



TRANSFORMING TOMORROW TOGETHER

Community Partnership Panel Meeting Notes

Site: Morenci Operations

Date: February 14, 2019

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.

Industry / Business Update

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

Southeastern Arizona Operations Update

[Safford operations](#) employment is at approximately 1,050 employees as the site continues to develop Lone Star through 2020, at which time employment will decrease to 1,000 as mining in the San Juan open pit will cease. Approximately 375 contractors are supporting various activities throughout the project to include upgrades to existing infrastructure and construction of a new leach pad, now underway. Ongoing project construction activities are occurring 24 hours a day and, as a result, residents may continue to see additional lights, overnight, around some construction areas. Central Analytical Services Center and the Sanchez Technology Center, both also located in Graham County, employ approximately 200 people.

[Morenci operations](#) in Greenlee County hired approximately 930 employees in 2018 and is currently staffed at nearly 3,600 with a daily average of 1,300 contractors bolstering daily operations and a projected total peak at 440 contractors supporting a handful of sustaining capital projects at the site including:

- Silver Basin Reservoir, Dam and Stockpiles
- Tailings Storage Facility
- American Mountain mine development and highway reroute

Business Updates

Scott Brack, Health and Safety Manager, provided a presentation about the company's approach to Health and Safety. The presentation covered a review of programs including Fatal Risk Management, contractor expectations, regulatory oversight, and Crisis Management Preparedness and Response.

Martha Lujan, Environmental Manager, provided an update on the current environmental permits for the site:

- Air Quality Permit – Issued December 21, 2018
- Aquifer Protection Permit – Amendment application submitted on Dec. 18, 2018
- Producer Stockpile – permit work beginning

Community Development Update

Freeport-McMoRan has been named to the 2019 Just 100: [America's Best Corporate Citizens by Forbes!](#) Freeport-McMoRan is the industry leader in the *Basic Resources* sector, and is first overall in the *Community Treatment* category. This is the third consecutive year Freeport-McMoRan has made the list, which is now in its third year.

The company received the top Arizona honor for volunteer service: Freeport-McMoRan received the State of Arizona's highest honor for volunteerism as a recipient of the 2018 Governor's Volunteer Service Award in the Stewardship category. Morenci operations employees donated over 1,346 volunteer hours in 2018.

Freeport-McMoRan partnered with the **United Way** for an employee campaign to raise funds for the United Way chapters located in our operating communities.

Employees pledged more than \$3.55 million during the 2018 campaign; and more than **\$9.8 million** including the company match. Morenci employees generously pledged \$1 million through the campaign, when combined with the Freeport-McMoRan Foundation match, generated over \$3 million.

Education Grant Opportunities: Mini-Grants for Education are designed to support K-12 teachers and schools in Freeport-McMoRan communities. **More than \$50,000** was invested through the Mini-Grants process in 2018.

[Apply by March 15 for the STEM Innovation Grant!](#)

Social Investment

During the fourth quarter of 2018, Morenci operations was proud to partner on the following initiatives and projects:

- American Legion – Christmas in Fernandez Park
- Eastern Arizona College – Engineering Day
- Fun, Fit, Fabulous February
- 2019 Gila Valley Idol
- Javelina Chase – 2019 Events
- Mt. Graham Regional Medical Center – No-Shave November
- Town of Clifton – Festival of Lights
- Southeastern Arizona Sportsmen Club – Big Buck Contest

In 2018, Morenci operations invested \$159,000 in Southeastern Arizona in local funding grants!

The Freeport-McMoRan Foundation is proud to partner with Greenlee County, Gila Health Resources, Canyonlands, Duncan Schools, and Morenci Schools on Fun, Fit, Fabulous, February. This group collaborated to bring a healthy living initiative to the County. Laura Dorrell and Jennifer Morales provided an update on the event to the CPP members.

CPP Panel Roster Review

Panel members were given an opportunity to vote on nominations received in the fourth quarter of 2018. The following individuals were approved to serve on the panel:

- Clifton Business: Kimberly Henderson – Blue Door Sanctuary
- Morenci Business: Tracy Cauthen – Miner’s Diner
- Morenci Community Representative: Jamie Rhys-Evans
- Franklin Community Representative: Richard Clark

The following nominations were received and will be voted on in the second quarter of 2019:

- Agriculture / Ranching: Larry Barney
- Verde Lee Representative: Samuel Lacey, Leslie Ray

*The CPP meets on a quarterly basis – for more information please contact Emily Muteb:
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