



TRANSFORMING TOMORROW TOGETHER

Community Partnership Panel Meeting Summary

Grant County
June 13, 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.

Safety Share: Building evacuation procedures.

Industry/Business Update

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

New Mexico Operations Update

- Headcount as of June 5, 2018 — 1,443
 - Headcount has increased by 14 since March 2018
 - Chino-Cobre — 1,064
 - Tyrone — 375
 - Reclamation Services — 4
- New Faces
 - Kim Kindle — New Controller
 - Grant County native
 - WNMU graduate

The Panel had a discussion around employment needs and the desire to equip locals with the skills to fill those positions. Currently about 20% of Freeport-McMoRan's workforce is from outside of Grant County, predominantly Luna and Hidalgo Counties.

There is an immediate need for skilled trade positions (diagnostic electricians, plant maintenance and mechanics) and Freeport-McMoRan is working with WNMU School of Applied Technology to align their industrial applications program to our industry standards. Soft skills are also critical (showing up to work on time, dressed appropriately, etc.). For more information about open positions within Freeport-McMoRan, please visit fmjobs.com.

New Mexico Strategy

- **Vision:** Working together, living our values, spanning generations, everything I do matters
- **Four Pillars:** Develop relationships, workforce development, extend mine life, community development

Safety Recognition

- New Mexico operations employees were awarded both the Outstanding Contribution to Safety Award (Larry Crofts – Chino/Cobre) and the Honorable Mention (Pat Escudero – Tyrone) at the Annual New Mexico Health and Safety Conference

Chino-Cobre Restart

- Project on schedule and at budget for mining 3Q18
- Project total: \$57.7M capital
- Spent to date: \$44.5M
- Overall Progress: 80% complete
- HWY 152 Overpass – arches complete, (overall 85%)
- Connecting Haul Road Earthwork
 - Blasting – 99% complete
 - Fill Placement – 80% complete

Question: You indicated that the waste material is going to remain at Cobre mine stockpiles. Do you plan to characterize this material for its constituents?

Answer: That has already been done.

Question: What are you doing about dust control on the Cobre haul road?

Answer: Freeport-McMoRan Inc. bought two additional water trucks, which will be used to water the haul road.

Groundwater and Mining Act Permits

- Chino-Cobre:
 - Four permits are current
 - Nine permits are in progress for renewal
- Tyrone:
 - Two permits are current
 - Six permits are in progress for renewal
- Note: Renewal application dates for permits range from August 28, 2007 to May 31, 2013

Strategic Site Update – Shared Services

Manager: Ron Gerdes

- Multi-faceted group
- Purpose:
 - Centralize resources and tasks
 - Maximize efficiencies and control costs
- Department resources: training, planning, security, RCM, mobile cranes, water resource management, reclamation, special projects, welding and machining shops
- Regular engagement with community:
 - Example: FMI welding group/WNMU partnership

Question: What kind of backgrounds do people need to work in your RCM group?

Answer: Many of these employees are electricians and mechanics. The RCM group hires the most skilled people to fill these positions.

College Intern Program — Since 2007, Freeport-McMoRan has been hiring college interns, giving them the opportunity to work on professional projects and gain relevant hands-on experience!

This year New Mexico operations hired 24 interns, 16 at Chino and eight at Tyrone. The interns come from numerous engineering and science disciplines, as well as support services (e.g., Accounting, Human Resources & Global Supply Chain). They all come from North American schools, including Canada WNMU, New Mexico Tech, UTEP and the University of Arizona. Interns complete specific projects, which they present to management and often at an intern conference to FCX senior management at the end of the summer. Intern Emma Thompson spoke about her experiences as an intern at Chino over the past two years, first with Global Supply Chain and this year with Mine Engineering.

Community Discussions

- Freeport-McMoRan recently signed an MOU with GRIP, part of which provides opportunities for collaboration in community discussions
- New Mexico operations is reaching out to communities in the Central Mining District to hear their questions and concerns
 - Started monthly meetings with residents in Hanover-Fierro in April 2018
 - Increasing awareness of Community Information and Grievance Line (provided a handout distributed to the community)
- Discussing extension of water agreement with town of Hurley

Community Engagement Update

Freeport-McMoRan Foundation Investments — Grant Opportunities/Social Investing

STEM Innovation Grants are designed to support K-12 teachers and schools in their efforts to develop, improve or expand innovative instructional programs in science, technology, engineering and math (STEM).

In Grant County, New Mexico, one grant was awarded:

- ALCS — STEM Workshop Engineering & Coding Challenge

During the first quarter, the Freeport-McMoRan New Mexico operations was proud to partner on the below initiatives and projects:

- WNMU — School of Applied Technology Programs
- The Volunteer Center of Grant County — Pollinator Gardens
- Silver High School — Prom Alternative Night
- Cobre High School — Prom Alternative Night
- Gila Wildlife Rescue — Operations support
- Town of Silver City — Earth Day (Shredder)
- Tour of the Gila — Sponsor
- Grant County Fair Association — Sponsor
- Grant County Prospectors, Inc — Grant County Day Sponsor
- Deming Chamber of Commerce — Banquet sponsor
- NM Mine Health & Safety Conference — Sponsor

Global Volunteer Month — Freeport-McMoRan employees around the globe volunteered during the company's annual Global Volunteer Month. Projects are designed for employees to put teamwork into action in ways that improve the quality of life in our local communities!

New Mexico Operations employees volunteered for:

- Tour of the Gila
- Pollinator Gardens at Stout and San Lorenzo Elementary schools
- Highway Cleanups along Highways 90 and 356

The Freeport-McMoRan Foundation is proud to partner with Silver Consolidated Schools on Project Fast Forward. In 2017, Silver Consolidated Schools received \$52,000.

- Community Priority and Focus Area:
 - Education & Training — K-12 Education
- Project Update:
 - 2nd Annual Copper Country Summit — 142 teachers (106 from Grant County)
 - Silver, Cobre, Calvary, Aldo Leopold, Morenci, Lordsburg, Heber-Overgaard
 - More Local Presenters and Student Presentation
 - Interim Legislative Committee on Science, Technology & Telecommunications Presentation
 - Plata Studio Project via University of New Mexico
 - 40% of funds remaining
- Outcome(s) Measured:
 - 106 Grant County teachers impacted
 - 82 New teachers using Google Classroom
 - 500 additional devices (computers, tablets, etc.) added to Grant County classrooms
- Other Partners/Investors:
 - Cobre Consolidated Schools
 - Aldo Leopold Charter Schools
 - Town of Silver City
 - Western New Mexico University
 - Plata Studio
 - Ed Tech Team
- Most Positive Impact to Community:
 - Teacher Professional Development
 - Classroom adoption of technology-based education
 - Increased student visibility and college readiness
- Next Steps: Silver Consolidated Schools received additional funding from Freeport-McMoRan to continue this program. This year will include the inclusion of technology-based training to sixth graders, as well as teachers using mobile makerspace developed by architecture students from University of New Mexico.

The CPP Meets on a quarterly basis — for more information please contact Kevin Cook at kcook@fmi.com.