 1Q21 Prior Period Open Lb Adj. (aka Provisional Price Adj.)	Revenue/EBITDA: \$146 mm Net income: \$57 mm Earnings/share: \$0.04
2Q21e Open Pound Guidance	<ul style="list-style-type: none"> ➤ Open lbs priced at \$3.99/lb on 3/31/21 ➤ Each \$0.05 change in avg copper price in 2Q21 = \$8 mm impact to 2021e net income ➤ LME copper settled at \$4.26/lb on 4/21/21

(1) Note that when quarter end forward pricing is above the average quarterly spot price, FCX's consolidated quarterly copper realization can be expected to be above the quarterly average spot pricing. Conversely, the quarterly copper realization would be below the quarterly spot price average if quarter end forward curve pricing is below the quarterly average spot price. Quarterly copper realizations by region may vary from the consolidated average.
e = estimate. See Cautionary Statement.

Adjusted EBITDA Reconciliation

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(\$ in mm)	1Q21	12 mos ended 3/31/2021
Net income attributable to common stock	\$718	\$1,808
Interest expense, net	145	616
Income tax provision	443	1,447
Depreciation, depletion and amortization	419	1,606
Metals inventory adjustments	1	(125)
Net gain on sales of assets	-	(484)
Accretion and stock-based compensation	58	201
Other net charges	33	389 ⁽¹⁾
Loss on early extinguishment of debt	-	69
Other income, net	(11)	(50)
Net income attributable to noncontrolling interests	235	559
Equity in affiliated companies' net losses (earnings)	2	(7)
FCX Adjusted EBITDA ⁽²⁾	<u>\$2,043</u>	<u>\$6,029</u>

(1) Other net charges primarily include a tail-related litigation accrual, partly offset by net favorable adjustments to environmental obligations (\$96 mm) and costs directly associated with the COVID-19 pandemic and revised operating plans, including employee separation costs (\$215 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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