FREEPORT-MCMORAN

Freeport-McMoRan Chino Mines Company
P.O. Box 10
Bayard, NM 88023

Sherry Burt-Kested
Manager, Environmental Services
Telephone: 575-912-5927
e-mail: sburtkes@fmi.com

August 28, 2020

Priority Mail

Mr. Jerry Schoeppner
Director, Energy, Minerals and Natural Resources Department
Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Schoeppner:

Re: Freeport-McMoRan Chino Mines Company
Mining Act Permit No. GR009RE and Discharge Permit DP-1340

Enclosed for your signature and the signature of the Secretary of the New Mexico Environment Department are three signed Certificates of Face Value Adjustment increasing the face amount of the Freeport-McMoRan Chino Mines Company Third Party Guarantee to $89,582,363. This change to the face amount of the Third Party Guarantee is in accordance with the financial assurance proposal approved by the Mining and Minerals Division in a letter dated August 10, 2020 and is part of Chino's pending applications to revise Permit GR009RE and to renew and modify DP-1340.

If you have any questions, please contact me at 575-912-5927.

Sincerely,

Sherry Burt-Kested, Manager
Environmental Services
2020828-004

cc: (email) Holland Shepherd, EMNRD MMD
cc: (email) Kurt Volbrecht, NMED

Certificate of Face Amount Adjustment
to the Third Party Guarantee

Date: August 27, 2020

Director
Energy, Minerals and Natural
Resources Department
Mining & Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Phone: 505/476-3400; Fax: 505/476-3402

Secretary
New Mexico Environment Department
1190 South St. Francis Drive
Santa Fe, NM 87502
Phone: 505/827-2855; Fax: 505/827-2836

RE: Financial Assurance for Freeport-McMoRan Chino Mines Company
Mining and Minerals Division Permit No. GR009RE
New Mexico Environment Department Discharge Permit DP-1340

Gentlemen:

1. Existing Third Party Guarantee: On January 1, 2018, Freeport Minerals Corporation ("FMC") or ("Guarantor"), a corporation incorporated under the laws of the State of Delaware, made a Third Party Guarantee (the "Guarantee") on behalf of Freeport-McMoRan Chino Mines Company (the "Operator") to the State of New Mexico, acting through the New Mexico Mining and Minerals Division of the Energy, Minerals, and Natural Resources Department ("MMD") and the New Mexico Environment Department ("NMED"). The Guarantee was in the amount of forty-five million, three hundred thirty-six thousand, five hundred forty-five dollars ($45,336,545) subject to adjustment as provided in Section 5 of the Guarantee.

2. Face Amount Adjustment: Section 5(iii) of the Guarantee provides that the Face Amount may be adjusted from time to time if approved in writing by MMD and NMED and shall be automatically modified as of the date of their approval. Section 5 further provides that following such automatic modification of the Face Amount, any party may request of another party, and the other party shall then provide, a certificate setting forth the adjusted Face Amount (the "Certificate") and that said Certificate shall constitute an amendment to the Guarantee.

3. Written Approval by MMD and NMED: Pursuant to Section 5 of the Guarantee, MMD and NMED have requested that Guarantor provide them with a Certificate setting forth the adjusted Face Amount. By providing their approval below, MMD and NMED hereby consent to an adjustment of the Face Amount of the Guarantee, to eighty-nine million, five hundred eighty-two thousand, three hundred sixty-three dollars ($89,582,363), subject to further adjustment as provided by Section 5 of the Guarantee.

4. Issuance and Approval by Guarantor: The duly authorized agents of Guarantor hereby represent that they are authorized officers of Guarantor, and, in such capacity, they have authority from Guarantor's Board of Directors to issue and approve this Certificate on behalf of Guarantor.

5. Approval and Acceptance by Operator: The duly authorized agent of the Operator hereby represents that he is a duly authorized agent of the Operator, and, in such capacity, he has authority from the Operator's Board of Directors to approve and accept this Certificate on behalf of the Operator by authority of the Operator.

6. Guarantee Not Affected: Except as to the Face Amount, as stated above, all other provisions of the Guarantee shall remain in full force and effect and shall continue to be binding on Guarantor.

7. Authorization: Each of the undersigned representatives of Guarantor hereby declares that he is a duly authorized officer of Freeport Minerals Corporation and holds the position set forth below his respective printed name, that the Certificate of Face Amount Adjustment to the Third Party Guarantee was signed on behalf of Guarantor by authority of its Board of Directors, and acknowledge said Certificate of Face Amount Adjustment to the Third Party Guarantee to be a free act and deed of Guarantor.

Very truly yours,

Guarantor: Freeport Minerals Corporation

By: Robert R Boyce
Chief Financial ~~Officer~~

Printed Name:

Robert R. Boyce
Treasurer (Chief Financial Officer)

By: _____
Chief Legal Officer

Printed Name:
Douglas N. Currault II
Senior Vice President (Chief Legal Officer)

STATE OF ARIZONA)
) ss:
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 17th day of August, 2020, by Robert R. Boyce and Douglas N. Currault II.

Stephanie Reninger
Notary Public

STEPHANIE RENINGER
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires
December 04, 2021

(Additional signatures appear on page that follows)

Agreement by Operator:

The foregoing instrument is agreed upon by the Operator as shown below by signature of an authorized representative.

By: Chad D. Fretz
Authorized Agent of Operator

Printed Name:

Chad D. Fretz
President and General Manager of Chino Acquisition LLC
and Freeport-McMoRan Chino Inc., General Partners of
Freeport-McMoRan Chino Mines Company

Acknowledgment of Authorized Agent of the Operator:

On this 27 day of August, 2020, before me appeared Chad D. Fretz to me personally known, who, being by me duly sworn, did depose and say that he signed the attached Certificate of Face Amount Adjustment to the Third Party Guarantee on behalf of Freeport-McMoRan Chino Mines Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first written above.

OFFICIAL SEAL
ELIZABETH ANN DEAN
Notary Public
State of New Mexico
My Comm. Expires 2/9/21

Elizabeth Ann Dean
Notary Public

My commission expires: Feb. 9, 2021

(Additional signatures appear on page that follows)

Agreement by Authorized Representative of Mining and Minerals Division:

The foregoing instrument was approved by me this 31st day of August 2020.

By:_____
Director, Mining and Minerals Division

Printed Name:

Jerry Schoeppner
Director, Mining and Minerals Division

Acknowledgment by Authorized Representative of the New Mexico Environment Department:

The foregoing instrument was approved by me this _____ day of _____ 2020.

By:_____ Digitally signed by James Kenney
Date: 2020.09.17 07:54:34 -06'00'
Secretary, New Mexico Environment Department

Printed Name:

James C. Kenney
Secretary, New Mexico Environment Department