



TRANSFORMING TOMORROW TOGETHER

Community Partnership Panel Meeting Summary

Site: Henderson Operations – Grand County

Date: November 8, 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.

The group discussed the importance of performing a winter check-up on vehicles to ensure their safety. In the event you become stranded due to weather, have preparations in place.

Industry / Business Update

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

Headcount

- Henderson operations:
 - Approximately 370 employees of 399 forecast
- Climax operations:
 - Approximately 400 employees of 465 forecast

Operations updates

- Mine –Development mining of A-Panel was completed on 7270 (the Undercut level) and the first bell blast (cave initiation) for A-Panel was taken on Oct. 3
- Safety – More than 130 days with zero reportable injuries at both the mine and mill
- Employees care about their safety and the safety of others
- The agricultural study with Colorado State University, related to the setting of a molybdenum agricultural standard, was begun in May 2018 and is ongoing
- Colorado School of Mines – Henderson Sustainability Challenge

Q: Can you explain the debt reduction for Freeport-McMoRan over the past few quarters?

A: General Manager Stuart Teuscher explained, the company made decisions to sell some assets throughout the portfolio. Freeport is working diligently to ensure good financial performance including using cash flow to continue to pay down debt.

Q: Will Henderson move from a two crew production to a three crew production?

A: Stuart Teuscher explained, staffing decisions will be made as production scenarios are evaluated. This depends on a variety of factors, including market demand, grade, and production at Freeport-McMoRan facilities that produce molybdenum.

Q: How is the rulemaking for the agricultural standard connected to the human health standard, and how did Climax Molybdenum decide to work with Colorado State University (CSU) on the agricultural study?

A: Environmental Manager Miguel Hamarat explained, dialogue began with CSU several years ago. Since that time, the University has contracted on a prior and the current studies as the state's agricultural experts in agriculture and animal health. The University's studies are done independently from Climax Molybdenum and will be peer reviewed and published independently to further the science in this area. Separately, other studies being conducted on for the purpose of establishing current standards for human health. While the agriculture and human health standards may be established during the same time period, the two areas of science are separate

Community Development Update

[Prazen Living Legend of Mining Award](#) – The Freeport-McMoRan Foundation was recognized by the National Mining Hall of Fame and Museum for its significant and sustained commitment to educating the public about the importance of mining to our everyday lives.

The Freeport-McMoRan Foundation recently invested **\$130,000** through its Domestic Violence Shelter Initiative and Boy/Girl Scout grants in North America.

In Colorado counties the following entities received Foundation funding:

▪ Advocates for Victims of Assault, Summit	\$7,000
▪ Advocates of Lake County	\$3,500
▪ Advocates for a Violence Free Community, Grand	\$3,000
▪ Alliance Against Domestic Abuse, Chaffee	\$2,000
▪ Clear Creek County Advocates	\$3,500
▪ Bright Future Foundation, Eagle	\$3,000

Lights, Camera, ACTION! United Way Campaign – The Freeport-McMoRan Foundation is hosting the annual United Way giving campaign and will be **matching employee gifts**.

Company matching dollars are directed to the local United Way to ensure resources are available to a network of health and human service agencies in our community.

Henderson operations partners with Mile High United Way to distribute matching dollars to the following entities:

- **Grand County**
 - The Grand Foundation
 - Grand County Higher Education
 - Advocates for a Violence Free Community
 - Mountain Family Center
- **Clear Creek County**
 - Loaves and Fishes
 - Clear Creek Advocates
- **Summit County**

- Education Foundation of the Summit
- Advocates of Summit County
- The Summit Foundation

The Freeport-McMoRan Foundation is proud to partner with local organizations on Social Investment awards in key areas through the application process. The Foundation thanks the community members for assistance in reviewing applications. The following entities and projects were funded in the 2018 award cycle.

Grand County

Mountain Family Center – Sustainable/Attainable housing	\$35,000
Town of Granby – Infrastructure and planning attainable housing	<u>\$45,000</u>
	\$80,000

Clear Creek County

Clear Creek Recreation – Childcare feasibility study	\$25,000
Scraps to Soil – Community garden and pollinator partnership	\$40,000
Clear Creek Housing Authority – Environmental assessment to complete attainable housing development	\$18,000
City of Idaho Springs – Business enhancement mini-grant program	<u>\$40,000</u>
	\$123,000

Community Updates/Projects

The Panel welcomed Frank Reeves, Superintendent of Schools/East Grand Middle Park High School, and Darrin Peppard, Superintendent of Schools/West Grand School, to give an overview of the School to Work project that was launched in the third quarter of 2018.

Project overview:

- Partners/Investors
 - Grand County EDC
 - Local school staff and professionals
 - Grand County Higher Education
 - Local Businesses – including Climax Molybdenum
 - Other
- Next Steps
 - Student assessments
 - Career academies at local businesses
 - County-wide career fair
 - Inter/job shadow/employment placements

Adjournment

The CPP meets on a quarterly basis – for more information please contact Tara Hosick at thosick@fmi.com