

FIRST QUANTUM MINERALS

A Great Time To Be Building New Mines

LATIN AMERICA DOWN UNDER – MAY 2017
Mike Christie : Director Exploration



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TSX: FM

May 2017



CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained in the following material are forward-looking statements and not statement of facts. Such statements are based on the current beliefs of management, as well as assumptions based on management information currently available.

Forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

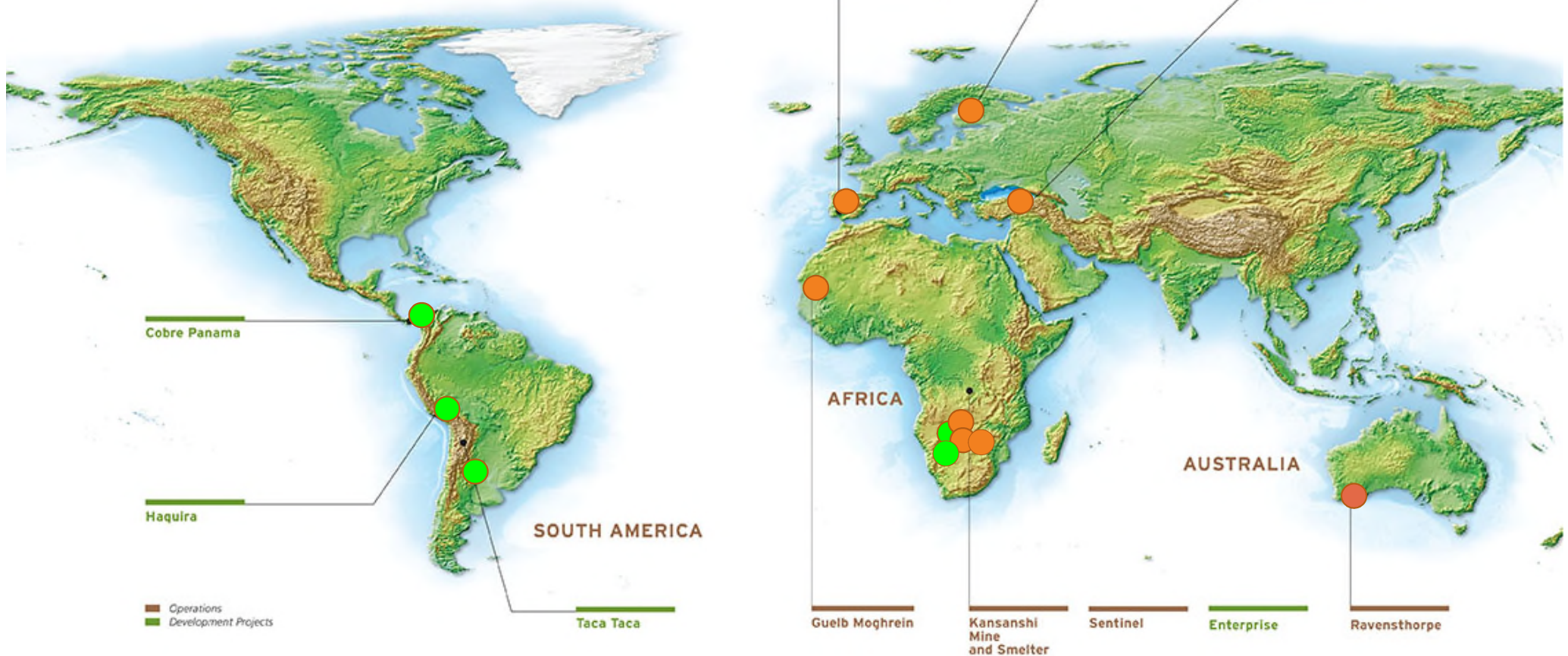
Readers must rely on their own evaluation of these uncertainties.

Note: all dollar amounts in US dollars unless otherwise indicated



● **Operations (8)**

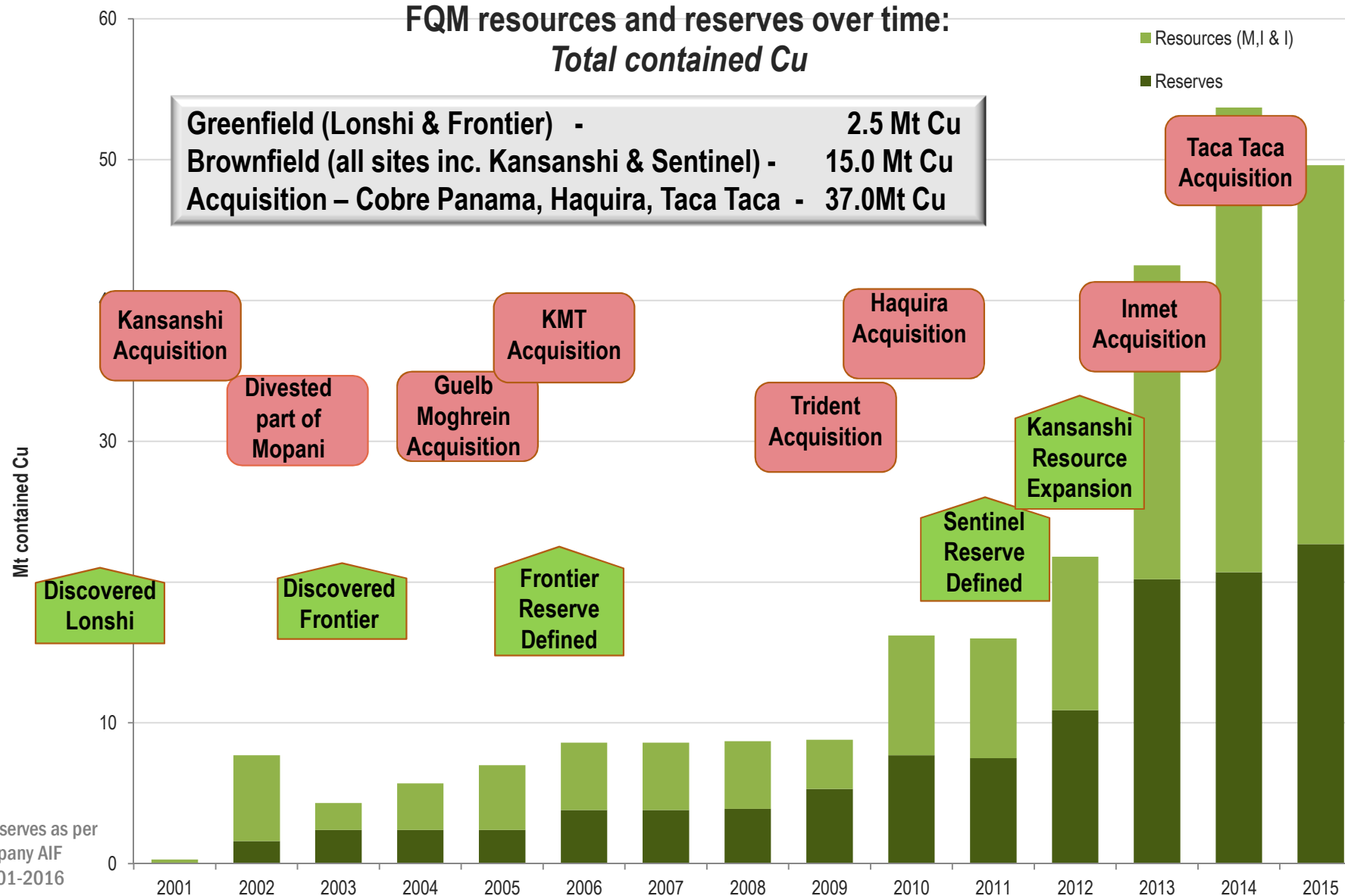
● **Development Projects (5)**



Core Strength in Developing Projects Efficiently and Cost-Effectively



FQM resources and reserves over time: *Total contained Cu*





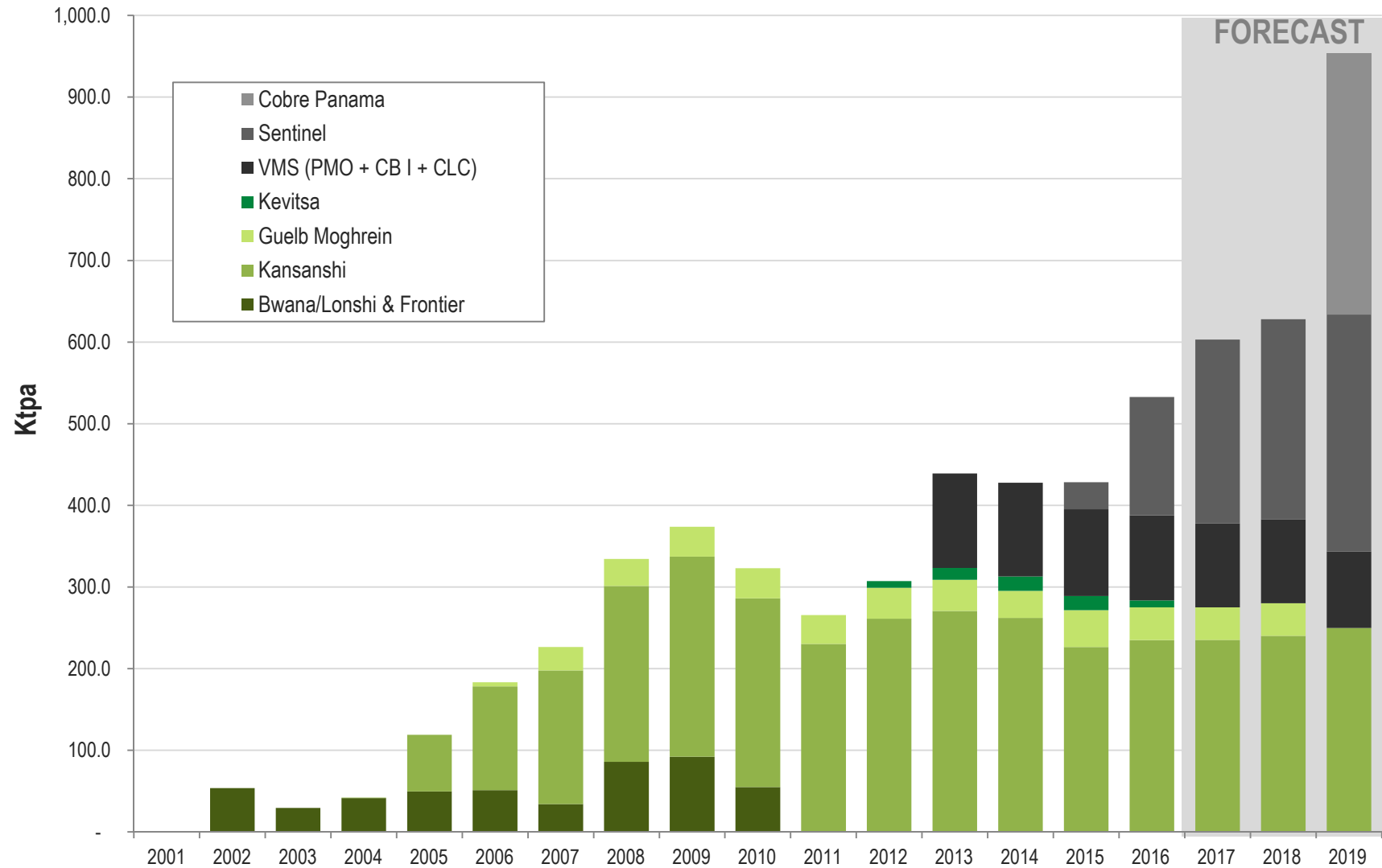
DELIVERED ON OUR OBJECTIVES

- ✓ Achieved record copper production (540kt Cu)
- ✓ Ramped up & started commercial production at Sentinel (Zambia)
- ✓ Successful first full year of commercial production from the Kansanshi smelter (Zambia)
- ✓ Lowered unit production costs
 - C1 - \$1.03/lb
 - AISC - \$1.41/lb
- ✓ Strengthened our financial position
 - Generated \$964M comparative EBITDA
 - Protected cash flows in a weak copper price market
 - Refinanced long term debt raising \$2.2B in senior notes
 - Sold the non-core Kevitsa mine for \$732M





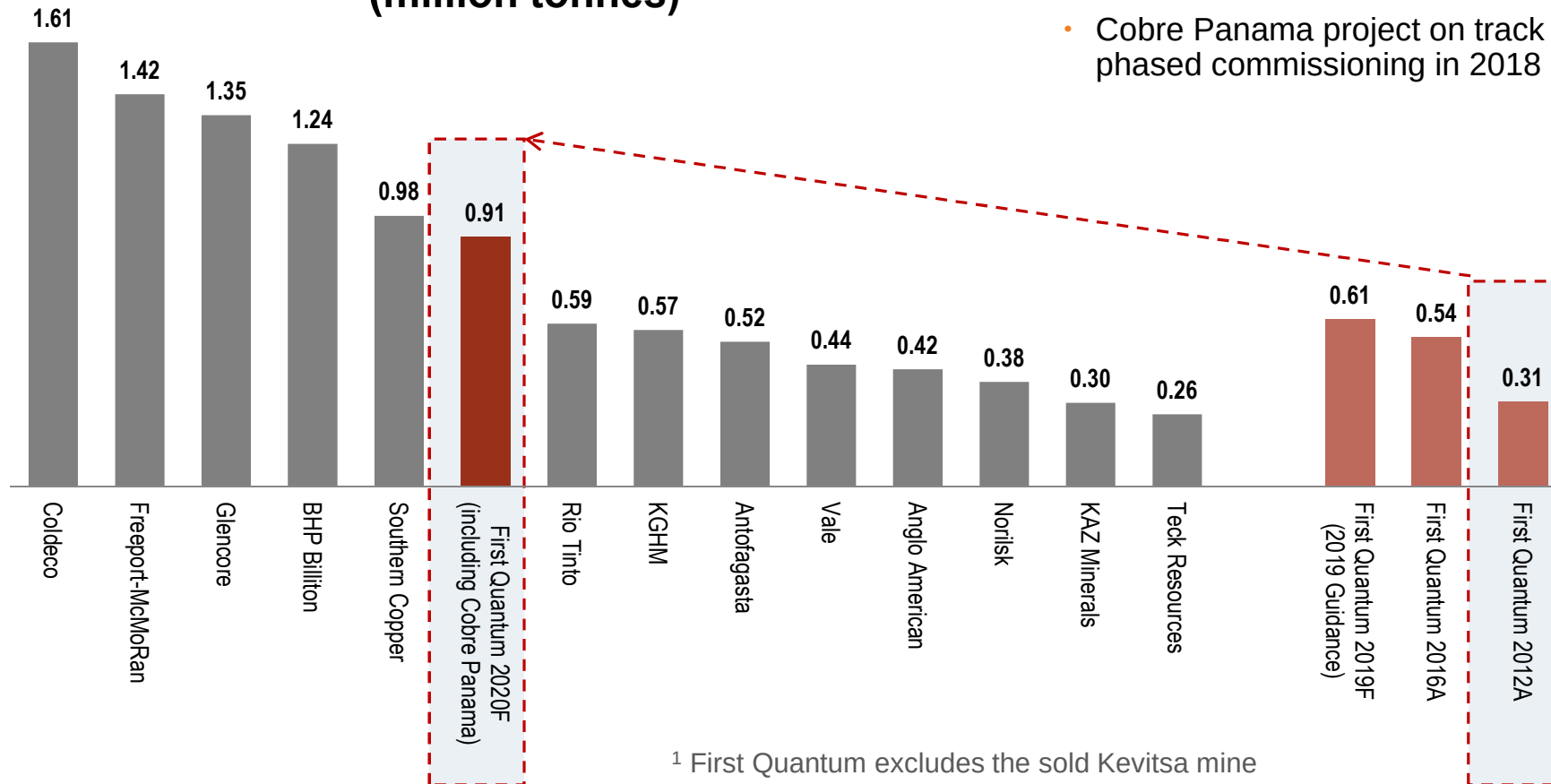
First Quantum Cu Production





2019E Copper Production¹ (million tonnes)

- Sentinel mine began commercial production in November 2016
- Cobre Panama project on track for phased commissioning in 2018



¹ First Quantum excludes the sold Kevitsa mine
2020F assumes flat year-over-year production plus
an estimated 300K tonnes of production from Cobre Panama



Investment in Panama

Population: ~3.75m

US Dollar economy

GDP \$82.18 billion (2015 est.)

GDP per capita \$20,900 (2015 est.)

80% of the economy is services
4 existing pillars:

1. Panama canal;
2. Banking & financial services;
3. Colon free trade zone; and
4. Aviation & tourism

Government new to mining but supportive



Mining Regulatory Framework

Mining reports to the Ministry of Commerce – no mining code

Law 9, 1997 (Cobre Panama project):

- 20 year term renewable twice (60 years in total 1997-2057)
- Establishes royalty regime and expatriate labour concessions
- Change in law requires consent of both MPSA and the government



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COBRE PANAMA PROJECT HIGHLIGHTS

Orebody	Project	Timetable
M&I resources of 3,695mt @ 0.37%Cu Reserves 3,182mt @ 0.38%Cu Average ore feed first 10yrs = 0.43 %Cu Strip ratio 1:1 40+ year mine life	US\$5.48 billion total capex \$1.78 billion remaining 50% construction complete April 2017 Plant ramp-up from 2018	2016 • \$650m capex • FQM \$390m 2017 • \$1,060m capex • FQM \$640m 2018 • \$830m capex • FQM \$500m 2019 • \$110m capex* • FQM (\$90m) * Third Party contribution \$200m



COBRE PANAMA PROGRESS – BOXCUTS & PRE-STRIP





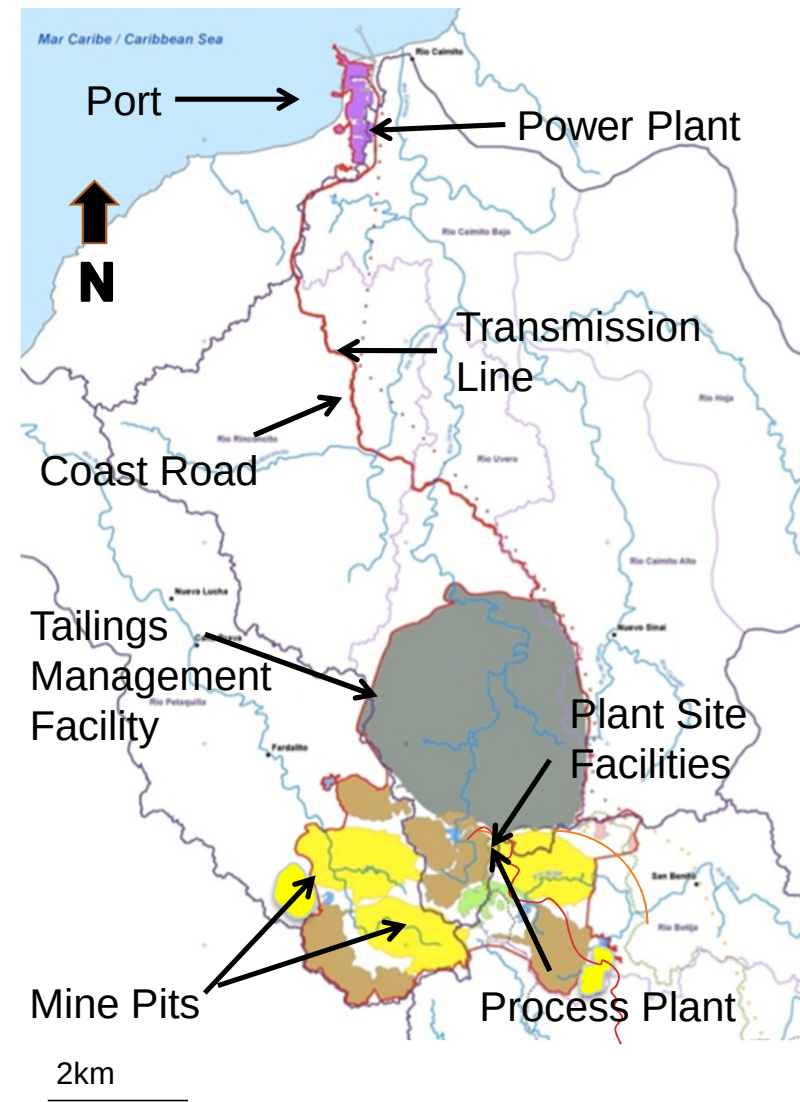
- Mining concession extended for a second 20-year term to February 2037
- Port & power station at peak construction
- Mine site & process plant areas moving towards construction peak in 2H 2017
- Priority given to the power station and associated infrastructure
- Expect first commercial power in Q4 2017 from the first 150MW unit
- 2nd 150MW unit expected to follow into operation in the 1H 2018



Cobre Panama Power Station and Port – April 2017



- Total Construction >50% complete
 - Detailed Engineering and design 85%
 - 230Kv Power line 100%
 - Power Station – pre-commissioning
 - Pre strip 55%
 - Tailings (TMF) 64%
- All 7 mills and their drives should be fully installed by the mid-2017
- Commissioning of entire operation planned to begin in 2018
- Target 60 Mtpa throughput rate in December 2018,
- Further ramp to 75Mtpa in 2019 (320ktpa Cu)



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COBRE PANAMA DEVELOPMENT ON TRACK



COBRE PANAMA PROGRESS – PLANT AREA OVERVIEW



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Economic impact of Cobre Panama:
~7000+ construction jobs
~ 2500 operations jobs 40+ years
~ \$2b exports/year for 40+ years
~ 4% of Panamanian GDP



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Cobre Panama - Progress



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FQM in Latin America



- Large scale porphyry copper project in southern Peru
- M&I resource of 3.7 million tonnes of contained copper equivalent plus an inferred resource of 2.4 million tonnes of copper equivalent
- 569 million tonnes at 0.56 % Cu M&I + 406 million tonnes at 0.52% Cu Inferred
- Priorities are to complete an environmental impact assessment plus conclude access and relocation agreements with surface rights holders





- Located in Salta Province, Argentina
- 2.2 Bt at 0.44% Cu (indicated) plus 0.9 Bt at 0.37% Cu (inferred)
- Preliminary drilling to identify proximal fresh water sources was carried out, initial results suggest that further drilling is warranted in targeted areas
- The EIA & Options study for site construction and operation in progress



*Finding and developing
the next generation of
copper mines*