



FIRST QUANTUM
MINERALS LTD.

Condensed Interim Consolidated Financial Statements

Third Quarter - September 30, 2019

(unaudited)

(In U.S. dollars, tabular amounts in millions, except where indicated)

First Quantum Minerals Ltd.

Interim Consolidated Statements of Earnings

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

		Three months ended September 30		Nine months ended September 30	
	Note	2019	2018	2019	2018
Sales revenues	13	987	978	2,783	2,912
Cost of sales	14	(837)	(732)	(2,252)	(2,214)
Gross profit		150	246	531	698
Exploration		(4)	(6)	(12)	(19)
General and administrative		(21)	(20)	(57)	(55)
Other income (loss)		(17)	(79)	(57)	(75)
Operating profit		108	141	405	549
Finance income		10	6	19	15
Finance costs	15	(69)	(11)	(80)	(27)
Finance charge on Zambian VAT discount	3b	(160)	-	(160)	-
Loss on partial redemption of senior notes	8	-	-	(25)	-
Earnings (loss) before income taxes		(111)	136	159	537
Income tax credit (expense)	16	33	(66)	(87)	(242)
Net earnings (loss)		(78)	70	72	295
Net earnings (loss) attributable to:					
Non-controlling interests		(5)	9	14	52
Shareholders of the Company	12	(73)	61	58	243
Earnings (loss) per share attributable to the shareholders of the Company					
Net earnings (loss) (\$ per share)					
Basic	12	(0.11)	0.09	0.08	0.35
Diluted	12	(0.11)	0.09	0.08	0.35
Weighted average shares outstanding (000's)					
Basic	12	688,425	687,108	687,556	686,649
Diluted	12	688,425	689,387	689,393	689,386
Total shares issued and outstanding (000's)	11a	689,401	689,391	689,401	689,391

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

First Quantum Minerals Ltd.

Interim Consolidated Statements of Comprehensive Income

(unaudited)

(expressed in millions of U.S. dollars)

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Net earnings (loss) for the period	(78)	70	72	295
Other comprehensive income (loss)				
<i>Items that have been/may be subsequently reclassified to net earnings:</i>				
Cash flow hedges reclassified to net earnings	-	10	(27)	228
Gains (losses) on cash flow hedges arising during the period	(32)	(1)	(10)	55
<i>Items that will not subsequently be reclassified to net earnings:</i>				
Loss on termination of Pebble framework agreement ¹	-	-	-	(38)
Unrealized loss on investments	(1)	(2)	(1)	(2)
Total comprehensive income (loss) for the period	(111)	77	34	538
Total comprehensive income (loss) for the period attributable				
Non-controlling interests	(5)	9	14	52
Shareholders of the Company	(106)	68	20	486
Total comprehensive income (loss) for the period	(111)	77	34	538

¹ In May 2018, the Company and Northern Dynasty Minerals elected to terminate their framework agreement, announced on December 15, 2017, in accordance with its terms after being unable to reach agreement on the contemplated option and partnership transaction on the Pebble project. A \$38 million fair value loss on the investment was recognized in other comprehensive income.

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First Quantum Minerals Ltd.

Condensed Interim Consolidated Statements of Cash Flows

(unaudited)

(expressed in millions of U.S. dollars)

		Three months ended September 30		Nine months ended September 30	
	Note	2019	2018	2019	2018
Cash from operating activities					
Net earnings (loss) from operations		(78)	70	72	295
Adjustments for					
Depreciation	14	225	211	617	640
Income tax expense (credit)	16	(33)	66	87	242
Share-based compensation expense		6	4	16	13
Net finance expense		59	5	61	12
Unrealized foreign exchange loss		7	82	45	92
Finance charge on Zambian VAT discount		160	-	160	-
Loss on partial redemption of senior notes		-	-	25	-
Other		(17)	6	(10)	16
		329	444	1,073	1,310
Taxes paid		(52)	(48)	(193)	(198)
Franco-Nevada Corporation precious metal stream arrangement	10	-	89	-	604
Movements in non-cash operating working capital		(124)	(44)	(389)	(72)
Long term incentive plan contributions		(2)	(2)	(2)	(2)
Net cash from operating activities of operations		151	439	489	1,642
Cash flows used by investing activities					
Purchase and deposits on property, plant and equipment	5	(270)	(523)	(1,130)	(1,537)
Acquisition of Korea Panama Mining Corp ("KPMC")		-	-	-	(105)
Interest paid and capitalized to property, plant and equipment	5	(101)	(198)	(388)	(392)
Other		2	6	14	11
Net cash used by investing activities of operations		(369)	(715)	(1,504)	(2,023)
Cash flows from financing activities					
Net movement in trading facility		60	(57)	113	(72)
Movement in restricted cash		52	2	54	11
Proceeds from debt	8	190	380	2,786	2,726
Repayments of debt	8	(372)	(5)	(2,219)	(2,119)
Net proceeds from (payments to) joint venture (KPMC)	7,9b	(2)	44	33	(55)
Dividends paid to shareholders of the Company		(2)	(2)	(5)	(5)
Dividends paid to non-controlling interest		(9)	(4)	(9)	(20)
Early redemption costs on senior notes	8	-	-	(14)	-
Interest paid		(89)	(7)	(94)	(15)
Other		(6)	(2)	(12)	(3)
Net cash from (used by) financing activities of operations		(178)	349	633	448
Increase (decrease) in cash and cash equivalents and bank overdrafts		(396)	73	(382)	67
Cash and cash equivalents and bank overdrafts – beginning of period		802	682	788	702
Exchange losses on cash and cash equivalents		-	(2)	-	(16)
Cash and cash equivalents and bank overdrafts – end of period		406	753	406	753
Cash and cash equivalents		939	1,225	939	1,225
Bank overdrafts		(533)	(472)	(533)	(472)

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

First Quantum Minerals Ltd.

Interim Consolidated Balance Sheets

(unaudited)

(expressed in millions of U.S. dollars)

	Note	September 30, 2019	December 31, 2018
Assets			(audited)
Current assets			
Cash and cash equivalents		939	1,255
Trade and other receivables	3	392	658
Inventories	4	1,360	1,196
Current portion of other assets	6	149	155
		2,840	3,264
Non-current assets			
Cash and cash equivalents - restricted cash		23	78
Non-current VAT receivable	3	412	109
Property, plant and equipment	5	20,016	19,098
Goodwill		237	237
Investment in joint venture	7	599	600
Other assets	6	326	151
		24,453	23,537
Liabilities			
Current liabilities			
Bank overdraft		533	467
Trade and other payables		670	731
Current taxes payable		129	125
Current debt	8	569	174
Current portion of provisions and other liabilities	9	180	147
		2,081	1,644
Non-current liabilities			
Debt	8	7,416	7,111
Provisions and other liabilities	9	2,095	1,818
Deferred revenue	10	1,423	1,452
Deferred income tax liabilities		680	790
Total liabilities		13,695	12,815
Equity			
Share capital	11	5,608	5,592
Retained earnings		3,995	3,942
Accumulated other comprehensive loss		(65)	(27)
Total equity attributable to shareholders of the Company		9,538	9,507
Non-controlling interests		1,220	1,215
Total equity		10,758	10,722
Total liabilities and equity		24,453	23,537
Commitments & contingencies	19		

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

First Quantum Minerals Ltd.

Interim Consolidated Statements of Changes in Equity

(unaudited)

(expressed in millions of U.S. dollars)

	Share capital	Retained earnings	Accumulated other comprehensive loss	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
Balance at January 1, 2019	5,592	3,942	(27)	9,507	1,215	10,722
Net earnings	-	58	-	58	14	72
Other comprehensive income (loss)	-	-	(38)	(38)	-	(38)
Total comprehensive income (loss)	-	58	(38)	20	14	34
Share-based compensation expense ¹	16	-	-	16	-	16
Dividends	-	(5)	-	(5)	(9)	(14)
Balance at September 30, 2019	5,608	3,995	(65)	9,538	1,220	10,758

¹ Inclusive of capitalized amounts

	Share capital	Retained earnings	Accumulated other comprehensive loss	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
Balance at December 31, 2017	5,575	3,612	(227)	8,960	1,168	10,128
IFRS 9 and IFRS 15 transition adjustments	-	(106)	(22)	(128)	-	(128)
Balance at January 1, 2018	5,575	3,506	(249)	8,832	1,168	10,000
Net earnings	-	243	-	243	52	295
Other comprehensive income	-	-	243	243	-	243
Total comprehensive income	-	243	243	486	52	538
Share-based compensation expense ¹	14	-	-	14	-	14
Dividends	-	(5)	-	(5)	(20)	(25)
Balance at September 30, 2018	5,589	3,744	(6)	9,327	1,200	10,527

¹ Inclusive of capitalized amounts

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

1 Nature of operations

First Quantum Minerals Ltd. ("First Quantum" or "the Company") is engaged in the production of copper, nickel, gold, zinc, silver and acid, and related activities including exploration and development. The Company has operating mines located in Zambia, Panama, Finland, Turkey, Spain and Mauritania. The Company's Ravensthorpe mine was placed under care and maintenance in October 2017. The Company is exploring the Haquira copper deposit in Peru and the Taca Taca copper-gold-molybdenum deposit in Argentina.

The Company's shares are publicly listed for trading on the Toronto Stock Exchange and has Depositary Receipts listed on the Lusaka Stock Exchange.

The Company is registered and domiciled in Canada, and its registered office is the 14th Floor – 543 Granville Street, Vancouver, BC, Canada, V6C 1X8.

2 Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board have been condensed or omitted. The accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the preparation of, and disclosed in, the consolidated annual financial statements for the year ended December 31, 2018, except for the new and amended standards noted below.

New standards adopted by the Company

IFRS 16 Leases

IFRS 16 has replaced IAS 17 Leases. On adoption of IFRS 16, the Company has recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17. The Company has elected to apply the modified transition approach whereby no restatement of comparative periods is required. Right-of-use assets have been recognized at the amount of the liability on transition. These liabilities were valued at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The adoption of IFRS 16 resulted in increases to property, plant and equipment (note 5) and other liabilities (note 9) on January 1, 2019 of \$20 million.

Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Leases with terms that end within 12 months of the mandatory transition date are accounted for by the Company as short-term leases. Payments associated with short-term leases and leases of low-value assets are recognized as an expense.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

3 Trade receivables

a) Trade and other receivables

	September 30, 2019	December 31, 2018
Trade receivables	277	241
VAT receivable (current)	16	353
Other receivables	99	64
	392	658

b) VAT receivable

	September 30, 2019	December 31, 2018
Kansanshi Mining PLC	246	282
Kalumbila Minerals Limited	139	137
First Quantum Mining and Operations (Zambia) Limited	27	24
VAT receivable from the Company's Zambian operations	412	443
Cobre Las Cruces S.A.	10	11
Çayeli Bakır İşletmeleri A.Ş.	3	5
Other	3	3
Total VAT receivable	428	462
Less: current portion, included within trade and other receivables	(16)	(353)
Non-current VAT receivable	412	109

c) VAT receivable by the Company's Zambian operations

	September 30, 2019	December 31, 2018
Receivable at date of claim	823	645
Impact of depreciation of Zambian kwacha against U.S. dollar ¹	(226)	(177)
	597	468
Impact of discounting non-current portion	(185)	(25)
Total receivable	412	443

Consisting:

Current portion, included within trade and other receivables	-	334
Non-current VAT receivable	412	109

¹ The impact of the depreciation of the Zambian kwacha against the U.S. dollar in the nine month period ended September 30, 2019, on the VAT receivable due to the Company's Zambian operations was \$49 million (nine month period ended September 30, 2018: \$80 million), included within other expense in the Statement of Earnings.

A finance charge of \$160 million has been recognized in the three months ended September 30, 2019, (three months ended September 30, 2018: nil), representing the discounting over the expected timeframe to repayment.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

4 Inventories

	September 30, 2019	December 31, 2018
Ore in stockpiles	267	250
Work-in-progress	37	26
Finished product	291	259
Total product inventory	595	535
Consumable stores	765	661
	1,360	1,196

5 Property, plant and equipment

	Plant and equipment	Capital work- in-progress	Mineral properties and mine development costs		Total
			Operating mines	Development and exploration projects	
Net book value, as at January 1, 2019	4,634	10,125	2,097	2,242	19,098
Change in accounting policy (note 2)	20	-	-	-	20
Additions	-	1,004	-	-	1,004
Disposals	(20)	-	-	-	(20)
Transfers between categories ¹	6,673	(10,735)	5,171	(1,109)	-
Restoration provision	-	-	(10)	-	(10)
Capitalized interest	-	549	-	-	549
Depreciation charge	(434)	-	(191)	-	(625)
Net book value, as at September 30, 2019	10,873	943	7,067	1,133	20,016
Cost	15,251	943	8,834	1,133	26,161
Accumulated depreciation	(4,378)	-	(1,767)	-	(6,145)

¹ The Cobre Panama mine was declared to be in commercial production, effective September 1, 2019. Reclassifications within property, plant and equipment were accordingly effected from capital work-in-progress.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

	Plant and equipment	Capital work-in-progress	Mineral properties and mine development costs		Total
			Operating mines	Development projects	
Net book value, as at January 1, 2018	4,686	7,881	2,374	2,232	17,173
Additions	-	2,166	-	-	2,166
Disposals	(9)	-	-	-	(9)
Transfers between categories	538	(575)	42	(5)	-
Restoration provision	-	-	(50)	15	(35)
Capitalized interest	-	653	-	-	653
Depreciation charge	(581)	-	(269)	-	(850)
Net book value, as at December 31, 2018	4,634	10,125	2,097	2,242	19,098
Cost	8,638	10,125	3,672	2,242	24,677
Accumulated depreciation	(4,004)	-	(1,575)	-	(5,579)

During the nine months ended September 30, 2019, \$549 million of interest (nine months ended September 30, 2018: \$480 million) was capitalized relating to the development of Cobre Panama. The amount capitalized to September 30, 2019 was determined by applying the weighted average cost of borrowings of 6.8% (nine months ended September 30, 2019: 7.2%) to the accumulated qualifying expenditures.

Included within capital work-in-progress and mineral properties – operating mines at September 30, 2019, is an amount of \$650 million related to capitalized deferred stripping costs (December 31, 2018: \$632 million).

Disposals in the nine months ended September 30, 2019 include a \$9 million write-off of assets as a result of a land slippage at the Las Cruces mine in January 2019.

6 Other assets

	September 30, 2019	December 31, 2018
Prepaid expenses	125	115
KPMC shareholder loan (note 7)	225	56
Other investments	17	18
Deferred income tax assets	81	74
Derivative instruments (note 18)	27	43
Total other assets	475	306
Less: current portion of other assets	(149)	(155)
	326	151

Included within prepaid expenses is \$28 million (December 31, 2018: \$28 million) in relation to Sentinel which are to be recovered through deductions on electricity invoices from ZESCO under the terms of the agreement to transfer powerline ownership.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

7 Joint venture

On November 8, 2017, the Company completed the purchase of a 50% interest in KPMC from LS-Nikko Copper Inc. KPMC is jointly owned and controlled with Korea Resources Corporation and holds a 20% interest in Cobre Panama. The purchase consideration of \$664 million comprised the acquisition consideration of \$635 million and the reimbursement of cash advances of \$29 million. The remaining consideration is payable in three equal instalments to November 2021. \$100 million is included within other current liabilities and a time discounted value of \$178 million within other non-current liabilities.

A \$599 million investment in joint venture represents the discounted consideration value adjusted for the Company's share of the profit or loss in KPMC. The principal assets and liabilities of KPMC are an investment in MPSA, a subsidiary of the Company, and shareholder loans. The notional purchase price allocation was finalized in the year ended December 31, 2018.

Proceeds from (payments to) joint venture are presented net of the following in the Statements of Cash Flows:

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Proceeds from joint venture (KPMC shareholder loan)	44	-	-	178
Payments to joint venture (KPMC shareholder loan)	-	(45)	(95)	(125)
Proceeds from joint venture (KPMC)	-	89	128	248
Repayments to joint venture (KPMC)	(46)	-	-	(356)
Net proceeds from (payments to) joint venture (KPMC)	(2)	44	33	(55)

8 Debt

		September 30, 2019	December 31, 2018
Drawn debt			
Senior notes:			
First Quantum Minerals Ltd. 7.00% due February 2021	(a)	297	1,105
First Quantum Minerals Ltd. 7.25% due May 2022		846	844
First Quantum Minerals Ltd. 7.25% due April 2023		1,092	1,090
First Quantum Minerals Ltd. 6.50% due March 2024		843	842
First Quantum Minerals Ltd. 7.50% due April 2025		1,090	1,089
First Quantum Minerals Ltd. 6.875% due March 2026		991	990
First Quantum Minerals Ltd. 2017 senior debt facility	(b)	-	800
First Quantum Minerals Ltd. 2019 senior debt facility	(c)	2,195	-
Kalumbila term loan		398	397
Trading facilities		219	106
Equipment financing		14	22
Total debt		7,985	7,285
Less: current maturities and short term debt		(569)	(174)
		7,416	7,111

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

	September 30, 2019	December 31, 2018
Undrawn debt		
First Quantum Minerals Ltd. 2019 senior debt facility	470	700
Trading facilities	151	229

a) First Quantum Minerals Ltd. 7.00% due February 2021

In March 2019, the Company made a partial redemption of \$821 million of the notes at a redemption price of 101.75%. The redemption premium is presented within cash flows from financing activities in the Statement of Cash Flows. The loss arising from the partial redemption of senior notes of \$25 million has been recognized in earnings before income taxes in the Statement of Earnings.

b) First Quantum Minerals Ltd. 2017 senior debt facility

In October 2017, the Company signed a Term Loan and Revolving Credit Facility ("RCF") of \$2.2 billion, comprised of a \$0.7 billion Term Loan Facility and a \$1.5 billion RCF, maturing in December 2020 with repayment beginning in December 2019.

On February 27, 2018, the Company repaid and extinguished the \$0.7 billion Term loan. On February 6, 2019, the RCF was extinguished (see note 8c).

c) First Quantum Minerals Ltd. 2019 senior debt facility

On February 6, 2019, the Company signed a Term Loan and RCF ("The 2019 Facility") replacing the previous \$1.5 billion RCF, which was extinguished with no extinguishment gain or loss. The 2019 Facility has an accordion feature to increase it to \$3.0 billion before the end of 2019 and comprises a \$1.5 billion Term Loan Facility and a \$1.2 billion RCF (which can be upsized to \$1.5 billion if the accordion feature is activated), maturing on December 31, 2022. Interest is charged at LIBOR plus a margin. This margin can change relative to certain financial ratios of the Company.

Transaction costs for the new facilities have been deducted from the principal drawn on initial recognition.

The syndication of the new \$2.7 billion Term Loan and Revolving Credit Facility underwritten by three core relationship banks was closed on June 28, 2019.

9 Provisions and other liabilities

a) Provisions and other liabilities

	September 30, 2019	December 31, 2018
Amount owed to joint venture (note 9b)	1,179	946
Restoration provisions	584	585
Derivative instruments (note 18)	26	3
Lease liabilities (note 2)	32	17
Non-current consideration for acquisition of joint venture ¹	178	164
Deferred revenue – current	95	38
Other	181	212
Total other liabilities	2,275	1,965
Less: current portion	(180)	(147)
	2,095	1,818

¹ The current portion of the consideration for acquisition of joint venture of \$100 million (December 31, 2018: \$100 million) has been included in trade and other payables.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

b) Amount owed to joint venture

	September 30, 2019	December 31, 2018
Balance at the beginning of the year	946	925
Repayment of shareholder loans	-	(356)
Funding provided to MPSA for the development of Cobre Panama	159	304
Interest accrued	74	73
Balance at end of period due to KPMC	1,179	946

In September 2013, the Company and KPMC entered into a shareholder loan agreement with Minera Panama S.A. ("MPSA") for development of the Cobre Panama project, in which KPMC is a 20% shareholder. Interest is calculated semi-annually at an annual rate of 9%. In November 2017, the Company acquired a 50% interest in KPMC from LS-Nikko Copper Inc. inclusive of the above shareholder loans. The assets and liabilities of KPMC are an investment in MPSA, a subsidiary of the Company, a loan receivable from MPSA, and loans due to shareholders. Interest income and expense earned on these loans are on the same terms.

In March 2018, following completion of the additional precious metal streaming agreement with Franco-Nevada (see note 10), the receipt of \$356 million proceeds by MPSA was used entirely to repay shareholder loans by MPSA to KPMC. Of this \$356 million shareholder loan repayment, \$178 million was received by the Company.

As at September 30, 2019, the accrual for interest payable is \$298 million (December 31, 2018: \$224 million) and is included in the carrying value of the amount owed to joint venture, as this has been deferred under the loan agreement. Amounts due to KPMC are specifically excluded from the calculation of net debt as defined under the Company's banking covenant ratios.

10 Deferred revenue

	September 30, 2019	December 31 2018
Balance at the beginning of the year	1,490	800
Cash deposits received from Franco-Nevada – Tranche 1	-	274
Cash deposits received from Franco-Nevada – Tranche 2 ¹	-	356
Accretion of finance costs	48	60
Amortization of gold and silver revenue	(20)	-
Balance at the end of the period	1,518	1,490
Less: current portion (included within provisions and other liabilities)	(95)	(38)
Non-current deferred revenue	1,423	1,452

¹On March 16, 2018, the Company completed an additional precious metal streaming agreement with a subsidiary of Franco-Nevada Corporation ("Franco-Nevada"). \$356 million was received on completion. Proceeds received from Franco-Nevada under the terms of the precious metals streaming agreement are accounted for as deferred revenue. An accretion of finance costs is recognized as part of the deferred revenue balance representing the significant financing component of the agreement.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

Franco-Nevada precious metal stream arrangement

The Company, through its subsidiary, MPSA, has a precious metal streaming arrangement with Franco-Nevada. The arrangement comprises two tranches, the first of which ("Tranche 1") was finalized on October 5, 2015. Under the terms of Tranche 1, Franco-Nevada, through a wholly owned subsidiary, agreed to provide a \$1 billion deposit to be funded on a pro-rata basis of 1:3 with the Company's 80% share of the capital costs of Cobre Panama in excess of \$1 billion. The full Tranche 1 deposit amount has been fully funded to MPSA. The second tranche ("Tranche 2") was finalized on March 16, 2018, and \$356 million was received on completion. Proceeds received from Franco-Nevada under the terms of the precious metals streaming agreement are accounted for as deferred revenue.

The amount of precious metals deliverable under both tranches is indexed to total copper-in-concentrate sold by Cobre Panama. Under the terms of Tranche 1, the ongoing payment of the Fixed Payment Stream is fixed per ounce payments of \$424.54/oz gold and \$6.36/oz silver subject to an annual inflation adjustment for the first 1,341,000 ounces of gold and 21,510,000 ounces of silver (approximately the first 20 years of expected deliveries). Thereafter the greater of \$424.54/oz for gold and \$6.36/oz for silver, subject to an adjustment for inflation, and one half of the then prevailing market price. Under Tranche 2 the ongoing price per ounce for deliveries is 20% of the spot price for the first 604,000 ounces of gold and 9,618,000 ounces of silver (approximately the first 25 years of production), and thereafter the price per ounce rises to 50% spot price of gold and silver.

Although the market price feature represents an embedded derivative, the value of this derivative is not material. In all cases, the amount paid is not to exceed the prevailing market price per ounce of gold and silver.

Deferred revenue will be recognized as revenue over the life of the mine, which is expected to be 36 years.

The Company recognized the first delivery obligation to Franco-Nevada under the terms of the arrangement in June 2019 following the first sale of copper concentrate.

11 Share capital

a) Common shares

Authorized

Unlimited common shares without par value

Issued

	Number of shares (000's)
Balance as at December 31, 2018	689,391
Shares issued through dividend reinvestment plan	10
Balance as at September 30, 2019	689,401

b) Dividends

On February 14, 2019, the Company declared a final dividend of CDN\$0.005 per share, or \$3 million, in respect of the financial year ended December 31, 2018 (February 12, 2018: CDN\$0.005 per share or \$3 million) which was paid on May 7, 2019 to shareholders of record on April 15, 2019.

On July 29, 2019, the Company declared an interim dividend of CDN\$0.005 per share, or \$2 million, in respect of the financial year ended December 31, 2019 (July 30, 2018: CDN\$0.005 per share or \$3 million) to be paid on September 19, 2019 to shareholders of record on August 28, 2019.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

12 Earnings per share

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Basic and diluted earnings (loss) attributable to shareholders of the Company	(73)	61	58	243
Basic weighted average number of shares outstanding (000's of shares)	688,425	687,108	687,556	686,649
Effect of potential dilutive securities:				
Treasury shares	-	2,279	1,837	2,737
Diluted weighted average number of shares outstanding	688,425	689,387	689,393	689,386
Earnings (loss) per share – basic (expressed in \$ per share)	(0.11)	0.09	0.08	0.35
Earnings (loss) per share – diluted (expressed in \$ per share)	(0.11)	0.09	0.08	0.35

13 Sales revenues by nature

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Copper	877	904	2,483	2,653
Gold	86	47	210	167
Zinc	2	10	24	38
Other	22	17	66	54
	987	978	2,783	2,912

14 Cost of sales

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Costs of production	(573)	(530)	(1,575)	(1,581)
Depreciation	(249)	(206)	(625)	(637)
Movement in inventory	(39)	9	(60)	7
Movement in depreciation in inventory	24	(5)	8	(3)
	(837)	(732)	(2,252)	(2,214)

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

15 Finance costs

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Interest expense on financial liabilities measured at amortized cost	(210)	(172)	(618)	(497)
Accretion on restoration provision	(5)	(3)	(11)	(10)
Total finance costs	(215)	(175)	(629)	(507)
Less: interest capitalized (note 5)	146	164	549	480
	(69)	(11)	(80)	(27)

Following declaration of commercial production at Cobre Panama, effective September 1, 2019, and in the absence of any major capital projects, the Company ceased capitalization of interest expense.

16 Income tax expense

A tax expense of \$87 million was recorded for the nine months ended September 30, 2019, (nine months ended September 30, 2018: \$242 million tax expense) reflecting applicable statutory tax rates. The statutory tax rates for the Company's operations range from 20% to 35%.

Following changes to the Zambian tax regime, effective January 1, 2019, mineral royalties are no longer deductible for tax purposes.

No tax expenses or credits have been recognized with respect to gains realized under the Company's sales hedge program or losses incurred for the early repayment of borrowings. The majority of the Company's interest expense is incurred by Canadian entities, where no tax credit is recognized.

17 Segmented information

The Company's reportable operating segments are individual mine development projects or mine operations. Each of the mines and development projects report information separately to the CEO, the chief operating decision maker.

The Corporate & other segment is responsible for the evaluation and acquisition of new mineral properties, regulatory reporting, treasury and finance and corporate administration. Included in the Corporate & other segment is the Company's metal marketing division which purchases and sells third party material, and the exploration projects.

The Company's operations are subject to seasonal aspects, in particular the rain season in Zambia. The rain season in Zambia generally starts in November and continues through April, with the heaviest rainfall normally experienced in the months of January, February and March. As a result of the rain season, mine pit access and the ability to mine ore is lower in the first quarter of the year than other quarters and the cost of mining is higher.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

Earnings by segment

For the three-month period ended September 30, 2019, segmented information for the consolidated interim statement of earnings is presented as follows:

	Revenue	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ¹	Income tax (expense) credit
Kansanshi ²	314	(185)	(55)	(12)	62	11
Sentinel	303	(191)	(72)	(14)	26	17
Cobre Panama	210	(142)	(32)	(1)	35	-
Las Cruces	61	(34)	(47)	1	(19)	11
Guelb Moghrein	52	(32)	(8)	(5)	7	(4)
Çayeli	13	(8)	(6)	(2)	(3)	(1)
Pyhäsalmi	16	(9)	(4)	1	4	(4)
Ravensthorpe	-	(7)	(1)	-	(8)	3
Corporate & other ^{3,4}	18	(4)	-	(10)	4	-
Total	987	(612)	(225)	(42)	108	33

¹ Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings.

² Kansanshi Mining Plc, the most significant contributor to the Kansanshi segment, is 20% owned by ZCCM, a Zambian government owned entity.

³ Cobre Panama was declared to be in commercial production, effective September 1, 2019. Development costs and pre-commercial production operating revenues and costs prior to this date have been capitalized.

⁴ Includes hedge gains and losses recognized on forward copper sales and zero cost collar options.

For the three-month period ended September 30, 2018, segmented information for the statement of earnings is presented as follows:

	Revenue	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ¹	Income tax (expense) credit
Kansanshi ²	434	(219)	(69)	(61)	85	(19)
Sentinel	333	(213)	(65)	(19)	36	(1)
Cobre Panama	-	-	-	-	-	-
Las Cruces	93	(34)	(48)	2	13	(9)
Guelb Moghrein	41	(32)	(8)	(1)	-	1
Çayeli	13	(7)	(6)	(2)	(2)	(31)
Pyhäsalmi	34	(11)	(14)	-	9	(5)
Ravensthorpe	-	(4)	(1)	-	(5)	2
Corporate & other ^{3,4}	30	(1)	-	(24)	5	(4)
Total	978	(521)	(211)	(105)	141	(66)

¹ Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings.

² Kansanshi Mining Plc, the most significant contributor to the Kansanshi segment, is 20% owned by ZCCM, a Zambian government owned entity.

³ Cobre Panama was declared to be in commercial production, effective September 1, 2019. Development costs and pre-commercial production operating revenues and costs prior to this date have been capitalized.

⁴ Includes hedge gains and losses recognized on forward copper sales and zero cost collar options.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

For the nine-month period ended September 30, 2019, segmented information for the consolidated interim statement of earnings is presented as follows:

	Revenue	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ¹	Income tax (expense) credit
Kansanshi ²	1,086	(606)	(174)	(41)	265	(59)
Sentinel	918	(577)	(190)	(29)	122	(15)
Cobre Panama	210	(142)	(32)	(1)	35	-
Las Cruces	194	(102)	(137)	(9)	(54)	22
Guelb Moghrein	193	(120)	(37)	(6)	30	(10)
Çayeli	63	(31)	(21)	6	17	(12)
Pyhäsalmi	73	(34)	(20)	3	22	4
Ravensthorpe	-	(16)	(4)	-	(20)	6
Corporate & other ^{3,4}	46	(7)	(2)	(49)	(12)	(23)
Total	2,783	(1,635)	(617)	(126)	405	(87)

¹ Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings.

² Kansanshi Mining Plc, the most significant contributor to the Kansanshi segment, is 20% owned by ZCCM, a Zambian government owned entity.

³ Cobre Panama was declared to be in commercial production, effective September 1, 2019. Development costs and pre-commercial production operating revenues and costs prior to this date have been capitalized.

⁴ Includes hedge gains and losses recognized on forward copper sales and zero cost collar options.

For the nine-month period ended September 30, 2018, segmented information for the statement of earnings is presented as follows:

	Revenue	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ¹	Income tax (expense) credit
Kansanshi ²	1,255	(582)	(190)	(74)	409	(117)
Sentinel	1,110	(687)	(207)	(27)	189	(37)
Cobre Panama	-	-	-	-	-	-
Las Cruces	357	(110)	(150)	5	102	(32)
Guelb Moghrein	165	(107)	(29)	(5)	24	(5)
Çayeli	48	(25)	(19)	-	4	(36)
Pyhäsalmi	110	(38)	(41)	5	36	(8)
Ravensthorpe	-	(8)	(4)	-	(12)	5
Corporate & other ^{3,4}	(133)	(17)	-	(53)	(203)	(12)
Total	2,912	(1,574)	(640)	(149)	549	(242)

¹ Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings.

² Kansanshi Mining Plc, the most significant contributor to the Kansanshi segment, is 20% owned by ZCCM, a Zambian government owned entity.

³ Cobre Panama was declared to be in commercial production, effective September 1, 2019. Development costs and pre-commercial production operating revenues and costs prior to this date have been capitalized.

⁴ Includes hedge gains and losses recognized on forward copper sales and zero cost collar options.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

Balance sheet by segment

Segmented information on balance sheet items is presented as follows:

	September 30, 2019			December 31, 2018		
	Non-current assets ¹	Total assets	Total liabilities	Non-current assets ¹	Total assets	Total liabilities
Kansanshi ²	2,654	3,916	890	2,706	4,490	944
Sentinel	3,075	3,638	662	3,150	3,673	711
Cobre Panama ³	11,866	12,420	3,044	10,640	10,992	2,745
Las Cruces	374	923	257	499	1,077	308
Guelb Moghrein	99	196	45	126	228	36
Çayeli	86	119	22	104	150	43
Pyhäsalmi	6	76	47	28	92	56
Ravensthorpe	684	776	140	689	776	142
Corporate & other ⁴	1,402	2,389	8,588	1,212	2,059	7,830
Total	20,246	24,453	13,695	19,154	23,537	12,815

¹ Non-current assets include \$20,013 million of property plant and equipment (December 31, 2018: \$19,098 million) and exclude financial instruments, deferred tax assets, VAT receivable and goodwill.

² Kansanshi Mining Plc, the most significant contributor to the Kansanshi segment, is 20% owned by ZCCM, a Zambian government owned entity. This segment includes the Kansanshi smelter.

³ Cobre Panama is 20% owned by KPMC, a joint venture.

⁴ Included within the corporate segment are assets relating to the Haquira project, \$688 million (December 31, 2018: \$683 million), and to the Taca project, \$489 million (December 31, 2018: \$434 million).

Capital expenditure by segment

Additions to non-current assets other than financial instruments, deferred tax assets and goodwill represent additions to property, plant and equipment, for which capital expenditure is presented as follows:

	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Kansanshi	49	58	118	140
Sentinel	48	54	122	168
Cobre Panama	156	390	841	1,171
Las Cruces	5	11	19	26
Guelb Moghrein	4	2	6	13
Çayeli	1	1	3	5
Pyhäsalmi	-	-	-	-
Ravensthorpe	1	-	3	-
Corporate & other	6	7	18	14
Total	270	523	1,130	1,537

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

18 Financial instruments

The Company classifies its financial assets as amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVTPL"). Financial liabilities are measured at amortized cost or FVTPL.

The following provides a comparison of carrying and fair values of each classification of financial instrument at September 30, 2019:

	Amortized cost	Fair value through profit or loss	Fair value through OCI	Total
Financial assets				
Trade and other receivables ¹	99	277	-	376
Due from KPMC (note 6)	225	-	-	225
Derivative instruments in designated hedge relationships	-	-	15	15
Other derivative instruments ²	-	12	-	12
Investments	-	-	17	17
Financial liabilities				
Trade and other payables	670	-	-	670
Derivative instruments in designated hedge relationships	-	-	25	25
Other derivative instruments ²	-	1	-	1
Lease liabilities (note 9)	32	-	-	32
Liability to joint venture (note 9)	1,179	-	-	1,179
Debt	7,985	-	-	7,985

¹Commodity products are sold under pricing arrangements where final prices are set at a specified future date based on market commodity prices. Changes between the prices recorded upon recognition of revenue and the final price due to fluctuations in commodity market prices give rise to an embedded derivative in the accounts receivable related to the provisionally priced sales contracts.

²Other derivative instruments related to provisionally priced sales contracts are classified as fair value through profit or loss and recorded at fair value, with changes in fair value recognized as a component of cost of sales.

The following provides a comparison of carrying and fair values of each classification of financial instruments at December 31, 2018 on the same classification basis as above:

	Amortized cost	Fair value through profit or loss	Fair value through OCI	Total
Financial assets				
Trade and other receivables ¹	64	241	-	305
Derivative instruments in designated hedge relationships	-	-	27	27
Other derivative instruments ²	-	16	-	16
Investments	-	-	18	18
Financial liabilities				
Trade and other payables	731	-	-	731
Derivative instruments in designated hedge relationships	-	-	-	-
Other derivative instruments ²	-	3	-	3
Finance leases	17	-	-	17
Liability to joint venture	946	-	-	946
Debt	7,285	-	-	7,285

¹Commodity products are sold under pricing arrangements where final prices are set at a specified future date based on market commodity prices. Changes between the prices recorded upon recognition of revenue and the final price due to fluctuations in commodity market prices give rise to an embedded derivative in the accounts receivable related to the provisionally priced sales contracts.

²Other derivative instruments related to provisionally priced sales contracts are classified as fair value through profit or loss and recorded at fair value, with changes in fair value recognized as a component of cost of sales.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

Fair Values

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's assets and liabilities measured at fair value on the balance sheet at September 30, 2019:

	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Derivative instruments – LME contracts ¹	5	-	-	5
Derivative instruments – OTC contracts ²	-	22	-	22
Investments ³	4	-	13	17
Financial liabilities				
Derivative instruments – LME contracts ¹	1	-	-	1
Derivative instruments – OTC contracts ²	-	25	-	25

¹ Futures for copper, gold and zinc were purchased on the London Metal Exchange ("LME") and London Bullion Market and have direct quoted prices, therefore these contracts are classified within Level 1 of the fair value hierarchy.

² The Company's derivative instruments are valued by the Company's brokers using pricing models based on active market prices. All forward swap contracts held by the Company are OTC and therefore the valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates using inputs which can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy. Derivative assets are included within other assets on the balance sheet and derivative liabilities are included within provisions and other liabilities on the balance sheet.

³ The Company's investments in marketable equity securities are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of the marketable equity securities is calculated as the quoted market price of the marketable security multiplied by the quantity of shares held by the Company.

The following table sets forth the Company's assets and liabilities measured at fair value on the balance sheet at December 31, 2018, in the fair value hierarchy:

	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Derivative instruments – LME contracts ¹	14	-	-	14
Derivative instruments – OTC contracts ²	-	29	-	29
Investments ³	5	-	13	18
Financial liabilities				
Derivative instruments – LME contracts ¹	2	-	-	2
Derivative instruments – OTC contracts ²	-	1	-	1

¹ Futures for copper, gold and zinc were purchased on the London Metal Exchange ("LME") and London Bullion Market and have direct quoted prices, therefore these contracts are classified within Level 1 of the fair value hierarchy.

² The Company's derivative instruments are valued by the Company's brokers using pricing models based on active market prices. All forward swap contracts held by the Company are OTC and therefore the valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates using inputs which can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy. Derivative assets are included within other assets on the balance sheet and derivative liabilities are included within provisions and other liabilities on the balance sheet.

³ The Company's investments in marketable equity securities are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of the marketable equity securities is calculated as the quoted market price of the marketable security multiplied by the quantity of shares held by the Company.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

Derivatives designated as hedged instruments

The Company has elected to apply hedge accounting with the following contracts expected to be highly effective in offsetting changes in the cash flows of designated future sales. Commodity contracts outstanding as at September 30, 2019, were as follows:

	Open positions (tonnes/ozs)	Average contract price	Closing market price	Maturities through
Commodity contracts:				
Copper forward	7,500	\$2.96/lb	\$2.60/lb	December 2019
Copper zero cost collar	20,000	\$2.80 - \$3.02/lb	\$2.60/lb	February 2020
Nickel forward	12,046	\$6.77/lb	\$7.97/lb	February 2021

Other derivatives

As at September 30, 2019, the Company had entered into the following derivative contracts for copper, gold and zinc in order to reduce the effects of fluctuations in metal prices between the time of the shipment of metal from the mine site when the sale is provisionally priced and the date agreed for pricing the final settlement.

Excluding the copper and nickel contracts noted above, as at September 30, 2019, the following derivative positions were outstanding:

	Open positions (tonnes/ozs)	Average contract price	Closing market price	Maturities through
Embedded derivatives in provisionally priced sales contracts:				
Copper	121,462	\$2.62/lb	\$2.60/lb	January 2020
Gold	25,170	\$1,523/oz	\$1,485/oz	November 2019
Zinc	250	\$1.04/lb	\$1.08/lb	November 2019
Commodity contracts:				
Copper	119,800	\$2.62/lb	\$2.60/lb	January 2020
Gold	25,169	\$1,523/oz	\$1,485/oz	November 2019
Zinc	250	\$1.04/lb	\$1.08/lb	November 2019

As at December 31, 2018, the following derivative positions were outstanding:

	Open positions (tonnes/ozs)	Average contract price	Closing market price	Maturities through
Embedded derivatives in provisionally priced sales contracts:				
Copper	90,633	\$2.78/lb	\$2.71/lb	April 2019
Gold	16,069	\$1,235/oz	\$1,282/oz	April 2019
Zinc	2,175	\$1.18/lb	\$1.14/lb	January 2019
Commodity contracts:				
Copper	90,425	\$2.78/lb	\$2.71/lb	April 2019
Gold	16,069	\$1,235/oz	\$1,282/oz	April 2019
Zinc	2,175	\$1.18/lb	\$1.14/lb	January 2019

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

A summary of the fair values of unsettled derivative financial instruments for commodity contracts recorded on the consolidated balance sheet.

	September 30, 2019	December 31, 2018
Commodity contracts:		
Asset position	27	43
Liability position	(26)	(3)

19 Commitments & contingencies

Capital commitments

The Company has committed to \$208 million (December 31, 2018: \$392 million) in capital expenditures.

Other commitments & contingencies

Due to the size, complexity and nature of the Company's operations, various legal and tax matters are outstanding from time to time. The Company is routinely subject to audit by tax authorities in the countries in which it operates and has received a number of tax assessments in various locations, including Zambia, which are currently at various stages of progress with the relevant authorities. The outcome of these audits and assessments are uncertain however the Company is confident of its position on the various matters under review.

In October 2016, the Company, through its subsidiary Kansanshi Holdings Limited, received a Notice of Arbitration from ZCCM International Holdings PLC ("ZCCM") under the Kansanshi Mining PLC ("KMP") Shareholders Agreement. ZCCM is a 20% shareholder in KMP and filed the Notice of Arbitration against Kansanshi Holdings Limited ("KHL"), the 80% shareholder, and against KMP. The Company also received a Statement of Claim filed in the Lusaka High Court naming additional defendants, including the Company, and certain directors and an executive of the named corporate defendants. Aside from the parties, the allegations made in the Notice of Arbitration and the High Court for Zambia were the same. FQML and the Company are firmly of the view that the allegations are in their nature inflammatory, vexatious and untrue.

The dispute was stated as a request for a derivative action, requiring ZCCM to obtain permission to proceed in each forum of the Arbitration and the Lusaka High Court. The dispute arose from facts originating in 2007, and concerned the rate of interest paid on select deposits by KMP with the Company. The deposits were primarily retained for planned investment by KMP in Zambia. In particular, KMP deposits were used to fund a major investment program at Kansanshi, including the successful construction and commissioning of the Kansanshi smelter and expansion of the processing plant and mining operations. The entirety of the deposit sums has been paid down from the Company to KMP, with interest. The interest was based on an assessment of an arm's length fair market rate, which is supported by independent third-party analysis. ZCCM disputed that interest rate paid to KMP on the deposits was sufficient.

The Arbitration required ZCCM to petition the Arbitral Tribunal for permission to maintain the derivative action. A three-day hearing on the Arbitration on whether permission is granted or denied took place in January 2018. On February 22, 2018, the Arbitral Tribunal issued a ruling denying ZCCM permission to continue the proceedings. On March 21, 2018, ZCCM served an application seeking to challenge the Arbitral Tribunal's ruling through the English court. On June 1, 2018, despite being severely out of time, ZCCM sought to amend its application for additional grounds on which to challenge the Arbitral Tribunal's ruling. ZCCM's arbitration challenge was resisted by KHL in a substantive hearing in the English High Court heard in London during March 26 - 28, 2019. KHL argued that ZCCM committed an abuse of process in trying to raise irrelevant circumstances which would not have affected the Tribunal's ruling, because the ruling was made on the weak facts ZCCM submitted in the arbitration. On May 22 2019, the High Court denied all aspects of ZCCM's appeal, which has been communicated back to the Arbitral Tribunal. The parties have reached an agreement on costs, in total exceeding \$1 million payable by ZCCM, bringing this particular matter to an end.

First Quantum Minerals Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars)

In parallel, several preliminary procedural applications to dismiss the High Court Action were lodged on behalf of the Company, and other defendants, in the Lusaka High Court. By a decision dated January 25, 2018, the Lusaka High Court used its discretion to rectify ZCCM's procedural errors. The Court granted leave to the Company, FQM Finance and the individual defendants to appeal against this decision and the litigants have agreed to a stay pending the appeal. The appeal hearing took place on November 21, 2018, with submissions made by all parties. The Court of Appeal delivered judgment on January 11, 2019, dismissing the appeal. An appeal to the Supreme Court of Zambia was heard on April 24 2019, and has been dismissed. The High Court was scheduled to resume hearing two further procedural applications, including whether ZCCM is allowed to maintain the derivative action at a hearing in Lusaka on August 19, 2019, however the hearing has been deferred as ZCCM required more time in order to prepare. The hearing on the substantive issues has not been stated.