



FIRST QUANTUM
MINERALS LTD.



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TSX: FM; LSE: FQM

SEPTEMBER 2015

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.

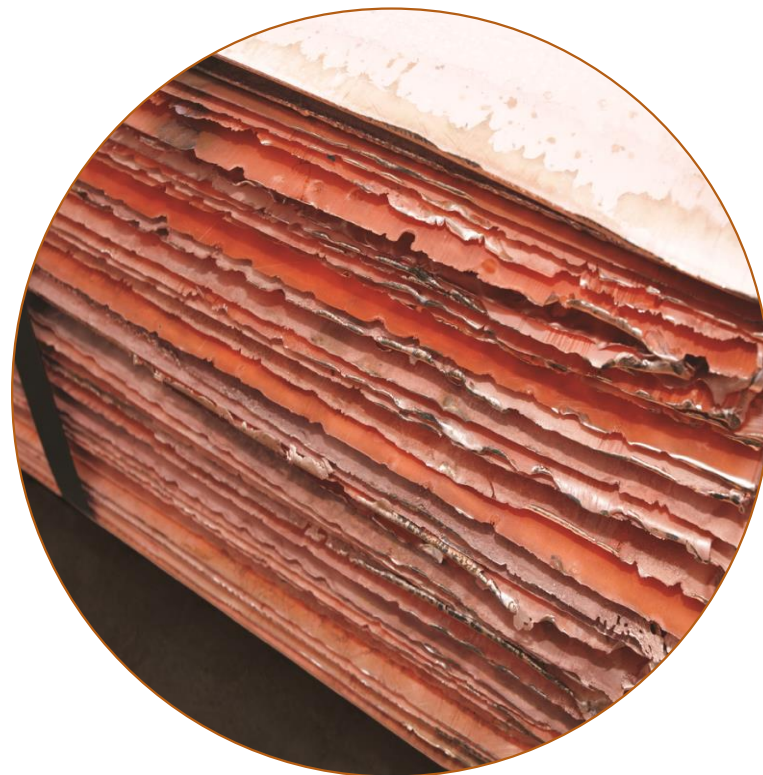
Forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Readers must rely on their own evaluation of these uncertainties.

Note: all dollar amounts in US dollars unless otherwise indicated

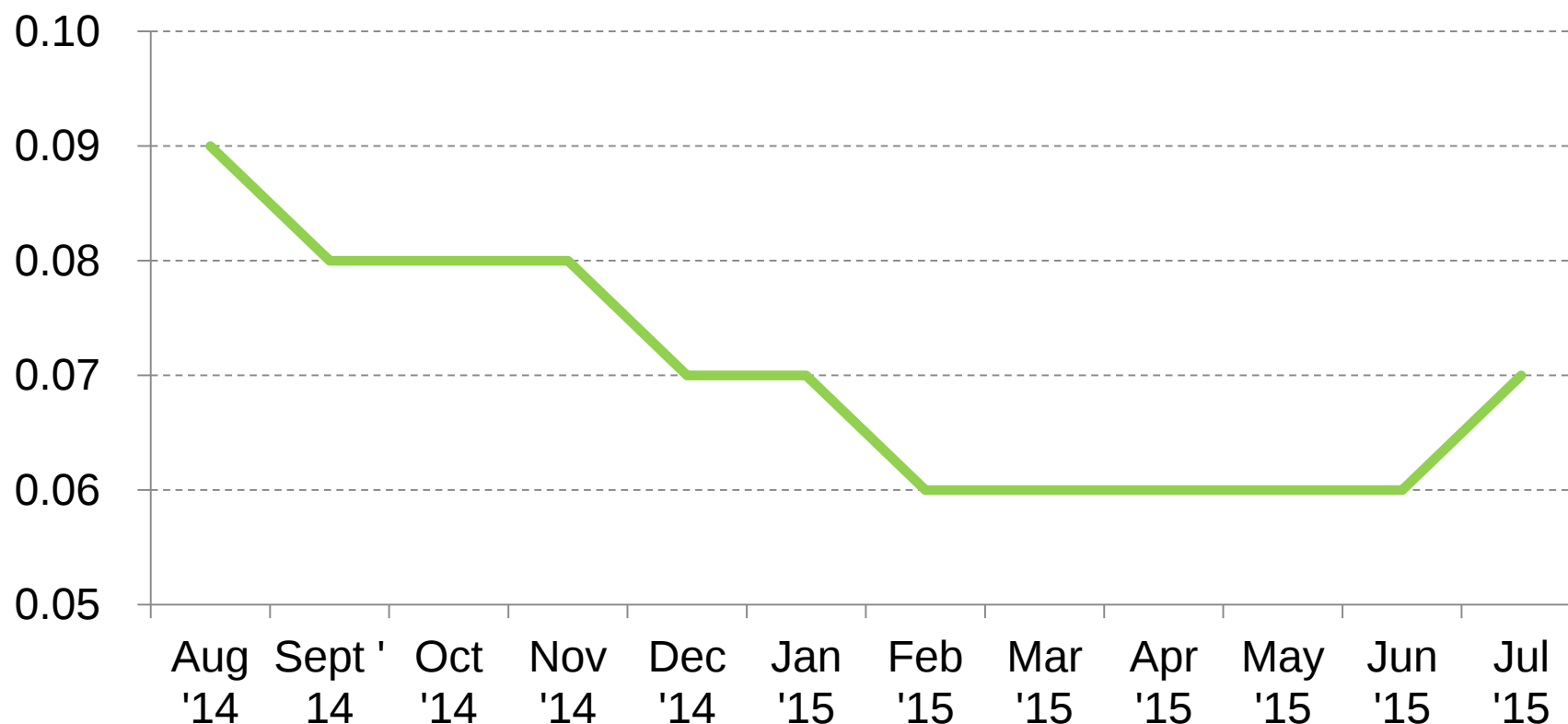
OUR PRIORITIES

- Operate safe and efficient mines
- Maintain a healthy balance sheet
- Achieve full operations at Sentinel
- Progress the Cobre Panama project



OPERATE SAFE & EFFICIENT MINES

12-Month Rolling Lost-time Injury Frequency Ratio

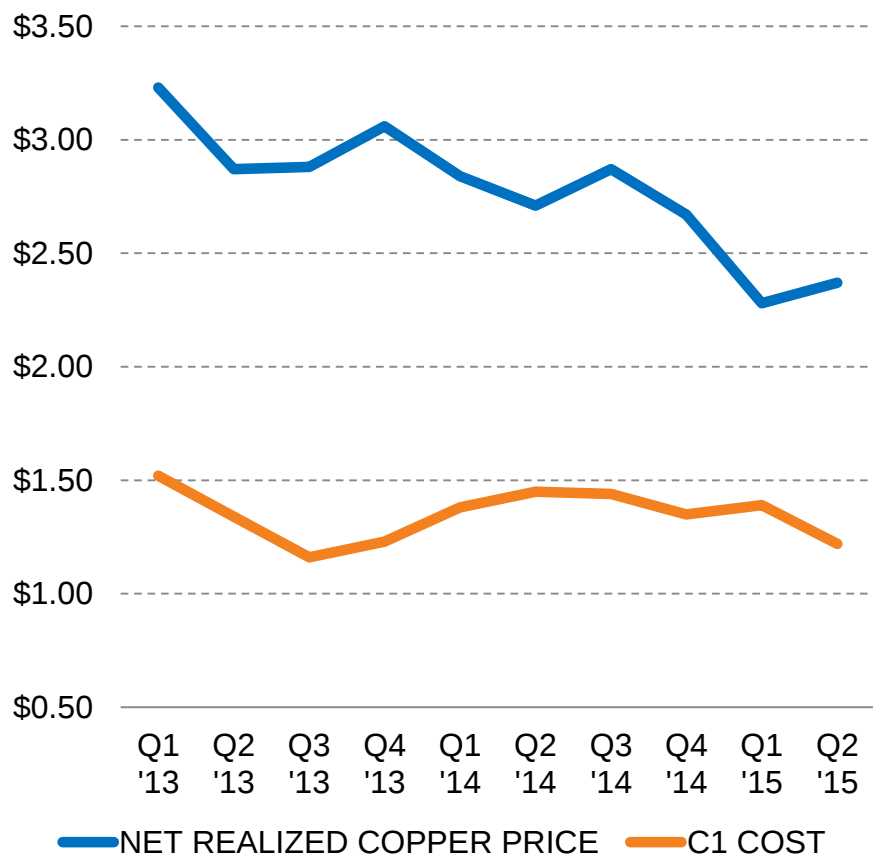


Lost-Time Injury Frequency Ratio = $\text{Lost-Time Injuries} \times 200,000 / \text{Hours Worked}$

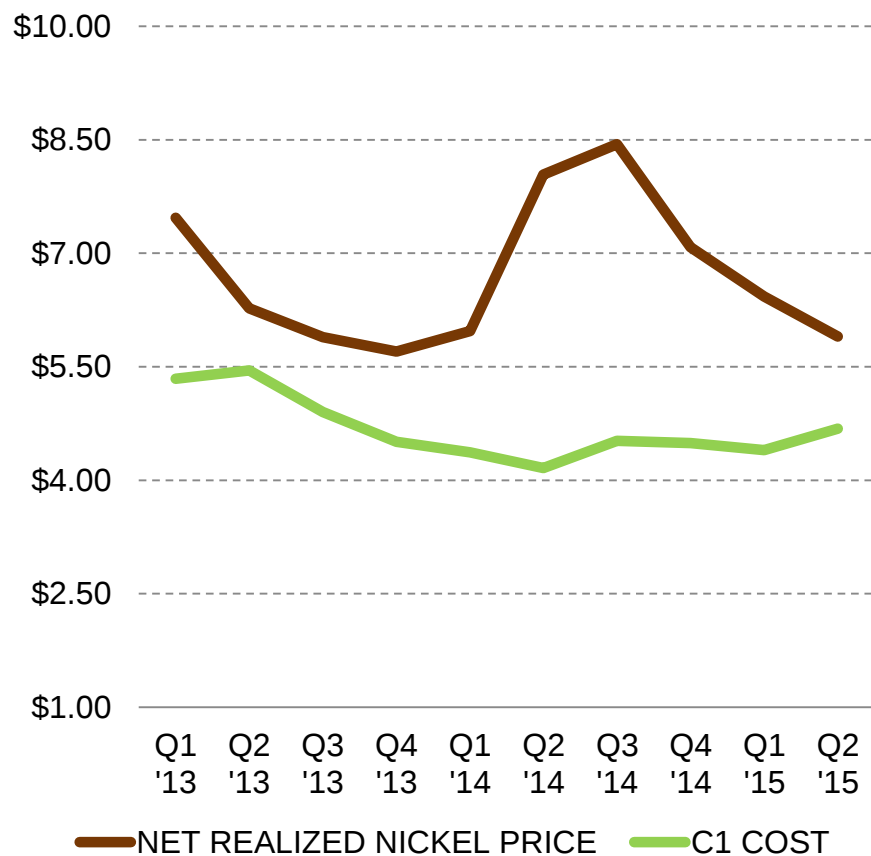
OPERATE SAFE & EFFICIENT MINES

ONGOING FOCUS ON COST CONTROL

COPPER



NICKEL



OPERATE SAFE & EFFICIENT MINES

NEW COPPER SMELTER MAKING A DIFFERENCE

- Declared commercial production July 1, 2015
- Achieved 100% nameplate capacity within three months of start-up
- Benefits to Kansanshi mine:
 - Now able to operate without the constraints of limited availability and widely-fluctuating sulphuric acid prices and the lack of smelter capacity in Zambia
 - C1 cost lowered to between \$1.25 - \$1.36 per pound in Q2 from an average of \$1.77 in Q1



COPPER SMELTER



COPPER SMELTER – ANODE STOCKPILE



COPPER SMELTER – ANODE STOCKPILE



MAINTAINING A HEALTHY BALANCE SHEET

COST AND CASH CONTAINMENT ACTIONS

Completed an equity issue for ~ Cdn\$1.4B	Q2
Re-phased and lowered the capital program by ~ \$700M	Q1
Renegotiated the ENRC Promissory Note for ~\$300M	Q3
Reduced workforce company-wide ~ 440 positions	Q1
Lowered salaries by up to 20%	Q1
Reduced dividend payout ratio by 5%	Q1
Launched a dividend re-investment and share purchase plan	Q1

MAINTAINING A HEALTHY BALANCE SHEET

- **As at June 30, 2015**

- Unrestricted cash = \$289M
- Available committed undrawn facilities = \$1.5B

- **Cash flow, before working capital changes, 1H 2015 = \$288M**

- **2H 2015:**

- \$215M received in July from the ENRC Promissory Note; \$85M outstanding to be satisfied by either acquisition of a certain Eurasian Resources Group asset or cash payment by early October
- Release of working capital from smelter production in 1H
- Ramp up of Sentinel mine
- Change in Zambian royalty and tax regime

DEVELOPMENTS IN ZAMBIA PERTINENT TO THE INDUSTRY

- **Electricity supply restricted by low water level in the Kariba dam**
 - No restrictions to the mines currently but likely to be re-imposed before end of 2015
 - ZESCO, state-run power company, importing power
 - Rainy season normally starts in November and continues to April
 - Approx. 400MW of new power generation capacity expected online in 2016 (300MW thermal + 100MW hydro)
- **Change in royalty and tax regime:**
 - Jan 1 – Jun 30, 2015 = 20% royalty
 - Effective Jul 1, 2015 = 9% royalty, 30% corporate tax, variable profits tax of up to 15%
- **Kansanshi VAT refunds outstanding**
 - 2015 = \$30M
 - Prior to 2015 = \$217M

RAMPING UP SENTINEL

Steady Progress

- Train 1 achieving periods of above design throughput despite constraints of less than 40% of full power requirement through one power line
- 2nd power line on track to be energized in Q3; this will enable supply of full power requirement
- Operation of entire facility expected in mid-October
- Optimization initiatives currently being undertaken ahead of full operations



POWER LINE PROJECT ON TRACK TO BE ENERGIZED IN Q3



Lumwana – Kalumbila – Mumbwa

Contractor	Kalpataru
Distance (km)	68 + 394
Towers	164 + 872

Mumbwa – Lusaka West

Contractor	KEC
Distance (km)	134
Towers	298

Substations

Kansanshi, Lumwana, Kalumbila	ABB
Lusaka West, Mumbwa	NCC



POWER LINE PROJECT ON TRACK TO BE ENERGIZED IN Q3



RAMPING UP SENTINEL



RAMPING UP SENTINEL



KALUMBILA TOWN



COBRE PANAMA PROGRESSING STRONGLY

CONSTRUCTION PROGRESS ENHANCED WITH PHASING OF CAPITAL OUTLAY

- **Port**
 - Received 1st direct international shipment
 - Now a fully operational international port
- **Power station**
 - Structural steel erection in progress
 - Mechanical installation started
- **Tailings dam**
 - Construction of the eastern and northern embankments ~30% complete
- **Process plant**
 - Earthworks complete at the milling and stockpile areas
 - Well-advanced on the flotation area earthworks and concrete pouring
 - Structural steel erection started
 - Commencing installation of 3 mills



COBRE PANAMA DEVELOPMENT CAPITAL

- Franco-Nevada and First Quantum making progress in negotiating amendments to the stream agreement
- Amount to be paid by Franco-Nevada upon finalizing the revised agreement based on expenditures to June 30, 2015 is agreed to be \$275M

	Incurred to 06/30/2015 US\$M	Remaining Capital US\$M	Total Estimated Capital US\$M
100% Basis	2,366	4,059	6,425
KPMC contribution	498	787	1,285
Stream agreement		1,000	1,000
First Quantum's share		2,272	4,140

COBRE PANAMA – POWER PLANT



COBRE PANAMA – SAG Mill #3 FOUNDATION

COMPLETING THE LAST OF SEVEN MILL FOUNDATIONS



COBRE PANAMA PROJECT
SEPTEMBER 12, 2015 0400hrs
100K Cu.M CONCRETE MILESTONE


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COBRE PANAMA – MILL STOCKPILE AND FLOTATION



COBRE PANAMA – BALL MILL 3 FOUNDATION



COBRE PANAMA – MILL AREA



FULL YEAR GUIDANCE

- **PRODUCTION RANGES¹**

- Copper 410,000 - 440,000 tonnes
- Nickel 32,000 - 40,000 tonnes
- Gold 218,000 - 247,000 ounces
- Zinc 40,000 - 45,000 tonnes
- Platinum 25,000 - 35,000 ounces
- Palladium 20,000 - 23,000 ounces

In addition, total physical production at Sentinel is expected to be between 80,000 - 100,000 tonnes of copper.

¹ Excludes impact from power restrictions

- **CASH COST OF PRODUCTION RANGES**

- Copper \$1.25 - \$1.40 per pound, inclusive of assumed post-commercial production at Sentinel
- Nickel \$4.75 - \$5.00 per pound

- **CAPITAL EXPENDITURES²**

- \$1.4 billion including \$600 million for the Cobre Panama project

² Excludes capitalization of any pre-commercial production costs and capitalized interest

BUILDING A LEADING GLOBAL COPPER-FOCUSED COMPANY

**Exercising prudence
in cash outlays
and alert to
optimization opportunities
to ensure
First Quantum
is well-positioned
to benefit fully
in stronger markets**



Cu

Ni

Au



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