



TRANSFORMING TOMORROW TOGETHER

Community Partnership Panel Meeting Summary

Safford Operations August 16, 2017

Purpose

The [Community Partnership Panel](#) is hosted by Freeport-McMoRan to keep the community informed about operational activities and to foster open and ongoing dialogue to develop thoughtful solutions to address community issues.

Safety Share

The safety and health of all Freeport-McMoRan (FCX) employees, along with our commitment to the environment, are of the highest priority. Our objective is zero workplace injuries and occupational illness.

Industry/Business Update

For the most recent FCX financial information please visit: [Freeport-McMoRan Investor Center](#)

Employment in Graham County remains level with approximately 720 employees at the Safford Mine and 200 at the Central Analytical Services Center and Technology Center – Sanchez.

The Record of Decision for the Section 7 permitting is anticipated to be issued in late September 2017. All other permits are in-hand or on schedule. Project staff remain engaged in advancing other key aspects of the Lone Star project.

If approved, development at the Lone Star mining area could potentially begin in 2018 and, at peak construction, would require ~300 contractors to support a number of activities including improvements to the existing primary crusher, a conveying expansion and new facilities in Hydromet including a new leach pad. The number of full-time employees at the Safford Operation would potentially increase by up to 300 as additional staff would be required to support mining operations during three years of pre-stripping required to access the Lone Star oxide ore resource.

Business Presentation

As part of an ongoing effort to help stakeholders better understand the various aspects of Freeport-McMoRan's business and in response to Panel members' interest in this specific department, Freeport-McMoRan Safford Regional Supply Chain Manager Mona Ogas presented an overview of the company's Global Supply Chain group and how their work supports our mining business.

More information, including Supply Chain site contacts, payment information, general terms and conditions, and access to the Ariba supplier network with details about upcoming bids, may be found at: <http://fcx.com/company/business.htm>.

Community Engagement Update

[Working Towards Sustainable Development Report](#) — is now available online.

Civic 50 — For the fourth consecutive year, Freeport-McMoRan has been named to the Civic 50 list of most community-minded companies in the U.S., and this year also was named the top company in the materials sector.

Freeport-McMoRan's Commitment to Social Investing

During the second quarter, Safford operations was proud to partner on the below initiatives and projects:

- Safford Lions Club Foundation — Graham County 4th of July Celebration
- Gila Valley Recreation Foundation — Tri Community Triathlon
- Safford School District — Safford Center for the Arts 2017/2018 Arts/Concert Season
- Arizona Rural Development Council — 2017 Arizona Rural Policy Forum
- McMurray Communications — Nickel Picnic/Battle of the Bands

2017 Graham County [Community Investment Fund](#)

The 2017 Graham County CIF process wrapped-up over the summer with three proposals awarded full funding:

- Boys & Girls Club of the Gila Valley — \$28,000 to support after-school tutoring program and STEM activities as part of the Club's Growing Smarter 2017 + STEM program
- Pima Unified School District — \$73,000 awarded to complete a third and final phase of construction for the Pima Activity Center
- Southeastern Arizona Community Unique Services — \$58,000 to help provide services for 75-80 senior citizens through the SEACUS Senior Services Supplement Plan

Grant Opportunities

Request For Proposals (RFP) — projects addressing Increased Number of Businesses Developed, Attracted and/or Retained

The CIF had a remainder of approximately \$175,000 which will be allocated through an RFP process to address the community priority of Economic Development and, specifically, the Focus Area of Increased Number of Businesses Developed, Attracted and/or Retained.

Deadlines for the RFP are:

- August 17 — Application Open/Announcement of RFP Process
- September 15 — Letter Of Intent Deadline
- September 29 — Invite Applications
- October 27 — Application Deadline
- December 1 — Grant Notifications

For more information, please contact Sean Wenham: swenham@fmi.com or (928)792-5937.

[Women's Development Grant Program](#) — OPEN NOW through October 1

The Freeport-McMoRan Women's Development Grants program has been established with the goal of supporting programs and projects that focus on providing women and/or girls opportunities to reach their full potential and achieve economic success.

[Mini-Grants for Education](#) — Deadline October 1

Mini-Grants for Education are designed to support K-12 teachers and schools in Freeport-

McMoRan communities. Grants of \$100 to \$500 will be awarded to support projects in the project categories below:

- Environment
- Mining, mineral and natural resources
- Reading and literacy
- STEM — Science, Technology, Engineering and Math

A school is eligible to receive up to four (4) mini-grants during each application period. Each applicant/teacher/classroom may receive one mini-grant award per school year.

Community Discussion Summary

Leadership Initiative for Sustainable Communities

During the third quarter, the Panel welcomed the Graham County Cohort to present an update related to their work around the outcome area of Increased Number of Businesses Developed, Attracted and/or Retained. Cohort Leader Joe Goodman shared about the group's efforts and plans to implement a "Shark Tank" event for local entrepreneurship in partnership with the Eastern Arizona College Small Business Development Center and other entities.

The CPP Meets on a quarterly basis — for more information please contact Sean Wenham at swenham@fmi.com.