



TRANSFORMING TOMORROW TOGETHER

Community Partnership Panel Meeting Summary

Copper Queen Branch – Bisbee Operations

September 20, 2018

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.

September is National Preparedness Month and the American Red Cross wants to remind everyone to “**Be Red Cross Ready.**” For more information please visit www.redcross.org/apps.

Industry / Business Update

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

Copper Queen Branch – Site Update:

Projects:

- Completed the removal of a mile-long pipeline between Mule Gulch and Highway 80
- A project is planned to remove inactive power lines and steel towers along:
 - Highway 80 near the pit (*potential traffic delays*)
 - Hillside Avenue in Galena*Timeline for both projects – TBD*

Reclamation

- Reclamation of the South Bisbee Stockpile is scheduled to resume in the first quarter of 2019
 - The reclamation crew currently is repairing erosional features on previously reclaimed stockpiles

Queen Mine Experience

- Gallagher & Associates continue to work on the feasibility study for the expansion of the Queen Mine Tour

Aquifer Protection Permit Update

- CQB submitted an Aquifer Protection Permit application to ADEQ at the end of December 2017
 - Application is under review

- Public comment period may occur during the fourth quarter this year
- An APP is required because the facility contains surface impoundments, pits, ponds and lagoons, and former mine leaching operations
 - Includes the Lavender pit and ponds below the #7, Jones Canyon and Winwood stockpiles
 - ADEQ has specified numerous requirements , with the following as the most critical:
 - BADCT – Applicant must show the Best Available Demonstrated Control Technology (BADCT – pronounced "bad cat") will be used by the facility
 - Applicant must show water quality standards will not be violated in the aquifer and that the aquifer will not be further degraded at Point of Compliance (POC) groundwater monitoring wells
- Financial and technical capability
 - A closure strategy and cost estimate of \$66 million were prepared to close and maintain the facilities
 - CQB required to maintain the financial and technical capability to implement the closure strategy
- Expect to see some activity in the next few years at the East Dam and North Dam, Mule Gulch and the Campbell Yard as we upgrade the facilities to BADCT standards

Community Engagement Update

The 2017 Freeport-McMoRan [Working Toward Sustainable Development](#) report is available on our website. The report is designed to provide stakeholders with information on our sustainability programs, including:

- Policies
- Management Systems
- Performance Data

The company commissioned the L. William Seidman Research Institute at Arizona State University to develop annual [Economic Impact Reports](#) for the company's operations in Arizona, Colorado, New Mexico and Texas.

- Freeport-McMoRan's direct and indirect economic impact on Cochise County was approximately \$41.6 million.

For the third consecutive year, Freeport-McMoRan has received the top honor for the Materials Sector by the Civic 50. This is the sixth consecutive year the company has been recognized as a leader for the sector. The Civic 50 has provided a national standard for superior corporate citizenship since 2011 and showcases how companies can use their time, skills and other resources to improve the quality of life in the communities they do business.

Freeport-McMoRan Foundation Investments – Grant Opportunities / Social Investing

[Mini-Grants for Education](#) – designed to support K-12 teachers and schools in Freeport-McMoRan communities. Eligible programs range from field trips to literacy efforts to incentives for student performance. Deadline to apply: Oct. 1, 2018.

[Women's Development Grant Program](#) – 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. Deadline to apply: Oct. 1, 2018

The Freeport-McMoRan Foundation is proud to recognize John Acosta with a [Volunteer Excellence Award](#) for his volunteer service with the Bisbee Coalition for the Homeless.

The Freeport-McMoRan Foundation is proud to partner with the City of Bisbee on the Copper Queen Library Annex in San Jose. In 2018, the City of Bisbee received a **\$40,000** grant to support the annexation and outreach focused on K-12 education / training as well as increasing matriculation/graduation rates.

- **Outcomes:**
 - The program seeks to achieve a higher level of literacy for children ages 0 to 8; reaching state literacy standards by third grade.
- **Impact:**
 - A higher level of literacy before third grade reflects in a higher graduation rate and college readiness. Addressing these needs will raise the levels of literacy.

Second Quarter 2018 Initiatives and Projects

During the second quarter, the **Copper Queen Branch** was proud to partner on the following initiatives and projects:

- **Healthcare:**
 - Bisbee Hospital Association
 - Chiricahua Community Health Center
- **Education:**
 - Bisbee Unified School District
 - Douglas Unified School
 - Bisbee/Douglas Care Fair
 - Copper Queen Library
- **Economic Development:**
 - Bisbee Coalition for the Homeless
 - City of Bisbee

The [Rural Policy Forum](#) connects rural economic development professionals, nonprofits, community leaders, business owners and other stakeholders who are interested in sustaining rural communities. To kick off this three-day forum, Freeport-McMoRan hosted a convening of community leaders across communities where we operate to share learnings and discuss opportunities around economic diversification.

The CPP meets on a quarterly basis – for more information, please contact jknowlto@fmi.com