

The Freeport-McMoRan Copper & Gold Inc., 2011 Working Toward Sustainable Development (WTSD) report, including information referenced by the Global Reporting Initiative (GRI) G3 Content Index published on the Freeport-McMoRan Copper & Gold Inc. web site has been prepared by the management of Freeport-McMoRan Copper & Gold Inc. who are responsible for the collection and presentation of this information.

#### Scope

Corporate Integrity Limited, in accordance with Freeport-McMoRan Copper & Gold Inc. management's instructions, was asked to perform:

1. A review of policies and systems in place in relation to the International Council on Mining & Metals (ICMM) Sustainable Development (SD) Framework – using as a basis the ICMM Sustainable Development Framework: Assurance Procedure and the GRI G3 guidance on management disclosures
2. A review of statements made regarding the 2011 WTSD report and information referenced by the GRI G3 Content Index; and
3. A review of selected qualitative and quantitative reportable data/information based on GRI G3 guidelines and performance indicators including the GRI Mining and Metals Sector supplemental indicators.

Our assurance work covered Subject Matters 1 to 5 referred to in the ICMM SD Framework: Assurance Procedure.

Our assurance work scope covered all the Freeport-McMoRan Copper & Gold Inc. operations defined by the reporting boundaries of the 2011 WTSD report. The work involved selective reviews of documents, interviews and site visits to:

- Bagdad mine, USA
- Miami mine and smelter, USA
- Tyrone and Chino mines, USA
- El Paso copper rod mill, USA
- Tenke Fungurume mine, DRC
- El Abra mine, Chile
- Candelaria and Ojos del Salado mines, Chile
- Head Office, Phoenix, USA

The site visit programme is part of an ongoing process to visit all major Freeport-McMoRan Copper & Gold Inc. mining and processing sites at least one time every three years. Since 2009, site-level external assurance has been conducted at all Freeport-McMoRan Copper & Gold Inc. mining operations at least once. Although the scope for the 2011 review initially included the PT Freeport Indonesia operations, it was not possible to undertake a site visit because of security issues, and this review was limited to a desktop assessment.

#### Key Findings

Based on our review, its scope and limitations:

- Nothing has come to our attention, which causes us to believe that the information reported by Freeport-McMoRan Copper & Gold Inc., in the 2011 WTSD Report and information referenced by the GRI G3 Content Index regarding Freeport-McMoRan Copper & Gold Inc. implementation of the ICMM assurance commitment with respect to subject matters 1 to 4, has been materially misstated.
- Nothing has come to our attention to cause us to believe that the Freeport-McMoRan Copper & Gold Inc. self-declared application level of A+, in relation to its reporting against the GRI G3 Sustainability Reporting Guidelines, is materially misstated.

#### Methodology

Through document reviews and interviews at the selected sites and head office, the work activity involved:

#### For Subject Matters 1 to 3 in the ICMM SD Framework: Assurance Procedure

1. A review of Freeport-McMoRan Copper & Gold Inc. policies and their alignment to ICMM's 10 SD principles and ICMM Position Statements at corporate and site level.
2. A review of processes in place to identify and prioritise SD risks and opportunities at corporate and site level during the reporting period and the results of the identification and prioritization process.
3. A review of the systems and approaches that Freeport-McMoRan Copper & Gold Inc. is using to manage its identified material SD risks and opportunities and to implement ICMM's 10 SD principles at corporate and site level.

#### For Subject Matter 4 and 5 in the ICMM SD Framework: Assurance Procedure

4. Review of Standard Operating Procedures (SOPs) for the collection and assimilation of GRI G3 reported performance information involving:
  - a. An assessment to evaluate the risk of misstating reported information for quantitative indicators reported. The assessment looked at site level reported performance data for GRI indicators and considered materiality in the context of corporate level reported information. On this basis certain indicators were selected for verification activities at the selected sites. The assessment methodology was based on ISO 31000:2009, Risk management – Principles and guidelines.
  - b. A review of data reporting, collection and consolidation processes at Head Office.
5. Review of statements made in the 2011 WTSD report and information referenced by the GRI G3 Content Index regarding Freeport-McMoRan Copper & Gold Inc. sustainable development processes and achievements in 2011 including its implementation of the ICMM SD Framework. This involved VP-level management interviews and documentation reviews in support of corporate level reported information as well as an interview with the Chief Executive Officer, Chief Financial Officer and Chief Administrative Officer.
6. Review and selective testing for accuracy of qualitative statements made in the 2011 WTSD report and information referenced by the GRI G3 Content Index.
7. Assessment of the self-declared application level of reporting against the GRI G3 Sustainability Reporting Guidelines and the Mining and Metals Sector Supplement Final Version 2011 – self-declared at the A+ Level.

#### Limitations of the Work Performed

This work has been carried out by checking samples of information and documents that have been made available during the period of assurance activity by Freeport-McMoRan Copper & Gold Inc.

Information provided that has been deemed to be independently verified by other third parties has been considered to be appropriately verified, and was not subjected to re-verification by Corporate Integrity.

The PT Freeport Indonesia operations were not visited. The assurance for this operation was based on a document review of selected information made available prior to and during the Head Office visit and interviews with relevant personnel including the President-Freeport-McMoRan Indonesia.

Our evidence gathering procedures have been designed to obtain a limited level of assurance on which to base our conclusions.

The assurance statement provided by Corporate Integrity is not intended to be used as advice or as the basis for any decisions, including, without limitation, financial or investment decisions.

#### Statement of Independence

The independence of our team has been reviewed and none of the Corporate Integrity assessors involved in this project presents a conflict of interest to the integrity of this assurance statement.

#### Standard Applied to This Engagement

International Standard on Assurance ISEA3000 (revised) – Assurance Engagements other than Audits & Reviews of Historical Financial Information issued by IIAASB.

Corporate Integrity Ltd.