

FIRST QUANTUM MINERALS LTD.



CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENT

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.

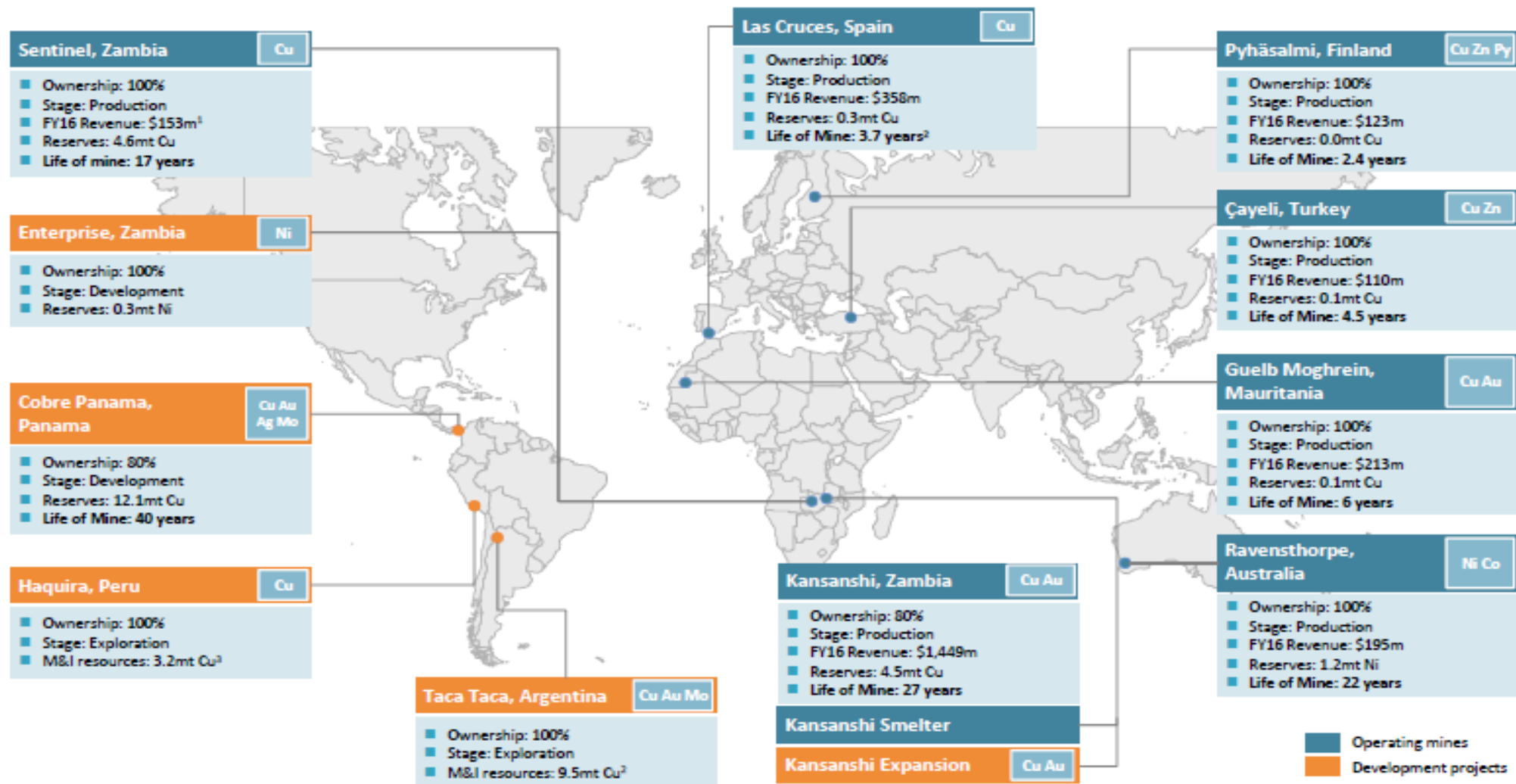
Readers must rely on their own evaluation of these uncertainties.

Note: all dollar amounts in US dollars unless otherwise indicated



A LEADING COPPER PRODUCER

8 OPERATING ASSETS & 5 DEVELOPMENT PROJECTS



FIRST QUANTUM MINERALS

PLATFORM OF HIGH-QUALITY, EFFICIENT OPERATIONS



HEALTHY BALANCE SHEET



ROBUST COPPER PROJECT PIPELINE



PROJECT DEVELOPMENT EXPERTISE



PLATFORM OF HIGH-QUALITY, EFFICIENT OPERATIONS

Strong Operations at Kansanshi Complex

- Mine performance benefitting from process & margin improvement work
- Smelter set sequential records for throughput and copper production
- New 3-year labour agreement signed and effective January 2017
- Q1 2017 results within guidance:
 - Copper production = 63,198 tonnes; Full year guidance = 240,000 tonnes
 - Unit production cost per lb:
C1 = \$1.28; AISC = \$1.59; C3 = \$1.89



PLATFORM OF HIGH-QUALITY, EFFICIENT OPERATIONS

Las Cruces Mine Hits Its Stride

- Most consistent operations since start-up
- Maintaining a low unit cost profile
- Researching potential for mine life extension
- Q1 2017 results within guidance:
 - Copper production = 18,793 tonnes;
Full year guidance = 70,000 tonnes
 - Unit production cost per lb:
C1 = \$0.78; AISC = \$0.93;
C3 = \$1.89



PLATFORM OF HIGH-QUALITY, EFFICIENT OPERATIONS

New Sentinel Mine Now in Commercial Operations

- Long-life mine
- Ramping up & transitioning to terrace layout
- Capacity to produce over 250,000 tonnes of copper in concentrate annually
- Q1 2017 results within guidance:
 - Copper production = 36,274 tonnes; Full year guidance = 195,000 tonnes
 - Unit production cost per lb:
C1 = \$1.67; AISC = \$2.07; C3 = \$2.45



PLATFORM OF HIGH-QUALITY, EFFICIENT OPERATIONS

Smaller, More Mature Mines Are Good Contributors to Earnings & Cash Flow

- Together Guelb Moghrein, Çayeli and Pyhäsalmi in 2016:
 - Contributed \$125 million to operating profit
 - Produced almost 73,000 tonnes of copper
 - Unit production cost per lb:
C1 = \$0.84; AISC = \$1.17;
C3 = \$1.80



HEALTHY BALANCE SHEET

Executed a Series of Effective Initiatives

- **Sold the Kevitsa operation** → • Total proceeds of \$732 million
- **Implemented & maintaining a focused sales hedge program** → • Protecting cash flows, in a low metal price environment, ahead of the completion of Cobre Panama
- **Restructured the balance sheet** → • No senior debt due until 2021 when Cobre Panama is expected to be well in production and generating cash flow
 - Reduced revolving & term debt

Outlook for First Quantum upgraded to **STABLE** by S&P Ratings Agency

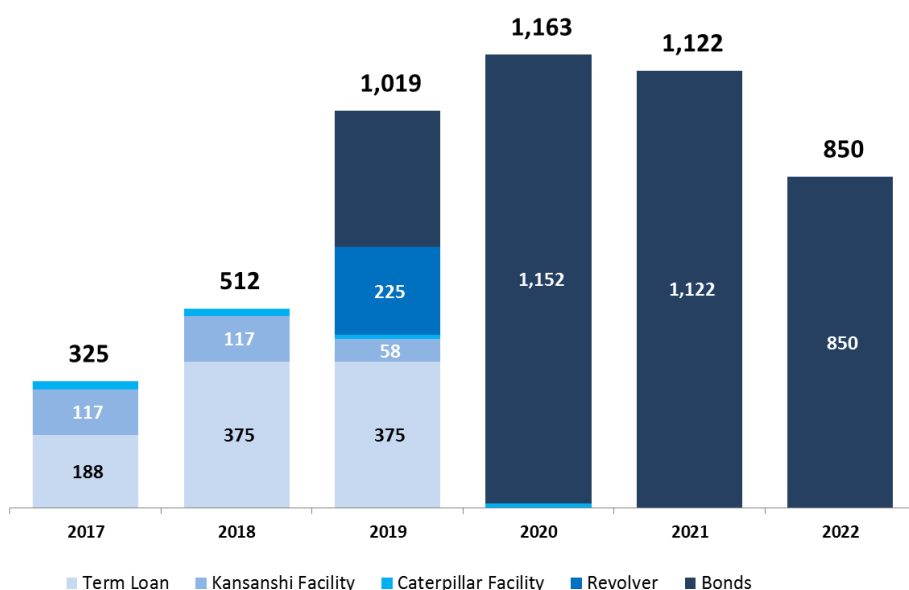
HEALTHY BALANCE SHEET

Executed a Series of Effective Initiatives

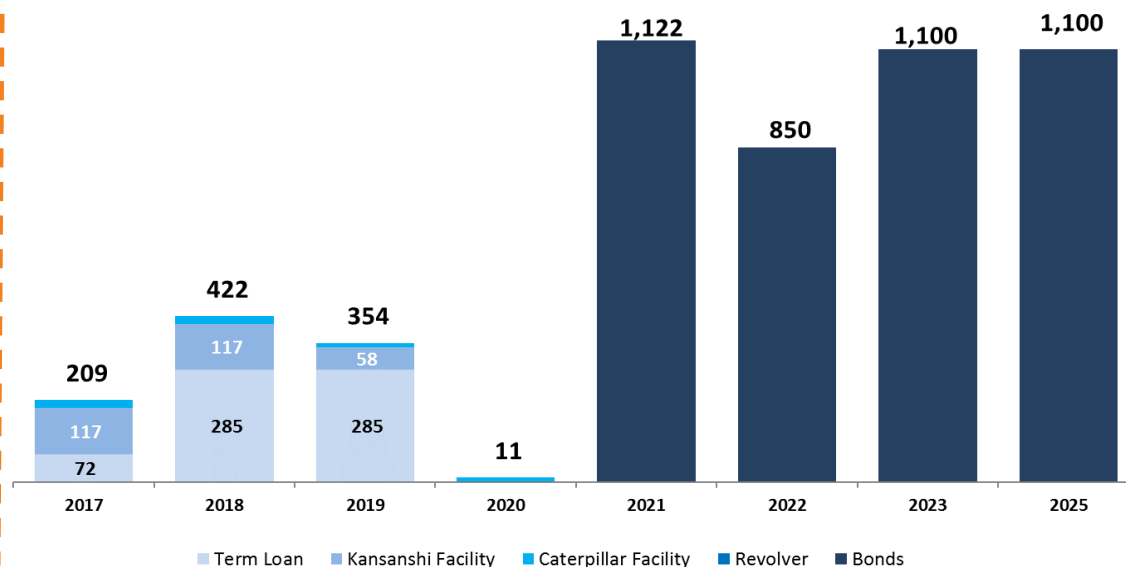
- Issued \$2.2B Senior Notes:
 - \$1.1B due 2023 @ 7.25% per annum
 - \$1.1B due 2025 @ 7.50% per annum

- Repaid:
 - Near-term bonds (2019 & 2020)
 - A portion of the term loan and the revolver

Debt Maturity Profile as at Dec 31, 2016

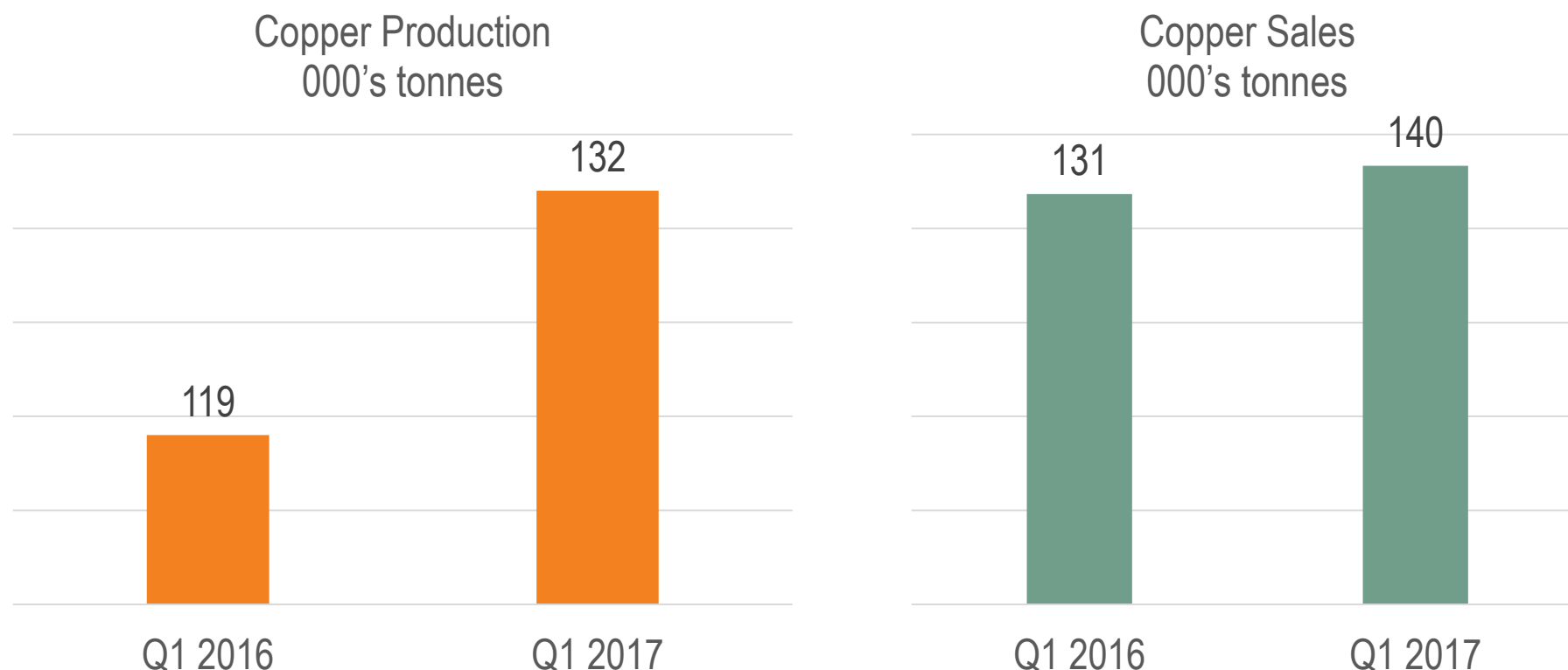


Debt Maturity Profile Post \$2.2B Issue



A STRONG START TO 2017

Higher year-over-year copper production & sales



Generated \$265 million comparative EBITDA & \$239 million of cash flow

3-YEAR MARKET GUIDANCE

PRODUCTION GUIDANCE¹

000's	2017	2018	2019
Copper – tonnes	570	600	605
Nickel – contained tonnes	25	25	25
Gold – ounces	200	200	200
Zinc – tonnes	20	20	15

¹ Copper guidance provided includes estimates for Sentinel but not for Cobre Panama

² C1 cash cost includes all mining and processing costs less any profits from by-products such as gold, cobalt or zinc. TC/RC and freight deductions on metal sales, which are typically recognized as a component of sales revenues, are added to C1 cash cost to arrive at an approximate cost of finished metal.

C1 CASH COST AND ALL-IN SUSTAINING COST GUIDANCE¹

C1 Cash Cost ² - \$ per pound	2017	2018	2019
Copper	1.20 – 1.40	1.20 – 1.40	1.20 – 1.40
Nickel	4.60 – 4.80	4.60 – 4.80	4.60 – 4.80
All-in sustaining cost ³ – \$ per pound			
Copper	1.65 – 1.80	1.65 – 1.80	1.65 – 1.80
Nickel	5.10 – 5.40	5.10 – 5.40	5.10 – 5.40

³ All-in sustaining cost is defined as C1 cash cost plus general and administrative expenses, sustaining capital expenditure, deferred stripping and royalties

COPPER PROJECT PIPELINE



ADVANCING OUR COBRE PANAMA PROJECT

- Total project over 50% complete
- Mining concession extended for a 2nd 20-year term to February 2037
- Heading for peak construction activity
- Power station and associated infrastructure prioritized for early completion
- Power production expected in Q4 2017 from the 1st 150MW generating set
- The 2nd 150MW set expected to follow in the 1st half of 2018



ADVANCING OUR COBRE PANAMA PROJECT

- 6 of the 7 mills installed
- Installing the large gearless mill drives, with 3 mill drives fully complete and a further 3 installed and well progressed to completion
- Other areas of the project well underway in construction
- Benefitting from learnings from our Sentinel mine
- Targeting a phased commissioning in 2018 with continued ramp up in 2019
- Project financing process underway



COBRE PANAMA PROGRESS – PORT & POWER STATION OVERVIEW



COBRE PANAMA PROGRESS – POWER STATION



COBRE PANAMA PROGRESS – POWER STATION



COBRE PANAMA PROGRESS – PLANT AREA OVERVIEW



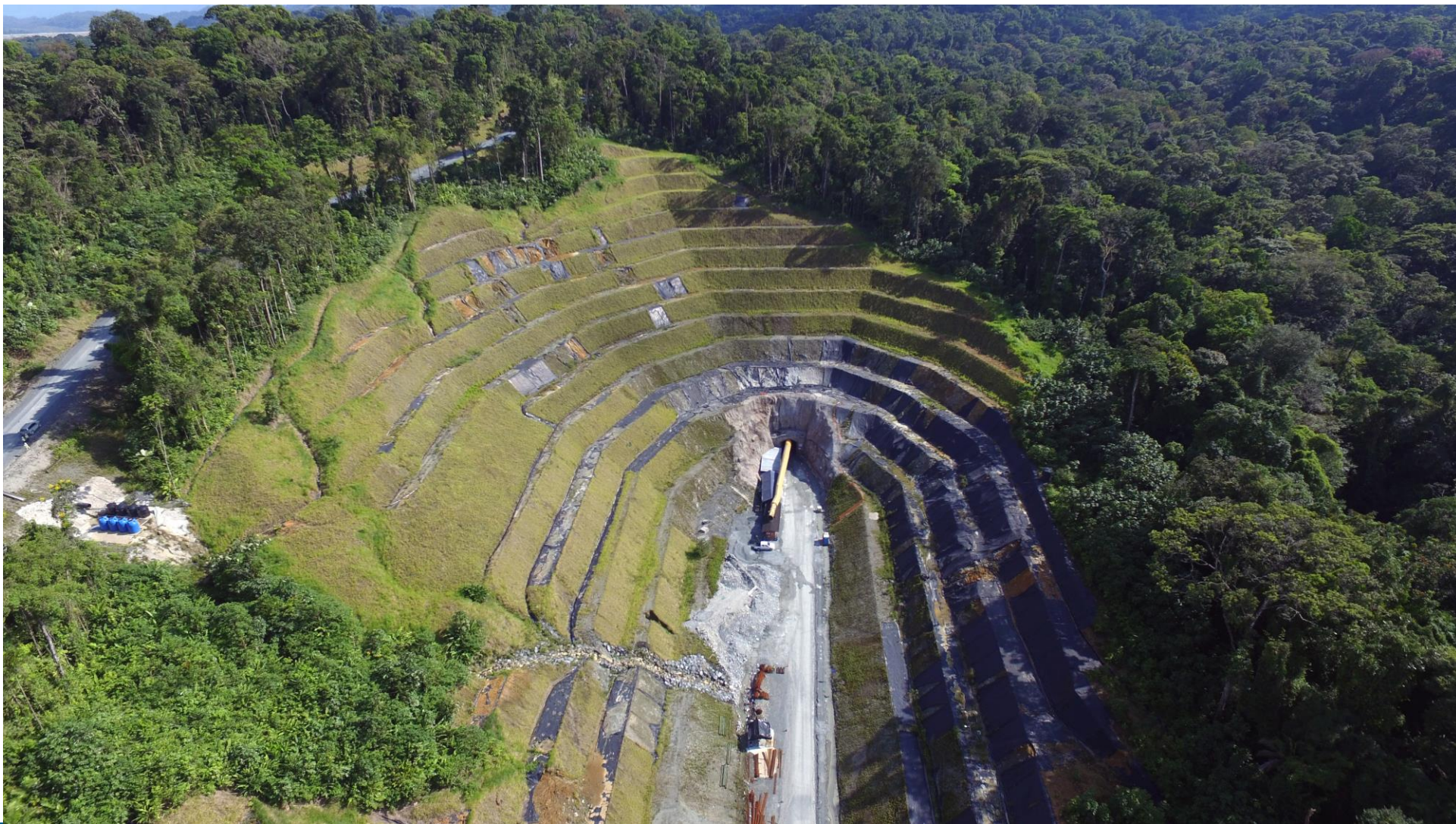
COBRE PANAMA PROGRESS – BOXCUTS & PRE-STRIP



COBRE PANAMA PROGRESS – TAILINGS MANAGEMENT FACILITY NORTH WALL



COBRE PANAMA PROGRESS – TAILINGS MANAGEMENT FACILITY DECANT TUNNEL



ADVANCING OUR COBRE PANAMA PROJECT

- Capital estimate of \$5.5B

Cobre Panama Funding

Capital expenditure guidance (\$bn)	Spend to 31 Dec 2016	2017E	2018E	2019E	Total
Total Cobre Panama	3.5	1.1	0.8	0.1	5.5
Third-party contribution	(1.2)	(0.5)	(0.3)	(0.2)	(2.2)
First Quantum's share of Cobre Panama	2.3	0.6	0.5	(0.1)	3.3

3-YEAR MARKET GUIDANCE – CAPITAL EXPENDITURE⁴

\$ millions	2017	2018	2019
Total Cobre Panama	1,060	830	110
Third-party contribution	<u>(420)</u>	<u>(330)</u>	<u>(200)</u>
First Quantum's share of Cobre Panama	640	500	(90)
Capitalized stripping	200	200	200
Sustaining capital and other non-major projects	<u>230</u>	<u>150</u>	<u>150</u>
Total net capital expenditure	<u>1,070</u>	<u>850</u>	<u>260</u>

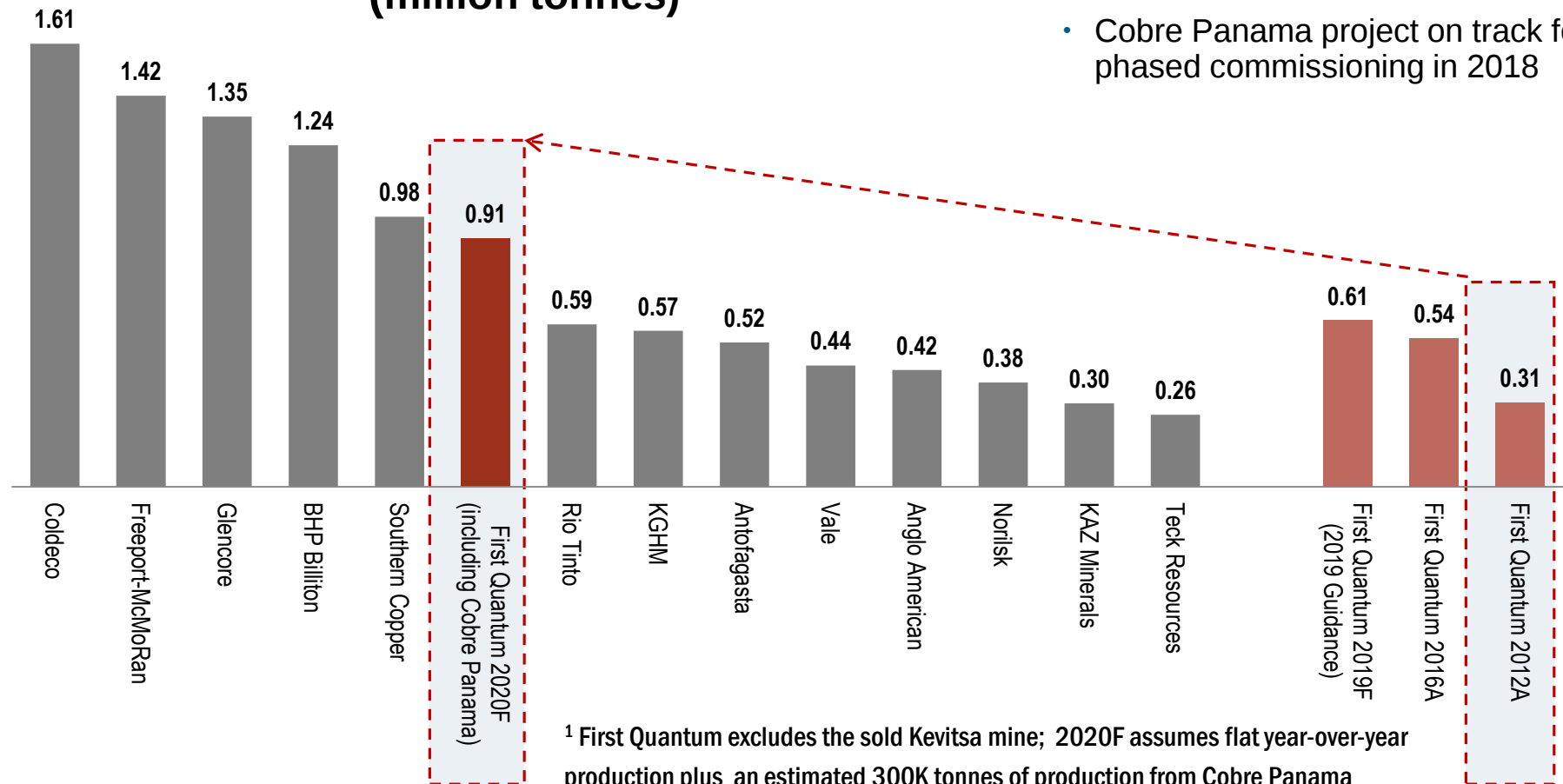
⁴ Excludes capitalization of any net pre-commercial production costs and capitalized interest



UNRIVALLED GROWTH IN COPPER PRODUCTION

2019E Copper Production¹ (million tonnes)

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



A ROBUST PROJECT PIPELINE

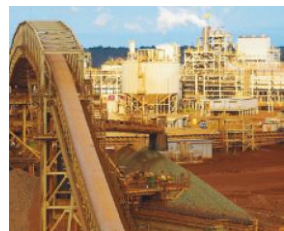
TACA TACA PROJECT, ARGENTINA

- Acquired in August 2014
- Located in the Puna region of Salta Province
- An outstanding copper deposit
- Conducting environmental impact assessment studies; expected to conclude in 2nd quarter 2017
- Commercial & logistics aspects being addressed



MINING RELATED DEVELOPMENTS IN ARGENTINA

- Argentine authorities, industry and unions expected to sign a federal mining agreement that unifies existing legislation across the country, as part of an ongoing effort to jump-start investment in the sector.
- President Mauricio Macri has been adopting measures to revive the country's mining industry, including the elimination of a 5% retention tax on mining exports in February 2016.
- Prohibition on foreign mining companies sending profits made in Argentina out of the country has already been revoked.
- President's goal is to double investment in the sector to \$25 billion in eight years.



A ROBUST PROJECT PIPELINE

HAQUIRA PROJECT, PERU

- Acquired in December 2010
- Located in the Apurimac Department of southern Peru
- One of the world's major undeveloped copper deposits
- Focused on the community and environmental aspects of the project



FIRST QUANTUM MINERALS LTD.

