

# **McMoRan Exploration Co.**

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## **Charter of the Nominating and Corporate Governance Committee of the Board of Directors**

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### **I. Scope of Responsibility of the Nominating and Corporate Governance Committee**

The primary function of the Nominating and Corporate Governance Committee (the “Committee”) is to assist the Board of Directors in fulfilling the Board’s oversight responsibilities by (1) identifying individuals qualified to serve as directors and recommending to the Board director nominees consistent with criteria approved by the Board, (2) monitoring the composition of the Board and its committees, (3) maintaining the Company’s Corporate Governance Guidelines and recommending to the Board any desirable changes, and (4) evaluating the effectiveness of the Board and its committees.

### **II. Composition of Nominating and Corporate Governance Committee**

The Committee will be comprised of two or more directors, each of whom shall meet the standards of independence, experience and any other qualifications required from time to time by the New York Stock Exchange (NYSE) (or, if the Company’s common stock is listed or traded on some other exchange or trading system, the standards of independence and any other qualifications required by the other exchange or system). The Board will designate the Committee’s chairperson. The Board may appoint or remove any member of the Committee (or fill vacancies on the Committee) by the vote of a majority of the directors. The Committee may form and delegate authority to subcommittees.

### **III. Meetings of Nominating and Corporate Governance Committee**

The Committee will meet at least two times annually or more frequently if the Committee deems it to be appropriate. The chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee, will set the agenda for each meeting. The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide information as the Committee requests, but the Committee reserves the right in its discretion to meet at any time in executive session. The Committee will deliver regular reports of its activities to the Board. The Committee will keep written minutes of its meetings, which minutes will be available to every member of the Board of Directors.

#### **IV. Powers of Nominating and Corporate Governance Committee**

In furtherance of the purpose of the Committee described above, the Committee will have the following authority and responsibilities:

##### **A. Board Candidates and Nominees.**

1. Seek, identify, evaluate, recruit and select individuals qualified to become directors, recommend to the Board a slate of directors to be elected annually and individuals to fill any director vacancies, and consider any individual proposed for Board service by a stockholder who (1) submits names for the Committee's consideration in accordance with the procedures in the Company's Corporate Governance Guidelines or (2) complies with the stockholder nomination procedures established in the Company's Certificate of Incorporation and By-Laws. In connection with this responsibility, the Committee will have the sole authority to retain and terminate any search firm to be used to identify or recruit director candidates or to otherwise assist the Committee in carrying out its responsibilities, including sole authority to approve the search firm's fees, which will be at the Company's expense, and approve other engagement terms.

2. Review the suitability for continued service of each director when his or her term expires or when he or she has a significant change in status, including a change in employment status, and recommend to the Board whether or not the director should be nominated for re-election.

##### **B. Board Composition, Compensation and Procedures.**

1. Review annually the composition and size of the Board. In carrying out this responsibility, the Committee will consider director independence requirements, the collective knowledge, experience, expertise and diversity of the Board, the long-term interests of the Company's stockholders, and any other criteria the Committee deems relevant.

2. Review annually the form and amount of director compensation, including cash, equity-based awards and other forms of director compensation, in accordance with the Company's Corporate Governance Guidelines.

3. Make recommendations on the frequency, content and structure of Board meetings.

4. Review and oversee any director orientation or continuing director education programs established by the Company.

##### **C. Board Committees.**

1. Make recommendations to the Board regarding the size and composition of each committee of the Board of Directors, including the identification of individuals qualified to serve as members of a committee, and recommend individual directors to fill any vacancy that may occur on a committee.

2. Monitor the functioning of the committees of the Board and recommend to the Board any appropriate changes, including the creation and elimination of committees.

3. Recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.

**D. Corporate Governance.**

1. Maintain and review periodically, and at least annually, the Company's Corporate Governance Guidelines to assure that they are appropriate for the Company and comply with the requirements of the NYSE, and recommend any desirable changes to the Board.

2. Consider any other corporate governance issues that arise from time to time and develop appropriate recommendations for the Board.

E. Other Powers. In addition to the authority and responsibilities specified above, the Committee will have the authority to conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and retain, at the Company's expense, independent counsel or other advisers as it deems necessary.

**V. Annual Evaluations**

A. Performance Evaluations of the Board and its Committees. The Committee will be responsible for overseeing the annual performance evaluation of the Board as a whole and each committee. The Committee will establish procedures to allow it to exercise this oversight function. The Committee will report to the Board the results of these evaluations, including any recommended changes to policies or procedures of the Company, the Board or any of its committees, including this Committee.

B. Evaluation of this Charter. The Committee will annually review and evaluate the adequacy of this Charter and recommend any proposed changes to the Board.

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Approved by the Nominating and Corporate Governance Committee on February 2, 2004.

Adopted by the Board of Directors on February 2, 2004.