



FIRST QUANTUM
MINERALS

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

(In United States dollars, tabular amounts in millions, except where indicated)

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First Quantum Minerals Ltd. (“First Quantum” or “the Company”) is engaged in the production of copper, nickel, gold and silver, and related activities including exploration and development. The Company has operating mines located in Zambia, Panamá, Turkey, Spain, Australia and Mauritania, and a development project in Zambia. The Company is progressing the Taca Taca copper-gold-molybdenum project in Argentina and is exploring the Haquira copper deposit in Peru.

The Company’s shares are publicly listed for trading on the Toronto Stock Exchange.

This Management’s Discussion and Analysis (“MD&A”) should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2022. The Company’s results have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and are presented in United States dollars, tabular amounts in millions, except where noted.

For further information on First Quantum, reference should be made to its public filings (including its most recently filed Annual Information Form) which are available on SEDAR at www.sedar.com. Information is also available on the Company’s website at www.first-quantum.com. This MD&A contains forward-looking information that is subject to risk factors, see “*Cautionary statement on forward-looking information*” for further discussion. Information on risks associated with investing in the Company’s securities and technical and scientific information under National Instrument 43-101 – *Standards for Disclosure for Mineral Projects* (“NI 43-101”) concerning the Company’s material properties, including information about mineral resources and mineral reserves, are contained in its most recently filed Annual Information Form. This MD&A was prepared as of February 14, 2023.

OVERVIEW

First Quantum achieved new production records in 2022, with Cobre Panamá setting a new annual production record in the year and a quarterly record during the third quarter of 2022. New weekly and monthly throughput records were also set in December. Sentinel delivered record quarterly production during the fourth quarter of 2022, despite a delay in the Stage 2 North-wall stripping during the first half of 2022.

The Company faced challenges during the year at Kansanshi, with lower grades experienced due to narrow-veined regions and water accumulation in the pit, which delayed access to higher-grade ore. Ongoing reconciliation enhancements have elevated the understanding of such areas, leading to more consistent feed grades. Full optimization of mining from sulphide ores at Kansanshi is anticipated as the mining methods move into full-face shovel mining techniques when the new mining fleet for the S3 expansion (the “S3 Expansion”) is brought online. Long-lead mining fleet and process plant equipment have been ordered and deliveries commence in the second half of 2023.

Various inputs and operational costs increased throughout the first three quarters of the year from global inflationary pressures before stabilizing in the fourth quarter which impacted C1 cash costs¹. Global inflationary pressures can be attributed to the global monetary response to the COVID-19 pandemic and higher energy costs to the wide-reaching sanctions imposed upon Russia as a result of the conflict in Ukraine. Shipping and logistical challenges continued into 2022 before beginning to ease in the second half of the year. Following these challenges, the Company updated the 2022 unit cost guidance during the third quarter, which was met. Operational improvements and cost control remain a priority.

Several brownfield projects are progressing well. At Cobre Panamá, an expansion (the “CP100 Expansion”) of the process plant facilities and related infrastructure is underway. The CP100 Expansion project at Cobre Panamá is in early operation with the new process water circuits and bypass feeders in use, and with the balance of the expansion scope in ore commissioning with ore having been introduced to both Ball Mill 6 and the primary screening facility. Ramp up of production is in progress to achieve a throughput rate of 100 million tonnes per annum (“Mtpa”) by the end of 2023.

In May 2022, the Board of Directors of the Company (the “Board”) approved the S3 Expansion at the Kansanshi mine and the Enterprise nickel project at Trident. Work on both projects commenced immediately. Long-lead mining fleet and process plant equipment have been ordered for the S3 Expansion, and deliveries will commence in the second half of 2023. At the Enterprise nickel project, the pre-strip of the mine commenced in May 2022 and is on schedule for first ore in the first half of 2023. In July 2022, the Board approved the expansion of the Kansanshi smelter to increase throughput capacity to 1.6 Mtpa from the current capacity level of 1.38 Mtpa.

¹ C1 cash cost (C1) is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

Financial results for the year were robust, with the Company achieving sales revenues of \$7,626 million, a gross profit of \$2,200 million, net earnings of \$1,149 million and a reduction in net debt¹ of \$361 million. The Company has achieved its debt reduction target of \$2 billion from the peak in the second quarter of 2020, and continues to target a further \$1 billion reduction in the medium term.

During the year, the Company published the 2021 ESG Report, the 2021 Tax Transparency and Contributions to Government Report, and the Taskforce on Climate-related Financial Disclosure (“TCFD”)-aligned Climate Change Report, including greenhouse gas (“GHG”) emissions reduction targets. The Company entered into a long-term, fixed-price contract with AES Panamá (“AES”), an independent power producer, for the purchase of 64 megawatts (“MW”) of electrical power for the demand requirements of the CP100 Expansion. The expansion project will be supplied by 100% renewable energy from a portfolio that includes a combination of solar, wind, and hydroelectric generation. This represents an important first step towards the Company’s target of reducing GHG emissions by 30% by 2025, and 50% by 2030.

The Company launched various programs to continue its investment in its people. The Training Centre for Industrial Professions in La Pintada province, Panamá, and the CARE program at the Zambian operations will provide new opportunities for host communities and employees. In October, the Company launched the CEO Program to develop the Company’s talent for the future.

In November, the Company’s Zambian operations, Trident and Kansanshi, were both recognized at the sixth annual Zambian National Conference on Occupational Health, Safety and Environment, organized by the Zambia Chamber of Mines and received six awards. In December, the Government of Panamá and the United Nations recognized the Company’s school support program in Panamá.

During the fourth quarter of 2022, an agreement was entered into between the Company’s subsidiary, Kansanshi Mining Plc (“KMP”) and its partner ZCCM Investments Holdings Plc (“ZCCM-IH”) to convert ZCCM-IH’s dividend rights in KMP into royalty rights. A dividend of \$195 million was paid to ZCCM-IH on the signing of this agreement. Completion of this transaction is expected during the first half of 2023.

First Quantum, Minera Panamá S.A. (“MPSA”) and the Government of Panamá (“GOP”) continue to engage in discussions regarding a refreshed concession contract to secure the long-term future of the Cobre Panamá mine. The Company remains ready to reach an agreement that is fair and equitable to both parties and is prepared to agree with, and in part exceed, the objectives that the GOP outlined in January 2022 related to revenues, environmental protections and labour standards. The main outstanding items are related to legal protections and ensuring that the contract is durable and supports the long-term aspirations of Cobre Panamá.

On December 19, 2022, the National Directorate of Mineral Resources of the Ministry of Commerce and Industries (“MICI”), Panamá’s mining regulator, issued a resolution requiring MPSA to submit a plan to the GOP to suspend commercial operations at Cobre Panamá. MPSA filed recourses, appeals and other motions against these resolutions, which has stayed their legal effect. Due to the legal processes and the GOP’s role in responding to the plan, the timing and impact of this requirement remain uncertain.

On January 26, 2023, the Panamá Maritime Authority (“AMP”) issued a resolution that required the suspension of concentrate loading operations at the Cobre Panamá port, Punta Rincón (the “Port”), until evidence was provided that the process of certification of the calibration of the scales by an accredited company had been initiated. MPSA filed legal proceedings to challenge the resolution, staying its legal effects. Nevertheless, the Company submitted the required proof of the initiation of the certification process on February 2, 2023, and, on February 7, 2023, the Company submitted certifications of the calibration of the scales and weights. AMP rejected the certification on February 8, 2023, claiming that the certification company is not accredited in Panamá, even though the provider MPSA used is on the list of accredited companies published by MICI. MPSA is challenging this decision and, at the same time, is working to find another accredited certification company that the GOP will accept. In the meantime, the AMP has maintained its order suspending loading operations at the Port. MPSA is pursuing all avenues to restart shipments at Punta Rincón, including all legal recourse available. As previously reported, it may become necessary to shut down the Cobre Panamá mine if concentrate is not shipped by approximately February 20, 2023 due to limited storage capacity on site.

¹ Net debt is a supplementary financial measure. This measure does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

Following the upgrades by S&P Global Ratings (“S&P”) and Fitch Ratings (“Fitch”) in February 2022 to a B+ credit rating, the Company’s outlook remained stable at S&P and was upgraded from stable to positive at Fitch. S&P published a rating and outlook affirmation in September 2022, then amended the outlook to Credit Watch Negative in December 2022 “on risk of operational disruptions at MPSA”. Fitch amended their outlook to Rating Watch Negative in January 2023 “on Cobre Panamá operational uncertainty”.

In May 2022, the Board appointed Tristan Pascall to the role of Chief Executive Officer (“CEO”) and Tristan will serve on the Board of Directors. The Company also appointed Alison Beckett as an independent director on the Board. In September 2022, the Company appointed Ryan MacWilliam as Chief Financial Officer and Rudi Badenhorst as Chief Operating Officer.

FULL YEAR HIGHLIGHTS

Operational and Financial

Copper production of 776 thousand tonnes (“kt”) was achieved during the year, attributable to strong operational performance at Cobre Panamá and Sentinel, with both operations setting quarterly records in 2022. Production at Kansanshi was impacted by lower grades and the accumulation of water in the main pit. Financial performance during the year benefitted from an increase in revenues on the back of higher realized copper prices¹, but was also impacted by global inflationary pressures on costs. Results delivered an increase in net earnings and further reduction in net debt².

- **Cobre Panamá** achieved record copper production of 350kt for the full year, an increase of 6% from 2021, and achieved the upper end of the updated 2022 guidance. Cobre Panamá delivered record quarterly production in the third quarter of 2022, attributable to increased plant stability and continuous improvement projects. Cobre Panamá also set new weekly and monthly throughput records in December.
- **Sentinel** achieved copper production of 242kt for the full year, 10kt higher than the prior year due to higher throughput. Production was impacted in the first quarter of 2022 by a delay to Stage 2 North-wall stripping due to wet underfoot conditions during an extended rainy season but has improved in subsequent quarters. Throughput has been strong, setting monthly and quarterly records in the fourth quarter and an annual record in 2022.
- **Kansanshi** achieved copper production of 146kt for the full year, 56kt lower than 2021. This reflects the lower sulphide grades from narrow ore veins, depleting oxide ore, and restricted access to high-grade blocks due to an accumulation of water in the main pit, which was resolved towards the end of the third quarter of 2022. Ongoing reconciliation enhancements have elevated the understanding of such areas, which will allow near-term mine plans and sequences to be improved and optimized.
- **Total copper production** for the year was 776kt, a 5% decrease from the prior year and was mainly due to lower production at Kansanshi, as well as expected decreases at the shorter life operations. This was partially mitigated by the strong production at Cobre Panamá and Sentinel.
- **Ravensthorpe** produced 22 thousand contained tonnes of nickel, a 28% increase from 2021. High Pressure Acid Leach (“HPAL”) rates improved during the year with improved ore handling and processing from the new Shoemaker Levy mine and improved beneficiation plant availability and stability. An updated technical report was filed in March 2022.
- **Total gold production** for the year was 283 thousand ounces (“koz”), a 9% decrease from the prior year, mainly attributable to lower gold production at Kansanshi and Guelb Moghrein.
- **Total copper sales volumes** of 782kt was 6kt higher than production as the global constraints that the container shipping sector experienced over the majority of 2021 and into 2022 eased over the second half of 2022.
- **Gross profit** of \$2,200 million and EBITDA² of \$3,316 million for the full year 2022 were decreases of 14% and 10%, respectively, compared to 2021, mainly due to the decrease in sales volumes at Kansanshi as well as cost inflation at all operations.
- **Copper C1 cash cost¹** of \$1.76 per lb for 2022 was \$0.46 per lb higher than the prior year, attributable to inflationary pressures and lower production.

¹ Adjusted earnings per share, cash flows from operating activities per share, realized metal prices, copper C1 cash cost (copper C1), and copper all-in sustaining cost (copper AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

² EBITDA and adjusted earnings are non-GAAP financial measures and net debt is a supplementary financial measure. These measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings and EBITDA were previously named comparative earnings and comparative EBITDA, respectively, and the composition remains the same. See “Regulatory Disclosures”.

- **Financial results** for the year include net earnings attributable to shareholders of the Company of \$1,034 million (\$1.50 basic earnings per share) and adjusted earnings² of \$1,064 million (\$1.54 adjusted earnings per share¹), which represent a significant improvement from the prior year's net earnings attributable to shareholders of the Company of \$832 million (\$1.21 net earnings per share) and adjusted earnings² of \$826 million (\$1.20 adjusted earnings per share¹).
- **Cost inflation:** Various inputs and operational costs increased further throughout the first three quarters of the year before stabilizing in the fourth quarter and impacted C1 cash costs¹, albeit at elevated levels. These include costs for fuel, explosives, sulphur, freight, reagents and steel. Employee costs rose during the third quarter as the Company realigned labour rates to current market levels and adjusted for cost-of-living changes in some jurisdictions.
- **Cash flows** from operating activities of \$2,332 million (\$3.38 per share¹) for 2022 were \$553 million or 19% lower than the prior year, reflecting lower EBITDA², working capital outflows attributable to a higher receivables balance and timing of shipments, combined with higher taxes paid.
- **Debt reduction:** Net debt² decreased by \$361 million during the year, bringing the net debt² level down to \$5,692 million as at December 31, 2022. At December 31, 2022, total debt was \$7,380 million. The Company has achieved its debt reduction target of \$2 billion from the peak in the second quarter of 2020, and continues to target a further \$1 billion reduction in the medium term.
- **Note redemption:** In the second quarter of 2022, the Company redeemed at par an aggregate principal amount of \$1,000 million of the senior unsecured notes due 2023. \$500 million was redeemed on each of April 5, 2022 and June 7, 2022. No senior unsecured notes due in 2023 remain outstanding following the redemptions. On February 14, 2023, the Company announced that it intends to issue a notice of partial redemption on February 15, 2023 for \$450 million of its outstanding 6.5% Senior Notes due March 2024 to be redeemed on February 25, 2023.
- **Increasing cash returns to shareholders:** During the year, the Board commenced a cautious increase in shareholder dividends. The Board has adopted the Dividend policy, pursuant to which the Company intends to pay, on a semi-annual basis, a minimum Annual Base Dividend of CDN\$0.10 per share, consisting of semi-annual dividends of CDN\$0.05 per share, as well as a Performance Dividend. In aggregate, the minimum Annual Base Dividend and the Performance Dividend represent 15% of available cash flows generated after planned capital spending and distributions to non-controlling interests. Dividend payments remain at the discretion of the Board.
- **Dividends declared:** On February 14, 2023, the Company declared a final dividend of CDN\$0.13 per share in respect of the financial year ended December 31, 2022. The final dividend together with the interim dividend of CDN\$0.16 per share declared on July 26, 2022 amounts to a total of CDN\$0.29 per share for the 2022 financial year.
- **Development Projects:** In May 2022, the Board approved the S3 Expansion at the Kansanshi mine and the Enterprise nickel project at Trident, and work on both projects commenced immediately. This followed the efforts of the new Government of Zambia administration to enhance the investment climate for mining. Long-lead items on both the S3 Expansion project and the related expansion of the Kansanshi smelter have been procured and engineering contractors have commenced with detailed designs. Development of mine facilities and plant refurbishment are underway for the Enterprise nickel project with first ore on schedule for the first half of 2023. Furthermore, the Company reached an agreement with the Government Republic of Zambia ("GRZ") for repayment of the outstanding Value-Added Tax ("VAT") claims based on offsets against future corporate income tax and mineral royalty tax payments, which commenced July 1, 2022.

FOURTH QUARTER HIGHLIGHTS

Sentinel delivered quarterly records in throughput and copper production. Cobre Panamá's production remained strong during the fourth quarter as well. Production at Kansanshi showed improvement following an enhanced water management strategy and access to higher-grade ore.

- **Cobre Panamá** delivered strong copper production of 90kt in the fourth quarter, an increase of 10kt from the same quarter of 2021, attributable to efficiency improvements as well as the addition of a third secondary crusher in November.

¹ Adjusted earnings per share, cash flows from operating activities per share, realized metal prices, copper C1 cash cost (copper C1), and copper all-in sustaining cost (copper AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

² EBITDA and adjusted earnings are non-GAAP financial measures and net debt is a supplementary financial measure. These measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

- > **Sentinel** achieved record production of 73kt of copper for the quarter, which was 13kt higher than the same quarter of 2021, despite the heavy rains experienced in December. Sentinel operations benefitted from the treatment of soft, well-fragmented ore and the performance of the fourth in-pit crusher.
- > **Kansanshi's** copper production was 35kt for the quarter, which is 17kt lower than the same quarter of 2021. Production in 2022 was impacted by a reduction in grades from narrow-veined regions, but improved in the fourth quarter. An enhanced water management strategy has led to a more consistent feed grade.
- > **Total copper production** for the fourth quarter was 206kt, a 2% increase from the comparable quarter in 2021, and is mainly attributable to record quarterly production at Sentinel and strong performance at Cobre Panamá. This was offset by a decrease at Kansanshi, as well as expected decreases at shorter life operations.
- > **Total copper sales volumes** of 199kt were 7kt lower than the current quarter production due to timing of shipments.
- > **Ravensthorpe's** nickel production of 6 thousand contained tonnes was higher than the same quarter in 2021 as HPAL rates improved with improved ore handling and processing and improved beneficiation plant stability.
- > **Total gold production** for the quarter was 70koz, a 4koz decrease from the same quarter of 2021 due to lower production at Kansanshi.
- > **Financial results** for the fourth quarter include net earnings attributable to shareholders of the Company of \$117 million (\$0.17 net earnings per share) and adjusted earnings¹ of \$151 million (\$0.22 adjusted earnings per share²), representing decreases from the comparable quarter in 2021. Decreases are attributable to lower sales volumes at Kansanshi and lower realized metal prices², as well as higher operating costs.
- > **Gross profit** of \$361 million and EBITDA¹ of \$647 million for the fourth quarter of 2022 were lower than the same quarter in 2021, attributable to lower realized metal prices² and the inflationary impact on costs.
- > **Cost inflation:** During the fourth quarter of 2022, input and operational costs largely stabilized, albeit at elevated levels, following inflationary pressures throughout the first three quarters of the year. Market rates for fuel and freight reduced slightly from the end of the third quarter; however, explosives were at similar levels to the third quarter. There is a lag before such market changes flow through to unit costs.
- > **Copper C1 cash cost²** of \$1.86 per lb for the fourth quarter of 2022 was \$0.47 per lb higher than the comparable quarter in 2021, attributable to inflationary pressures and lower production. Copper AISC² of \$2.42 per lb for the quarter was \$0.37 per lb higher than the same quarter in 2021, reflecting the higher copper C1 cash cost².
- > **Cash flows** from operating activities of \$237 million (\$0.34 per share²) for the quarter were a decrease of \$523 million from the same quarter of 2021, attributable to lower EBITDA¹ and an increase in movements in working capital due to a higher receivables balance, partially offset by lower taxes paid. Net debt increased by \$363 million during the quarter due to decreases in cash flows from operating activities.

CONSOLIDATED OPERATING HIGHLIGHTS

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Copper production (tonnes) ¹	206,007	194,974	201,823	775,859	816,435
Copper sales (tonnes) ²	198,912	198,980	213,087	782,236	821,889
Gold production (ounces)	70,493	67,417	74,945	283,226	312,492
Gold sales (ounces) ³	59,568	65,014	79,403	270,775	321,858
Nickel production (contained tonnes)	5,705	5,849	3,385	21,529	16,818
Nickel sales (contained tonnes)	6,840	5,992	3,756	20,074	17,078

¹ Production is presented on a contained basis, and is presented prior to processing through the Kansanshi smelter.

² Sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Trident). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 8,651 and 13,379 tonnes for the three and twelve months ended December 31, 2022, (nil for the three and twelve months ended December 31, 2021).

³ Excludes refinery-backed gold credits purchased and delivered under the precious metal streaming arrangement (see "Precious Metal Stream Arrangement").

¹ EBITDA and adjusted earnings are non-GAAP financial measures and net debt is a supplementary financial measure. These measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA and the composition remains the same. Adjusted earnings was previously named comparative earnings (loss), and the composition remains the same. See "Regulatory Disclosures".

² Adjusted earnings per share, cash flows from operating activities per share, realized metal prices, copper C1 cash cost (copper C1), and copper all-in sustaining cost (copper AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

CONSOLIDATED FINANCIAL HIGHLIGHTS

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Sales revenues	1,832	1,727	2,061	7,626	7,212
Gross profit	361	302	784	2,200	2,562
Net earnings attributable to shareholders of the Company	117	113	247	1,034	832
Basic net earnings per share	\$0.17	\$0.16	\$0.36	\$1.50	\$1.21
Diluted net earnings per share	\$0.17	\$0.16	\$0.36	\$1.49	\$1.20
Cash flows from operating activities	237	525	760	2,332	2,885
Net debt ¹	5,692	5,329	6,053	5,692	6,053
EBITDA ^{1,2}	647	583	1,085	3,316	3,684
Adjusted earnings ¹	151	96	306	1,064	826
Adjusted earnings per share ³	\$0.22	\$0.14	\$0.44	\$1.54	\$1.20
Cash cost of copper production (C1) (per lb) ^{3,4}	\$1.86	\$1.82	\$1.39	\$1.76	\$1.30
Total cost of copper production (C3) (per lb) ^{3,4}	\$2.79	\$2.75	\$2.39	\$2.73	\$2.23
Copper all-in sustaining cost (AISC) (per lb) ^{3,4}	\$2.42	\$2.34	\$2.05	\$2.35	\$1.88
Realized copper price (per lb) ³	\$3.56	\$3.43	\$4.08	\$3.90	\$3.64
Net earnings attributable to shareholders of the Company	117	113	247	1,034	832
Adjustments attributable to shareholders of the Company:					
Adjustment for expected phasing of Zambian value-added tax ("VAT") receipts	56	6	(2)	190	16
Loss on redemption of debt	–	–	21	–	21
Total adjustments to EBITDA ¹ excluding depreciation ²	6	(26)	49	(155)	(88)
Tax and minority interest adjustments	(28)	3	(9)	(5)	45
Adjusted earnings ¹	151	96	306	1,064	826

¹ EBITDA and adjusted earnings are non-GAAP financial measures, and net debt is a supplementary financial measure. These measures do not have a standardized meaning under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings and EBITDA were previously named comparative earnings and comparative EBITDA, respectively, and the composition remains the same. Adjusted earnings have been adjusted to exclude items from the corresponding IFRS measure, net earnings attributable to shareholders of the Company, which are not considered by management to be reflective of underlying performance. The Company has disclosed these measures to assist with the understanding of results and to provide further financial information about the results to investors and may not be comparable to similar financial measures disclosed by other issuers. The use of adjusted earnings and EBITDA represents the Company's adjusted earnings metrics. See "Regulatory Disclosures".

² Adjustments to EBITDA in 2022 relate principally to foreign exchange revaluations and non-recurring costs relating to previously sold assets (2021 - foreign exchange revaluations).

³ Adjusted earnings per share, realized metal prices, copper all-in sustaining cost (copper AISC), copper C1 cash cost (copper C1), and total cost of copper (copper C3) are non-GAAP ratios, which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

⁴ Excludes the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 8,651 and 13,379 tonnes for the three and twelve months ended December 31, 2022, (nil for the three and twelve months ended December 31, 2021).

ENVIRONMENT, SOCIAL AND GOVERNANCE ("ESG")

Reporting

The 2021 ESG Report, the 2021 Tax Transparency and Contributions to Government Report, policies and related programs, including the TCFD-aligned Climate Change Report, can be found in the ESG Analyst Centre on the Company's website:

<https://www.first-quantum.com/English/sustainability/esg-analyst-centre/default.aspx>

Climate Change Report

On February 14, 2023, the Company published its annual TCFD-aligned Climate Change Report, which outlines First Quantum's climate change strategy, GHG emissions reduction targets as well as disclosure of climate-related risks and opportunities for the Company.

First Quantum remains committed to a reduction in absolute Scope 1 and Scope 2 emissions by 30% by 2025 and the absolute and intensity of Scope 1 and 2 emissions by 50% by 2030. A net zero target has not been set at this time, with the Company's targets based on commercially available solutions and projects with an identified pathway to achievement.

Prioritization of the use of new technologies and innovation, such as trolley assist for the mine fleet, to reduce environmental impacts while driving productivity cost benefits, will remain a focus area for First Quantum.

Investment in people

In October, the Company launched the CEO Program. This program will develop future leaders of the Company through exposure to business challenges outside of their current roles across a number of important areas identified by the CEO as being crucial to the Company's future. Supported and assessed by senior leaders across the business, the program supports the Company's employees to feel challenged, take on new tasks, build their networks, and, ultimately, develop the Company's talent for the future.

ESG Awards

Zambia

In November, the Company's Zambian operations, Trident and Kansanshi, were both recognized at the 6th annual Zambian National Conference on Occupational Health, Safety and Environment, organized by the Zambia Chamber of Mines.

The Company received six awards, including Best Performer in Environmental Management for Trident as well as Best Performer in Local Content, Best Performer in Innovation, Mining Woman of the Year and Mining Company of the year for Kansanshi.

Panamá

In December, the GOP and the United Nations recognized the Company's school support program in Panamá. The 'Escuelas Integrales' initiative supports sustainable food projects such as chicken farms, fish ponds and vegetable gardens at 70 schools and provides one meal a day for over 5,300 children across neighbouring communities.

Health & Safety

The health and safety of the Company's employees and contractors is a top priority and the Company is focused on the continuous strengthening and improvement of the safety culture at all of its operations. Tragically, on February 1, 2023, there was a fatal road traffic accident in the Sentinel pit involving a dump truck and a light vehicle. The site emergency response team attended immediately and the relevant local authorities were notified. This tragic incident is subject to internal and external investigation, as well as a Board review, and the Company is committed to improve practices from this incident.

The Lost Time Injury Frequency Rates ("LTIFR") is an area of continued focus and a key performance metric for the Company. The Company's rolling 12-month LTIFR is 0.06 per 200,000 hours worked as of December 31, 2022 (2021: 0.07).

COBRE PANAMÁ UPDATE

The Concession Contract

In February 1996, the Republic of Panamá and MPSA, now a subsidiary of the Company, entered into a mining concession contract in respect of the Cobre Panamá project (the "Concession Contract"). On February 26, 1997, the Concession Contract was approved by the National Assembly of Panamá through law 9 of 1997 ("Law 9") and Law 9 was published in the Official Gazette on February 28, 1997. Law 9 granted the status of national law to the Concession Contract, establishing a statutory legal and fiscal regime for the development of the Cobre Panamá project. On December 30, 2016, the Government of Panamá signed and issued Resolution No. 128 (the "Extension Resolution") by which it extended the Concession Contract held by MPSA for a second 20-year term commencing March 1, 2017, and concluding February 28, 2037.

Supreme Court of Panamá Proceedings

In September 2018, the Company became aware of a ruling of the Supreme Court of Panamá (the “Supreme Court”) in relation to the constitutionality of Law 9. The Company understands that the ruling of the Supreme Court with respect to the constitutionality of Law 9 relates to the enactment of Law 9 and does not affect the legality of the Concession Contract itself, which remains in effect, and allows continuation of the development and operation of the Cobre Panamá project by MPSA.

In respect of the Supreme Court ruling on Law 9, the Company notes the following:

- The Supreme Court decision was in relation to specific environmental petitions made since 2009.
- In reviewing the process of approval of Law 9 of 1997, the Supreme Court found that the National Assembly had failed to consider whether Law 9 complied with applicable legislation at the time, namely Cabinet Decree 267 of 1969.
- The applicable Cabinet Decree of 1969, which was repealed in 1997 by Law 9, required MICI to issue a request for proposals before awarding the Law 9 mining concession.
- The Attorney General (“Procurador General de la Nación”, in Spanish) provided two formal opinions favourable to the constitutionality of Law 9 as required in this type of proceedings by Panamanian law.
- The Supreme Court ruling did not make a declaration as to the annulment of the MPSA Concession Contract.

In 2018, MPSA and MICI submitted filings to the Supreme Court seeking clarification of various aspects of the ruling, including confirmation that the ruling does not affect the validity of the Concession Contract. On September 26, 2018, MICI issued a news release re-affirming its support for Cobre Panamá and confirming that it considers that the Concession Contract, and its extension, remains valid and in effect in all its parts. In July 2021, the Supreme Court responded to the requests for clarifications submitted by MPSA and MICI, ruling them inadmissible and upholding the original 2018 decision.

The Supreme Court’s unconstitutionality ruling did not come into effect until it was published in the Official Gazette on December 22, 2021. The Company understands that the ruling’s effects are non-retrospective, pursuant to the Code of Judicial Proceedings, which means that the enactment of the Concession Contract in 1997 and the Extension Resolution remain unaffected, together with the acquired rights.

Nullity Actions by Third Parties

In December 2016, the Concession Contract held by MPSA was extended for a second 20-year term (from March 1, 2017). In 2018, two third parties filed actions in the Supreme Court seeking a declaration that the extension was illegal and therefore, null and void (the “Nullity Actions”).

The Company refutes the claims made in the Nullity Actions and has been advised by external counsel that the extension process followed by the MICI in 2016 was correct. In connection with those proceedings, the Procurador de la Administración (“Administration’s Attorney”) issued formal opinions in 2018 and 2019 stating that the Extension Resolution was legal. However, during January 2023, the Administration’s Attorney changed the previous position taken and filed motions in both Nullity Actions asking that the Extension resolution be deemed without legal effect. MPSA has filed an opposition against the Administration’s Attorney’s motions. The Supreme Court has not yet ruled on the matter.

Ongoing Discussions Surrounding a Refreshed Concession Contract

In July 2021, following the Supreme Court’s unconstitutionality ruling but before it was published in the Official Gazette, the current GOP established a multidisciplinary commission including the Minister of Commerce and Industries, Minister of Environment, and Minister of Employment to discuss the Law 9 matter and seek resolution. In September 2021, MICI publicly announced the culmination of high-level formal discussions with the Company on two topics related to the Concession Contract – environmental and labour matters.

In January 2022, the GOP presented a new proposal that the GOP should receive a minimum of \$375 million in benefits per year from Cobre Panamá and that the existing revenue royalty should be replaced by a gross profit royalty. The Company has indicated to the GOP that it is prepared to accept and pay a minimum of \$375 million per year to the GOP, comprised of corporate taxes and a profit-based mineral royalty of 12 to 16 percent, with downside protections.

In the second quarter of 2022, the Minister of Commerce was replaced, and discussions continued with the installation of a bilateral contractual drafting committee in early September 2022. On November 14, 2022, the GOP unilaterally imposed a 30-day deadline to reach an agreement. While this period has expired, discussions continue between the Company and the GOP regarding a refreshed Concession Contract.

On December 15, 2022, the GOP announced plans to order MPSA to suspend operations. On December 21, 2022, MPSA received formal notification from MICI of a resolution requiring MPSA to submit a plan within 10 working days to suspend commercial operations at Cobre Panamá and put the mine under “care and maintenance.” As required by the GOP, the Company is working on a plan for how to operate Cobre Panamá under care and maintenance. At the same time, the Company is pursuing available legal recourses to avoid this outcome. Due to the legal processes and the GOP’s role in responding to the plan, the timing and impact of this requirement remain uncertain.

On January 26, 2023, the Panamá Maritime Authority (“AMP”) issued a resolution that required the suspension of concentrate loading operations at the Cobre Panamá port, Punta Rincón, until evidence was provided that the process of certification of the calibration of the scales by an accredited company had been initiated. MPSA filed legal proceedings to challenge the resolution, staying its legal effects. Nevertheless, the Company submitted the required proof of the initiation of the certification process on February 2, 2023, and, on February 7, 2023, the Company submitted certifications of the calibration of the scales and weights. AMP rejected the certification on February 8, 2023, claiming that the certification company is not accredited in Panamá, even though the provider MPSA used is on the list of accredited companies published by MICI. MPSA is challenging this decision, and, at the same time, is working to find another accredited certification company that the GOP will accept. In the meantime, the AMP has maintained its order suspending loading operations at the Port. In addition, since at least January 24, 2023, the AMP has issued individual letters to the Company’s maritime pilot service providers instructing them not to provide services to incoming vessels for loading copper concentrate at the Port. The Company is pursuing all available avenues to restart shipments at the Port, including all legal recourse available, engagement with other accredited and accreditable expert companies and continuous communications with the pilot services suppliers. As previously reported, if AMP’s measures persist, it may become necessary to shut down the Cobre Panamá mine if concentrate is not shipped by approximately February 20, 2023 due to limited storage capacity on site.

The Company continues to engage in good faith discussions with the GOP and remains ready to reach an agreement that is fair and equitable to both parties. This includes the stability of the tax and royalty regime and reasonable protections against early termination. Once an agreement is concluded and the full contract is documented, it is expected that the newly drafted legislation would be put to the Panamanian National Assembly for approval.

Arbitration Proceedings

MPSA has initiated arbitration processes under the existing Concession Contract and the Canada-Panamá Free Trade Agreement. Both of these processes are under way and in the initial stages.

LOGISTICS AND SHIPPING

The Company managed various logistical challenges during the year. The worldwide constraints that affected the global container shipping sector since late-2020 continued into 2022, albeit at a lesser degree. The first half of 2022 was impacted by continued challenges posed by COVID-19 lockdowns in China. In the second quarter of 2022, flooding in parts of Kwazulu-Natal, South Africa, affected port operations at Durban. Periodic port congestion at most Southern African ports and tight availability of containers led to some delays and disruptions as well. The shipping environment eased through 2022, especially during the second half of the year, mainly due to increased availability of vessels and containers, despite higher fuel prices. Supply of containers and availability of vessels at Southern African ports improved considerably, although security concerns along routes and at ports in South Africa remain. Bulk shipping operations, in respect to both inputs and products, performed smoothly throughout the second half of 2022, and some further decreases in shipping costs were realized. The net result was a decrease in marine freight costs during the latter part of the year.

COST INFLATION

Various inputs and operational costs increased throughout the first three quarters of the year from global inflationary pressures before stabilizing, albeit at elevated levels, in the fourth quarter and impacted C1 cash costs¹. Global inflationary pressures in 2022 resulted from the COVID-19 pandemic, supply chain disruptions, and the wide-reaching sanctions imposed upon Russia due to the conflict in Ukraine.

Market rates for fuel and freight reduced slightly from the end of the third quarter, but explosives remained at similar levels. Employee costs rose during the second half of the year as the Company realigned labour rates to current market levels and adjusted for cost-of-living changes in some jurisdictions. There is a lag before such market changes flow through to unit costs.

While capital expenditure for the year came in \$83 million below guidance due to the phasing of expenditures, the Company is also experiencing inflation in capital expenditures.

DEVELOPMENT PROJECTS

Brownfield Projects

CP100 Expansion

Construction is complete for the CP100 Expansion project at Cobre Panamá to achieve a throughput rate of 100 Mtpa. This includes the addition of a sixth ball mill and other process plant facilities and infrastructure upgrades, with these facilities now in early operation with the new process water circuits and bypass feeders operational, and ore having been introduced to both Ball Mill 6 and the primary screening facility. Ramp up of these facilities will now continue over the course of the year to achieve a throughput rate of 100 Mtpa by the end of 2023.

During the first half of 2022, the Company completed the commissioning of eight additional ultra-class haul trucks. These units are supporting an additional rope shovel, which started operation in November 2022. Significant progress has been made on the pre-strip work for the Colina pit and earthworks for the associated overland conveyor and in-pit crushing facility. The first crusher at Colina is expected to be commissioned in 2024.

In September 2022, the Company received regulatory approval from the National Dispatch Centre for a long-term, fixed-price contract with AES, an independent power producer, for the purchase of 64MW of electrical power for the CP100 Expansion. The expansion project will be supplied by 100% renewable energy from a portfolio that includes a combination of solar, wind, and hydroelectric generation. The cost of power under this agreement will be broadly in line with the current all-in cost of power generated by the Cobre Panamá power station and favourable compared to what costs would be at current thermal coal prices. The current all-in cost of power at the power station includes depreciation and the collar structure for coal purchases that expire at the end of 2023.

Kansanshi S3 Expansion

The S3 Expansion project received Board approval in May 2022. The S3 Expansion is expected to transition Kansanshi from the current, more selective high-grade, medium-scale operation to a medium-grade, larger-scale mining operation. The NI 43-101 Technical Report filed on September 14, 2020 includes the plan for a 25 Mtpa expansion of the sulphide ore processing facility, increasing annual throughput to 53 Mtpa. The S3 Expansion will also involve a new larger mining fleet, and combined with the new standalone 25 Mtpa processing plant, is expected to create efficiencies and economies of scale. The majority of the capital spend on the S3 Expansion is expected in late 2023 and 2024. Detail design is progressing well and incorporates enhancements and efficiencies introduced by the latest generation of preferred equipment and the learnings of the Sentinel and Cobre Panamá operations. Long-lead mining fleet and long-lead process plant equipment have been ordered with deliveries commencing in the second half of 2023. Overall project procurement is approximately 25% committed.

In July 2022, the Board approved the expansion of the Kansanshi smelter, which is included in the Company's three-year capital expenditure guidance issued on January 16, 2023. This will increase throughput capacity of the Kansanshi smelter to 1.6 Mtpa from the current capacity level of 1.38 Mtpa. The capacity increase will be achieved partly through enhancing copper concentrate grades by lowering the carbon and pyrite content of the Kansanshi and Sentinel concentrate feeds. The

¹ C1 cash cost (C1) is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

gas handling circuit will be de-bottlenecked, including modifications to the existing Acid Plant 5. Concentrate processing capacity is expected to be further expanded through modifications to the existing high-pressure leach circuit. In addition to increased capacity, the smelter expansion is expected to create greater flexibility should smelter capacity constraints in the Zambian Copperbelt arise, as well as reduce downstream Scope 3 GHG emissions from the transport and refining of copper concentrate at third party smelters. Detailed engineering design continues and orders have been placed for key long-lead items associated with the oxygen plant, acid plant, and wet electrostatic precipitation.

Enterprise

Enterprise is a nickel deposit located 12 kilometres away from Sentinel in the North Western Province of Zambia with Proven and Probable Mineral Reserves amounting to 34.7 million tonnes (including 9.6 million tonnes of Proven Mineral Reserves and 25.1 million tonnes of Probable Reserves) at 0.99% nickel. It is expected to be a low-cost, high-grade, low-GHG intensity nickel sulphide project. Due to the proximity of the project to Sentinel, the project will benefit from shared existing infrastructure and a skilled workforce already in place at Sentinel. The Enterprise project received Board approval in May 2022 for a capital expenditure of \$100 million. The Company's three-year capital expenditure guidance includes anticipated project capital of \$35 million for the completion of the Enterprise nickel project.

The main workstream to bring the Enterprise nickel project online, the pre-strip of the mine, commenced in May 2022 and is on schedule for first ore in the first half of 2023. In parallel, mine facilities are being developed, including the satellite administration office, workshop, fuel storage, haul road upgrade, dewatering boreholes and other facilities. Plant refurbishment, completion and commissioning activities are on schedule and are aligned to the pre-stripping duration.

Las Cruces Underground Project

The Las Cruces Underground Project is awaiting Board approval, which is not expected before the end of 2023, and will take into consideration prevailing economic conditions.

The Company published an updated technical report on January 17, 2022 with an updated mineral resource estimate of the Polymetallic Primary Sulphide to 41.2 million tonnes of Measured and Indicated Mineral Resources, which includes 5.02 million tonnes of Indicated Mineral Resources tabled as stockpiles. There is an additional 7.1 million tonnes of Inferred Mineral Resources. Further detailed technical work is being conducted to convert Mineral Resources to Mineral Reserves as part of the Las Cruces Underground Project.

In 2021, the Las Cruces mine transitioned from open-pit mining to re-processing of high-grade tailings, which is expected to continue until the third quarter of 2023 while work on the Las Cruces Underground Project advances. The proposed underground project involves supplementing the existing copper facilities at Las Cruces with new processing capacity for zinc, silver and lead.

Work in 2022 was focused on advancing the design of the underground mine and plant, obtaining the water concession license and geological definition of mineral reserves and mineral resources. The water concession license is expected in February 2023.

Greenfield Projects

Taca Taca

Taca Taca, located in the Salta province of Argentina, is the more advanced of the Company's two greenfield projects and is one of the largest, highest-quality copper projects globally. It will consist of an open-pit copper mine and ore processing plant to produce up to 275,000 tonnes of copper per year along with gold and molybdenum by-products. With an initial mine life of 32 years and a large resource base, Taca Taca is projected to be both long-life and low-cost.

In addition to the mining and processing facilities, the project incorporates waste rock and tailings storage facilities, a new electrical transmission line of 125 kilometres, and planned water supply from regional borefields that are hydrologically separate from community water sources. Project infrastructure also includes new access roads and rehabilitation and upgrades to the existing railway line. Power supply options are available to source up to 100% of the project's electricity needs from renewables or from a combination of renewable energy and Argentinian natural gas. GHG emissions could be further reduced through the application of the Company's industry-leading electric trolley assist for haul trucks.

The Company is continuing with the project pre-development and feasibility activities. The primary Environmental and Social Impact Assessment ("ESIA") for the project, which covers the principal proposed project sites, was submitted to the Secretariat of Mining of Salta Province in 2019 and supplementary submissions on tailings and waste management were

filed with the authority during 2022. Approval of the ESIA is anticipated in 2023. In November 2022, the Salta Production Minister signed Resolution 191/2022, approving the environmental pre-feasibility for the Taca Taca 345 kilovolt ("kV") power line development. The 345kV line still requires detailed construction permits, but the main environmental aspects have been approved. An additional environmental permit that was filed with the relevant authorities during 2021 related to the proposed bypass and access road construction for the project and is expected to be approved in 2023.

The project will also require approval of a concession for borefield water supply. The water supply studies and pump tests to support the application have advanced steadily in 2022 and are expected to be completed in 2023. The water permit applications will be filed progressively in 2023.

A Board decision to advance the Taca Taca project is not expected before 2024.

Haquira

Haquira is located in the Apurímac region of Peru, and is a longer-dated greenfield project for the Company. Negotiations for land access to support a drill program were suspended in August 2022 after an agreement could not be reached with communities. As a consequence, field activities were reduced. The Company hopes to resume discussions toward the end of 2023.

EXPLORATION

The Company's global exploration program is focused on identifying high-quality porphyry and sediment-hosted copper deposits in prospective belts around the world.

The Company is engaged in the assessment and early stage exploration of a number of properties around the world, particularly focused on the Andean porphyry belt of Argentina, Chile, Peru, Ecuador and Colombia, as well as specific targets in other jurisdictions including Finland and Australia. Near-mine exploration programs are focused on Las Cruces in Spain, Çayeli in Turkey, as well as on satellite targets around Kansanshi in Zambia. Some encouraging targets have emerged from reconnaissance surveys around Las Cruces and Çayeli with follow-up drilling currently in progress.

During the quarter, reconnaissance surveys continued on greenfield porphyry targets in Peru, Chile, and Ecuador. More substantial drill programs are active on a copper-gold porphyry prospect in Argentina and a zinc project in Turkey. A series of mafic-hosted nickel-copper targets in Finland and Western Australia will undergo initial drill programs in 2023.

With the improved investment climate in Zambia, an increase of exploration activities in Zambia is currently in progress. A number of regional and near-mine exploration initiatives are planned, including drill testing of new early stage joint venture projects.

OTHER DEVELOPMENTS

Zambian Power Supply

Water levels at the Kariba Dam reached a record low at the end of 2022 due to the drop in water inflows into the Zambezi flood plains that feed the river.

In January 2023, the Zambia Electricity Supply Corporation Limited ("ZESCO") requested that the Company's Zambian operations reduce its power usage for a two-week period due to the lower water levels at the Kariba Dam and planned maintenance at the 300MW Maamba power plant. During this period, Kansanshi and Sentinel conducted planned maintenance that was previously scheduled for February and March 2023.

Although the country is experiencing load-shedding, there is no major impact on the Zambian mining operations. Heavier than normal rains have been experienced in the current rainy season, which should replenish the Kariba basin from April 2023 onwards.

Commissioning of the 750MW Kafue Gorge Lower Power Station is nearly complete, with four out of five 150MW units currently commissioned and running.

Kansanshi – conversion of ZCCM dividend rights to royalty rights

During the fourth quarter of 2022, an agreement was entered into between KMP and ZCCM-IH to convert ZCCM-IH's dividend rights in KMP into royalty rights. A dividend of \$195 million was paid to ZCCM-IH on the signing of this agreement. Post completion, this transaction also provides for 20% of the KMP VAT refunds as at June 30, 2022 to be paid to ZCCM-IH,

as and when these are received by KMP from the Zambia Revenue Authority ("ZRA"). Completion of this transaction is expected during the first half of 2023.

Zambian Tax Regime

On September 30, 2022, the Minister of Finance and National Planning presented the 2023 National Budget. The key enacted changes affecting the mining industry include the restructuring of the Mineral Royalty tax regime and the reinstatement of taxes and import duty on fuel.

The restructuring of the Mineral Royalty tax was enacted on January 1, 2023 and includes an amendment to the calculation of mineral royalty tax to be on an incremental basis. In addition, an amendment to the mineral royalty tax bands determining the mineral royalty tax rate applicable at various price levels were made, as shown below.

Price (\$ per tonne)	Previous Rates	Price (\$ per tonne)	Revised Rates as of January 1, 2023
0 – 4,499	5.5%	0 – 4,000	4.0%
4,500 – 5,999	6.5%	4,001 – 5,000	6.5%
6,000 – 7,499	7.5%	5,001 – 7,000	8.5%
7,500 – 8,999	8.5%	7,001 +	10.0%
9,000 +	10.0%		

The reinstatement of taxes and duties on fuel, which were suspended in January 2021, came into effect on October 1, 2022 and includes the reinstatement of excise duties and standard rated VAT. In addition, effective January 1, 2023, import duties on fuel (previously at a rate of 25%) were reinstated with a corresponding reduction in the rate of the import duties from 25% to 'free', resulting in nil impact of the reinstatement of these duties.

Zambian VAT

During the second quarter of 2022, the Company reached an agreement with the GRZ for repayment of the outstanding VAT claims based on offsets against future corporate income tax and mineral royalty tax payments, which commenced July 1, 2022. As a result of this agreement, the Company was granted offsets of \$59 million and cash refunds of \$26 million during the quarter.

During the year ended December 31, 2022, the Company was granted offsets of \$154 million and cash refunds of \$72 million with respect to VAT receivable balances. In the same period of 2021, offsets of \$71 million were granted. For a detailed summary of the VAT receivable balance due to the Company's Zambian operations please see "Zambian VAT" on page 49.

GUIDANCE

Guidance is based on a number of assumptions and estimates as of December 31, 2022, including among other things, assumptions about metal prices and anticipated costs and expenditures. Guidance involves estimates of known and unknown risks, uncertainties and other factors, which may cause the actual results to be materially different.

First Quantum, MPSA and the GOP continue to engage in discussions regarding a refreshed concession contract to secure the long-term future of the Cobre Panamá mine. As previously announced, MPSA is working through a number of steps to address the MICI resolution requiring MPSA to submit a plan to the GOP to suspend commercial operations at Cobre Panamá.

On January 26, 2023, the AMP issued a resolution that required the suspension of concentrate loading operations at the Cobre Panamá port, Punta Rincón, until evidence was provided that the process of certification of the calibration of the scales by an accredited company had been initiated. MPSA filed legal proceedings to challenge the resolution, staying its legal effects. Nevertheless, the Company submitted the required proof of the initiation of the certification process on February 2, 2023, and, on February 7, 2023, the Company submitted certifications of the calibration of the scales and weights. AMP rejected the certification on February 8, 2023, claiming that the certification company is not accredited in Panamá, even though the provider MPSA used is on the list of accredited companies published by MICI. MPSA is challenging this decision, and, at the same time, is working to find another accredited certification company that the GOP will accept. In the meantime, the AMP has maintained its order suspending loading operations at the Port. MPSA is pursuing all avenues to restart shipments at Punta Rincón, including all legal recourse available. As previously reported, if

AMP's measures persist, it may become necessary to shut down the Cobre Panamá mine if concentrate is not shipped by approximately February 20, 2023 due to limited storage capacity on site.

At this time, the timing and impact of any care and maintenance regime enacted by the MICI or any shutdown following receipt of the Resolution issued by the AMP remain uncertain. Given this, production and unit cost guidance for Cobre Panamá is based on normal operations with no disruption to production.

PRODUCTION GUIDANCE

000's	2023	2024	2025
Copper (tonnes)	770 – 840	765 – 835	775 – 865
Gold (ounces)	265 – 295	290 – 320	305 – 345
Nickel (contained tonnes)	28 – 38	34 – 49	45 – 60

PRODUCTION GUIDANCE BY OPERATION¹

Copper production guidance (000's tonnes)	2023	2024	2025
Cobre Panamá	350 – 380	370 – 400	370 – 400
Kansanshi	130 – 150	130 – 150	140 – 180
Sentinel	260 – 280	245 – 265	245 – 265
Other sites	30	20	20
Gold production guidance (000's ounces)			
Cobre Panamá	140 – 160	155 – 175	155 – 175
Kansanshi	95 – 105	95 – 105	110 – 130
Other sites	30	40	40
Nickel production guidance (000's contained tonnes)			
Ravensthorpe	23 – 28	24 – 29	25 – 30
Enterprise	5 – 10	10 – 20	20 – 30

¹ Production is stated on a 100% basis as the Company consolidates all operations.

Production for 2023 for Cobre Panamá includes commissioning of the CP100 Expansion in the first quarter of 2023 with a ramp-up over the course of the year to achieve an annualized throughput rate of 100 Mtpa by the end of 2023. Kansanshi copper production in 2023 and 2024 reflects similar levels as 2022 with lower oxide grades and sulphide grades while mining vein-hoisted areas. Copper and gold production in 2025 includes some limited production associated with the S3 Expansion, expected to commence in the second half of 2025. Higher gold production in 2024 for other sites is due to higher production expected at Guelb Moghrein with the expansion of the Carbon-in-Leach ("CIL") plant, to be completed in the first half of 2024, and the inclusion of Cutback 4. Nickel production at Enterprise is expected to commence in the first half of 2023 with ramp up to full plant throughput and recovery in 2024. Production guidance in 2023 for Enterprise includes 5,000 tonnes of pre-commercial production results.

CASH COST² AND ALL-IN SUSTAINING COST²

Total Copper	2023	2024	2025
C1 (per lb) ²	\$1.65 – \$1.85	\$1.65 – \$1.85	\$1.60 – \$1.85
AISC (per lb) ²	\$2.25 – \$2.45	\$2.25 – \$2.45	\$2.20 – \$2.45

Ravensthorpe Nickel	2023	2024	2025
C1 (per lb) ²	\$7.00 – \$8.50	\$6.75 – \$8.00	\$6.75 – \$8.00
AISC (per lb) ²	\$9.00 – \$10.50	\$8.50 – \$9.75	\$8.50 – \$9.75

Enterprise Nickel	2023	2024	2025
C1 (per lb) ²	–	\$4.00 – \$6.00	\$4.00 – \$6.00
AISC (per lb) ²	–	\$6.50 – \$9.50	\$6.50 – \$9.50

² C1 cash cost (C1), and all-in sustaining cost (AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

C1 cash cost¹ guidance for both copper and nickel reflects recent inflationary and commodity price pressures. AISC¹ guidance reflects higher sustaining capital expenditure², partly mitigated by a decrease in royalties, specifically in Zambia related to recent changes announced by the Zambian government. The Zambian import duty on fuel was reinstated on January 1, 2023, however this reinstatement was at a 'free rate', resulting in a nil impact on costs. Unit cost guidance for the three-year guidance period is based on an assumed gold price of between \$1,700 per ounce and \$1,750 per ounce, average Brent crude oil price of \$100 per barrel and a Zambian kwacha/US dollar exchange rate of 16. A coal price of \$150 per tonne is assumed for 2024 and 2025. Ravensthorpe unit cost guidance is based on a sulphur price of \$150 per tonne. Enterprise unit cost guidance is provided from its first full year of production in 2024. Collective Bargaining Agreement negotiations at Sentinel, Kansanshi, First Quantum Mining and Operations Limited ("FQMO") and Enterprise concluded in early 2023. Anticipated labour cost increases were included in cost estimates.

PURCHASE AND DEPOSITS ON PROPERTY, PLANT & EQUIPMENT

	2023	2024	2025
Capitalized stripping ¹	300	300	300
Sustaining capital ¹	430	475	500
Project capital ¹	870	1,025	700
Total capital expenditure	1,600	1,800	1,500

¹ Capitalized stripping, sustaining capital and project capital are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

Capital expenditures have been experiencing inflationary cost increases driven by higher shipping rates, steel prices, fuel costs, and labour rates. Guidance on capital expenditures for 2023 and 2024 has increased to reflect such cost increases as well as additional increases arising from scope definition and the timing of expenditures, including some expenditure carried over from 2022 and the acceleration of some expenditure related to the Kansanshi S3 Expansion project.

Total capital expenditure for the S3 Expansion project remains unchanged at \$1.25 billion, with approximately \$40 million spent to date. The S3 Expansion includes the development and construction of the S3 process plant circuit and mining fleet acquisitions. Across the three-year guidance period, project capital expenditures for the S3 Expansion project is expected to be approximately \$900 million, with the majority of the spend to occur over 2023 and 2024. Pre-strip activities for the South East Dome pit is expected to continue through to 2027, of which \$300 million is included in the three-year capital budget at Kansanshi. Pre-strip mining is classified as project capital.

Project capital in the three-year guidance period includes:

- > Additional capital expenditures at Kansanshi, including the expansion of the tailings facility and smelter, of approximately \$300 million;
- > \$650 million in capital expenditures at Cobre Panamá for the development of the Colina pit, work on the West Dam, purchase of additional mining fleet, expansion of camp facilities and assembly of the molybdenum flotation and filtration plant;
- > \$200 million in capital expenditures at Sentinel for the relocation of in-pit crusher 2 and the purchase of additional mining equipment; and
- > \$35 million for the completion of the Enterprise nickel project.

The three-year guidance includes ESG-related projects within the \$2.6 billion project capital expenditures. Each of these projects also improve cost structure, safety and productivity of the business. These include:

- > Upgrade of the Kansanshi smelter to increase processing capacity, which reduces downstream GHG emissions from the transport and refining of copper concentrate produced by Kansanshi and Sentinel;
- > A potential wind farm at Ravensthorpe to reduce reliance on power from diesel back-up generators, a new initiative which was not included in the prior year's guidance, subject to final approval;

¹ C1 cash cost (C1), and all-in sustaining cost (AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

² Sustaining capital expenditure is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

- Expansion of trolley assist infrastructure across the Company's three largest mines to lower diesel consumption, and associated mine fleet GHG emissions;
- Relocation and installation of in-pit crushers to optimize haul cycle efficiency and reduce mine fleet diesel consumption,
- Investments at Cobre Panamá and Trident to enhance the social infrastructure serving both its workforce and local communities; and
- Water initiatives at various operations for the management of water quality and reuse by operations.

Three-year guidance for project capital expenditure does not include any development expenditure for the Las Cruces Underground Project, Taca Taca or Haquira.

All of the Company's major operations have planned for increases in sustaining expenditure, which has been impacted by significant cost inflation as well as an increase in tailings storage facility costs and increase in fleet replacement programs. Sustaining capital expenditure¹ ranges between \$430 million and \$500 million over the three years.

Capital expenditure guidance excludes capitalized pre-commercial production results.

Interest

Interest expense on debt for the year ended December 31, 2022 was \$476 million. Interest expense on debt for the full year 2023 is expected to be approximately \$510 million and excludes interest accrued on related party loans to Cobre Panamá and Ravensthorpe, a finance cost accreted on the precious metal streaming arrangement, capitalized interest expense and accretion on asset retirement obligation.

Cash outflow on interest paid for the year ended December 31, 2022 was \$448 million and is expected to be approximately \$505 million for the full year 2023. This figure excludes interest paid on related party loans to Cobre Panamá and Ravensthorpe and capitalized interest paid.

Capitalized interest for the year ended December 31, 2022 was \$24 million. Capitalized interest is expected to be approximately \$35 million for the full year 2023.

A significant proportion of the Company's interest expense is incurred in jurisdictions where no tax credit is recognized.

Tax

The effective tax rate for 2022 was 22% which included Law 9 legislation.

During January 2022, the GOP tabled a new proposal, namely that the GOP should receive \$375 million in benefits per year from Cobre Panamá and that the existing revenue royalty will be replaced by a gross profit royalty. Once an agreement has been signed and passed into law, it is considered that a tax and royalty payment in respect of 2022 of approximately \$375 million will be made in addition to the amount payable in respect of 2023.

The effective tax rate for 2023 will be dependent on the outcome of the agreement with the GOP and therefore guidance on the effective tax rate will not be provided at this stage.

Depreciation

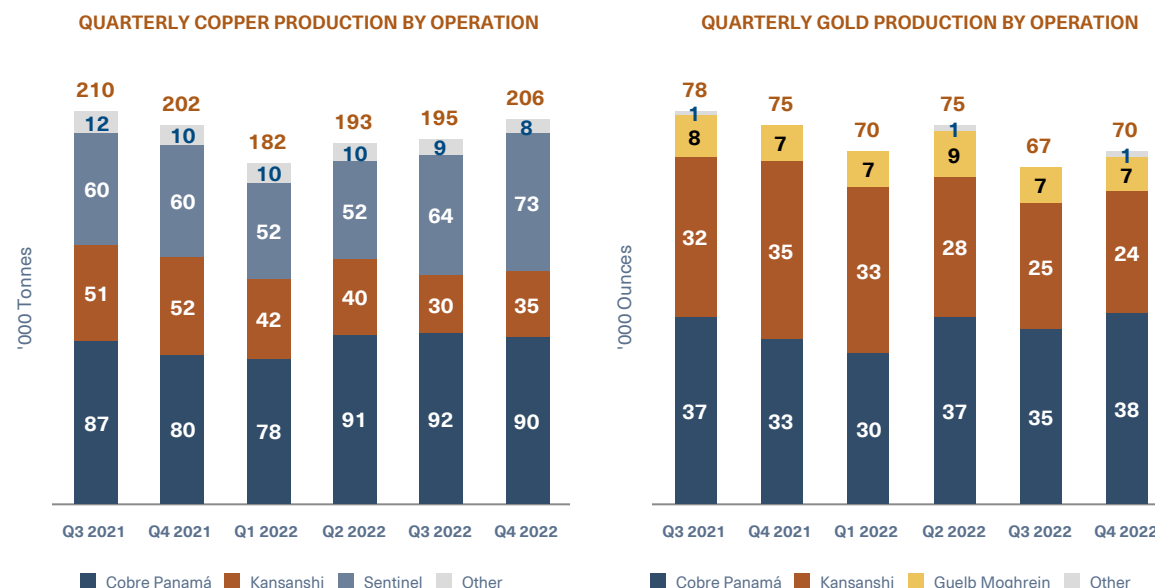
Depreciation expense for the year ended December 31, 2022 was \$1,230 million. The full year 2023 depreciation expense is expected to be between \$1,250 million to \$1,275 million.

¹ Sustaining capital expenditure is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

SUMMARY OPERATIONAL RESULTS

Production

FOURTH QUARTER



Total copper production in the fourth quarter of 2022 increased by 2% to 206,007 tonnes compared to the same quarter of 2021. The increase in total copper production was attributable to record quarterly production at Sentinel and strong performance at Cobre Panamá. This was offset by a decrease at Kansanshi due to lower grades as well as expected decreases at shorter life operations.

Cobre Panamá had a strong quarter, with copper production of 89,652 tonnes, an increase of 12% from the same period in 2021 attributable to efficiency improvements in blasting, improvements in SAG milling rates, as well as the addition of a third secondary crusher in November 2022.

Sentinel delivered record quarterly production of 73,409 tonnes of copper with sustained high throughput and recoveries, as well as improved grades, despite the heavy rains experienced in December. Sentinel benefitted from the treatment of soft, well-fragmented ore and the performance of the fourth in-pit crusher.

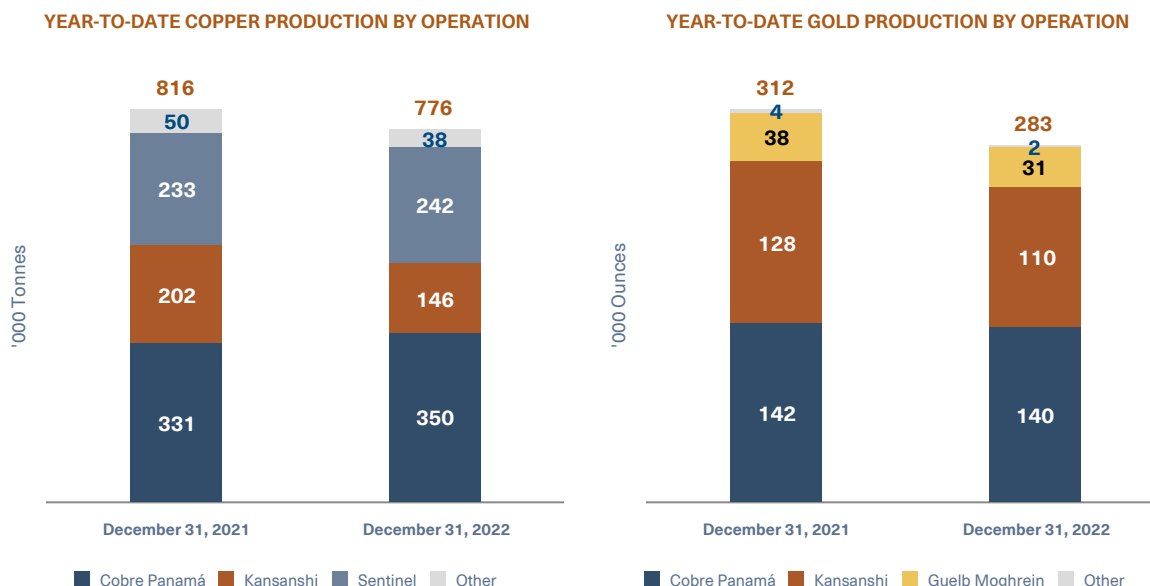
Kansanshi's copper production was 34,802 tonnes for the quarter, 17,137 tonnes lower than the same quarter of 2021. Production in 2022 was impacted by a reduction in grades from narrow-veined regions, but improved in the fourth quarter. An enhanced water management strategy has led to a more consistent feed grade.

Decreases in copper production at other shorter life operations were in line with expectations.

Gold production was 6% lower than the same quarter of 2021 due to lower production at Kansanshi.

Ravensthorpe produced 5,705 contained tonnes of nickel, a 69% increase from the comparable quarter of 2021, as HPAL rates improved with improved ore handling and processing and improved beneficiation plant stability.

FULL YEAR



Copper production in the year ended December 31, 2022 was a 5% reduction from 2021. Both Cobre Panamá and Sentinel set quarterly records in 2022. Production at Kansanshi was impacted by lower grades and the accumulation of water in the main pit.

Cobre Panamá achieved record copper production of 350,438 tonnes for the year ended December 31, 2022, a 6% increase compared to 2021.

Copper production at Sentinel of 242,451 tonnes for the year ended December 31, 2022 was 4% higher than the comparable period in 2021 due to higher throughput. Production was impacted in the first quarter of 2022 by a delay to Stage 2 North-wall stripping due to wet underfoot conditions during an extended rainy season but has improved in subsequent quarters. Throughput has been strong, setting monthly and quarterly records in the fourth quarter and an annual record in 2022.

Kansanshi achieved copper production of 146,282 tonnes for the full year, 28% lower than 2021, reflecting the lower sulphide grades from narrow ore veins, depleting oxide ore and restricted access to high-grade blocks due to an accumulation of water in the main pit, which was resolved towards the end of the third quarter of 2022. Ongoing reconciliation enhancements have elevated the understanding of such areas, which will allow near-term mine plans and sequences to be improved and optimized.

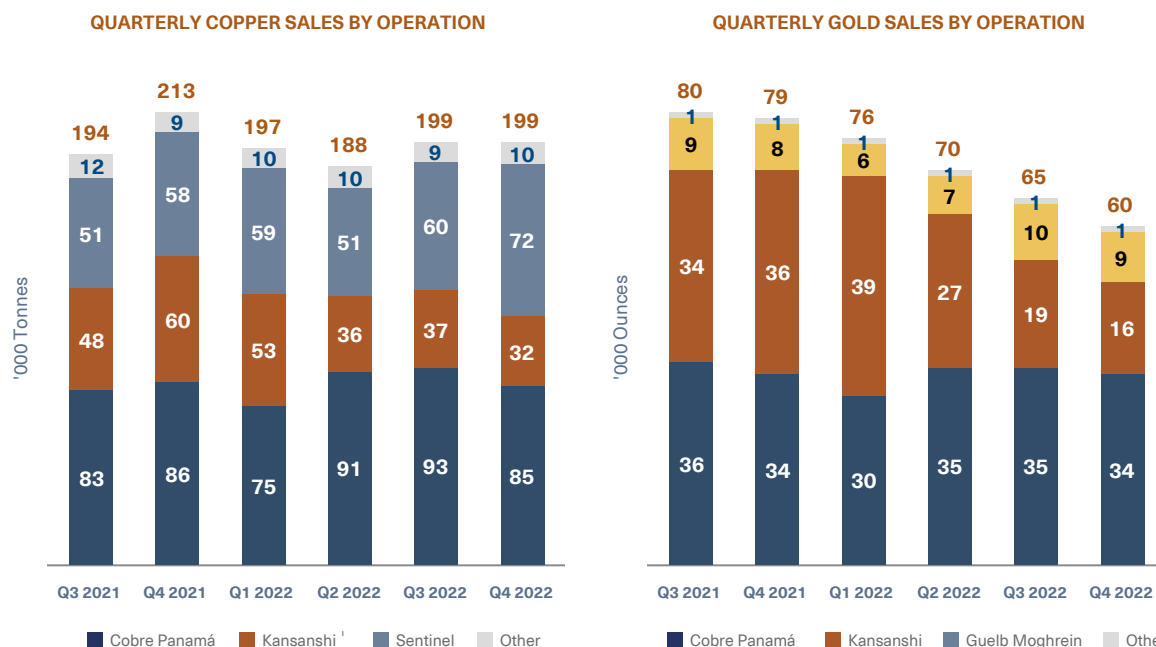
Expected decreases were seen at the shorter life operations, mainly at Guelb Moghrein and Las Cruces.

Total gold production was 9% lower than the comparable period in 2021 mainly attributable to lower production at Kansanshi and Guelb Moghrein.

Ravensthorpe produced 21,529 contained tonnes of nickel, a 28% increase from the comparable period in 2021. HPAL rates improved during the year with improved ore handling and processing from the new Shoemaker Levy mine and improved beneficiation plant availability and stability.

Sales Volumes

FOURTH QUARTER



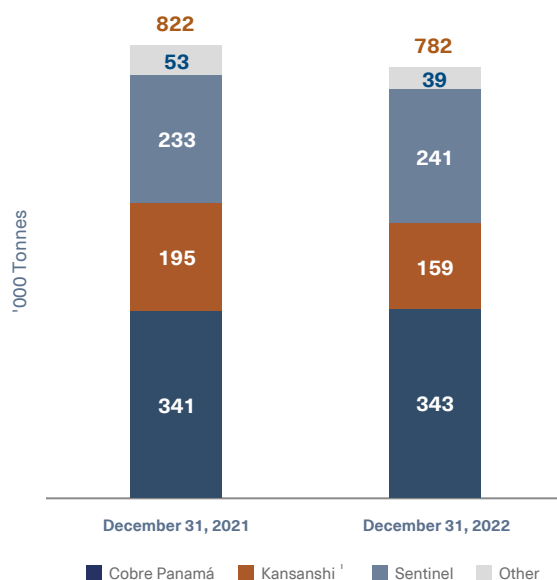
¹ Copper sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Trident). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 8,651 for the three months ended December 31, 2022 (nil for the three months ended December 31, 2021).

Total copper sales volumes of 198,912 tonnes for the fourth quarter of 2022 were 7% lower than the same quarter in 2021, while gold sales volumes of 59,568 ounces for the fourth quarter of 2022 were 25% less than the same quarter of 2021, mainly due to lower production at Kansanshi and expected decreases at shorter life operations.

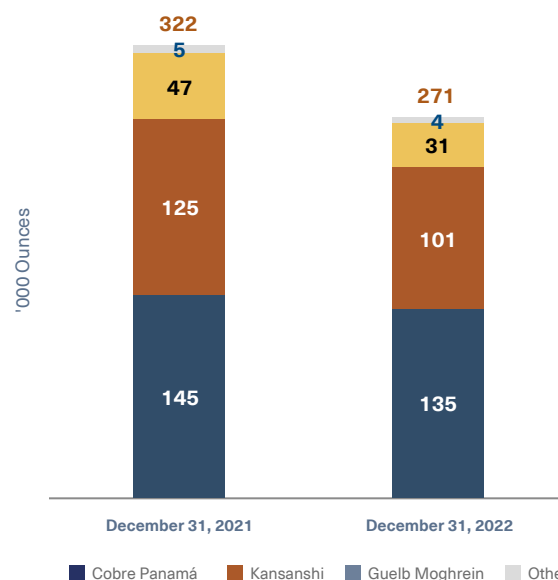
Nickel sales volumes were 6,840 contained tonnes at Ravensthorpe, which is an 82% increase from the same quarter in 2021, attributable to higher production.

FULL YEAR

YEAR-TO-DATE COPPER SALES BY OPERATION



YEAR-TO-DATE GOLD PRODUCTION BY OPERATION



¹ Copper sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Trident). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 13,379 tonnes for the year ended December 31, 2022 (nil for the year ended December 31, 2021).

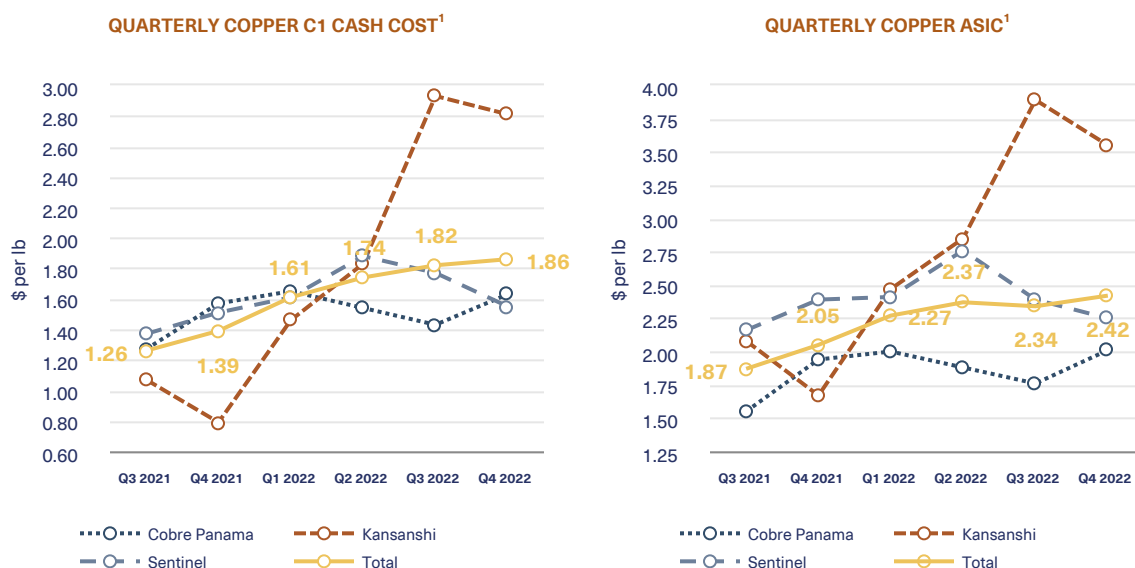
Copper sales in the period were 5% lower compared to the same period in 2021. This reflects the decreases at Kansanshi and expected decreases at shorter life operations.

Gold sales volumes decreased by 16% compared to the same period in 2021, reflecting the decreases in gold production at Kansanshi and Guelb Moghrein.

Nickel sales volumes were 20,074 contained tonnes at Ravensthorpe, which reflects the increase in production.

Cash Costs¹

FOURTH QUARTER



Total copper C1 cash cost¹ of \$1.86 per lb for the fourth quarter of 2022 was \$0.47 per lb higher than the same quarter of 2021 with increases in prices for key consumables, including explosives, fuel and steel, along with higher freight and electricity charges. Employee costs rose during the second half of the year as the Company realigned labour rates to current market levels and adjusted for cost-of-living changes in some jurisdictions.

Cobre Panamá's copper C1 cash cost¹ of \$1.63 per lb was \$0.06 per lb higher than the comparable quarter of 2021 as a result of price increases for key consumables and fuel.

Sentinel's copper C1 cash cost¹ was \$0.04 per lb higher at \$1.55 per lb compared to the same quarter in 2021, attributable to price increases in key consumables and lower copper production.

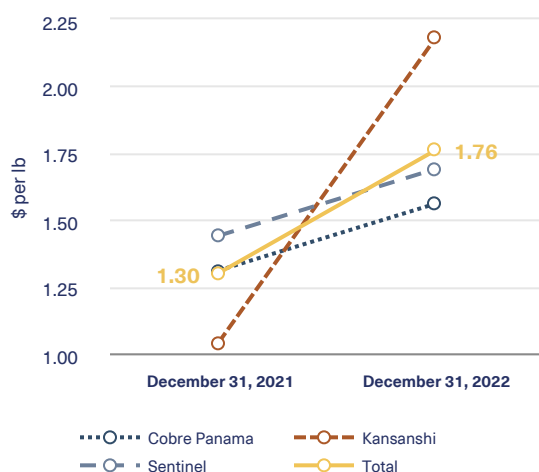
Kansanshi's copper C1 cash cost¹ for the fourth quarter of \$2.81 per lb was an increase of \$2.02 per lb compared to the same quarter in 2021, mainly attributable to lower production and a non-recurring favourable movement on operational provisions in the fourth quarter of 2021, as well as increases in key consumables and employee costs.

Total copper AISC¹ of \$2.42 per lb was \$0.37 per lb higher than the same quarter of 2021, reflecting the higher copper C1 cash cost¹.

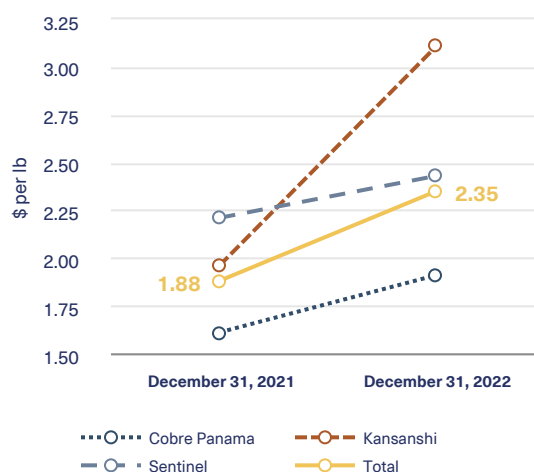
¹ Copper C1 cash cost (copper C1), and copper all-in sustaining costs (copper AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

FULL YEAR

YEAR-TO-DATE COPPER C1 CASH COST¹



YEAR-TO-DATE COPPER AISC¹



Total copper C1 cash cost¹ of \$1.76 per lb for the year ended December 31, 2022 was \$0.46 per lb higher than 2021, driven by higher fuel, freight, steel and explosives costs, together with the impact of higher power costs at Cobre Panamá in January 2022, as well as the impact of the lower production at Kansanshi and short-life operations.

For these reasons, Kansanshi's copper C1 cash cost¹ of \$2.18 per lb increased by \$1.14 per lb compared to the same period in 2021, while Sentinel's copper C1 cash cost¹ was \$0.25 per lb higher at \$1.69 per lb.

Cobre Panamá's copper C1 cash cost¹ of \$1.56 per lb, which was \$0.25 per lb higher than the comparable period of 2021, included electricity purchasing costs in January 2022 during the power plant shutdown.

Total copper AISC¹ of \$2.35 per lb was \$0.47 per lb higher than the same period in 2021, resulting from the higher copper C1 cash costs¹.

Please see the appendices from page 70 onward for further details on production and sales volumes by operation as well as sales revenues and cash costs.

¹ Copper C1 cash cost (copper C1), and copper all-in sustaining costs (copper AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

OPERATIONS REVIEW

Cobre Panamá

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Waste mined (000's tonnes)	18,495	15,620	12,504	63,860	49,688
Ore mined (000's tonnes)	24,733	24,668	24,243	100,250	96,426
Copper ore milled (000's tonnes) ¹	21,887	22,447	20,672	86,145	80,838
Copper ore grade processed (%)	0.46	0.46	0.42	0.45	0.45
Copper recovery (%)	89	89	92	90	91
Concentrate grade (%)	26.2	26.5	27.5	26.6	27.0
Copper production (tonnes)	89,652	91,671	80,030	350,438	331,000
Copper sales (tonnes)	85,330	92,665	86,112	343,448	341,078
Gold production (ounces)	38,302	34,571	32,800	139,751	141,637
Gold sales (ounces) ²	34,208	35,033	34,409	134,660	145,185
Silver production (ounces)	757,655	691,447	634,396	2,813,129	2,521,235
Silver sales (ounces) ²	723,955	690,469	675,450	2,762,737	2,597,310
Copper all-in sustaining cost (AISC) (per lb) ³	\$2.01	\$1.76	\$1.94	\$1.91	\$1.61
Copper cash cost (C1) (per lb) ³	\$1.63	\$1.43	\$1.57	\$1.56	\$1.31
Total copper cost (C3) (per lb) ³	\$2.54	\$2.33	\$2.55	\$2.49	\$2.22
Financial Results (\$ millions)					
Copper in concentrates	626	657	773	2,768	2,952
Gold – precious metal stream ongoing cash payments	13	11	13	48	48
Gold – other cash	1	10	3	15	31
Silver – precious metal stream ongoing cash payments	2	2	2	8	9
Silver – other cash	7	4	5	23	21
Gold and silver - non cash amortization	25	23	25	97	99
Total sales revenues	674	707	821	2,959	3,160
Gross profit	189	216	336	1,065	1,449
EBITDA ⁴	337	374	488	1,665	2,021

¹ Measured in dry metric tonnes ("DMT").² Excludes refinery-backed gold and silver credits purchased and delivered under the precious metal streaming arrangement (see "Precious Metal Stream Arrangement").³ Copper all-in sustaining costs (copper AISC), copper C1 cash cost (copper C1), and total copper cost (copper C3) are non-GAAP ratios, and do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.⁴ EBITDA is a non-GAAP financial measure, and does not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Fourth Quarter

Copper production remained strong during the fourth quarter of 2022 at 89,652 tonnes of copper produced, an increase of 12% from the same period in 2021. During the quarter, 21.9 million tonnes of ore with an average head grade of 0.46% were processed, including a record volume of ore processed of 8.3 million tonnes in December, and average recoveries of 89% were achieved. The increase in ore milled compared to the same period in 2021 was driven by efficiency improvements in blasting to improve fragmentation, improvements in SAG milling rates driven by better availabilities and sustained increases in secondary and pebble crushing, as well as the addition of a third secondary crusher in November 2022. Total ex-pit mining of 43 million tonnes for the quarter was 18% higher than the comparative period of last year, with the increases mainly related to the pre-strip work at the Colina pit where 8.2 million tonnes of waste was mined during the quarter (three months ended December 31, 2021: 1.7 million tonnes). The mining performance is a result of several operational improvements in the mine, particularly on haul roads and increased usage of trolley assists, which resulted in higher

haulage efficiency and a lower carbon footprint. Additionally, the fifth rope shovel was commissioned mid-November in the Colina pit.

Copper AISC¹ and copper C1 cash cost¹ of \$2.01 per lb and \$1.63 per lb, respectively, were \$0.07 per lb and \$0.06 per lb higher than the same quarter in 2021, primarily driven by price increases for key consumables including explosives, fuel and steel for grinding media. Unit 2 of the power plant at Cobre Panamá had a scheduled biennial maintenance shutdown in October, with replacement electrical power sourced from the national grid at spot prices. A collar structure for coal purchases is currently in place with the ceiling price already exercised from July 2021 onwards, thereby limiting exposure to further increases in the coal price until the end of 2023.

Sales revenues for the fourth quarter of 2022 were \$674 million, 18% lower than the same quarter of 2021 as a result of lower realized copper prices¹. Gross profit of \$189 million for the quarter was \$147 million, or 44%, lower than the same period in 2021, reflecting lower sales revenues and higher operating costs.

Full Year

Strong operational performance continued in 2022, with a steady improvement in comminution operations with higher pebble and secondary crusher utilization, as well as improved maintenance performance for the mobile and fixed plant. During the year ended December 31, 2022, 86.1 million tonnes of ore with an average grade of 0.45% were processed with recoveries of 90%. This resulted in copper and gold production of 350,438 tonnes and 139,751 ounces, respectively. Additionally, higher mining volumes were driven by the introduction of eight new T284 haul trucks to the mining fleet and opening up of new mining areas. In particular, the pre-strip activity at the Colina pit advanced significantly during the period with 21.7 million tonnes of waste mined for 2022, primarily from the box cut area where the initial in-pit crushers at the Colina pit will be placed (year ended December 31, 2021: 2.7 million tonnes).

Copper AISC¹ and copper C1 cash cost¹ for the year ended December 31, 2022 were \$1.91 per lb and \$1.56 per lb, respectively, and were \$0.30 per lb and \$0.25 per lb higher than 2021. This was a result of price increases in key consumables such as explosives, fuel, steel for grinding media and liners, as well as higher maintenance costs, combined with the electricity purchasing costs during the power plant shutdown in January and during the biennial maintenance shutdown of Unit 2 of the power plant in October. A collar structure for coal purchases is currently in place with the ceiling price already exercised from July 2021 onwards, thereby limiting exposure to further increases in the coal price until the end of 2023.

Sales revenues for the year ended December 31, 2022 were \$2,959 million, 6% lower than 2021 mainly due to lower realized copper prices¹ excluding the impact of the corporate sales hedge program. Gross profit was \$1,065 million for the year ended December 31, 2022, a 27% decrease from 2021, reflecting lower sales revenues and higher operating costs.

Outlook

For 2023, Cobre Panamá is expected to achieve between 90 million and 100 million tonnes of mill throughput and annual production of 350,000 – 380,000 tonnes of copper and 140,000 – 160,000 ounces of gold. Full year 2023 grades and recoveries are expected to be broadly consistent with 2022, with some fluctuation from quarter to quarter. At this time, the timing and impact of any care and maintenance regime enacted by the MICI or any shutdown following receipt of the Resolution issued by the AMP remain uncertain. Given this, production and unit cost guidance for Cobre Panamá is based on normal operations with no disruption to production.

The CP100 Expansion project at Cobre Panamá is in early operation with the new process water circuits and bypass feeders in use, and with the balance of the expansion scope in ore commissioning with ore having been introduced to both Ball Mill 6 and the primary screening facility. Ramp up of production is in progress to achieve a throughput rate of 100 Mtpa by the end of 2023.

The Company continues to engage in good faith discussions with the GOP and remains ready to reach an agreement that is fair and equitable to both parties. This includes the stability of the tax and royalty regime and reasonable protections against early termination. Once an agreement is concluded and the full contract is documented, it is expected that the newly drafted legislation would be put to the Panamanian National Assembly for approval.

¹Copper all-in sustaining costs (copper AISC), Copper C1 cash cost (copper C1), and realized metal prices are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Kansanshi

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Waste mined (000's tonnes)	20,028	20,821	14,100	75,878	69,758
Ore mined (000's tonnes)	6,984	6,281	10,309	28,205	35,142
Sulphide ore milled (000's tonnes) ¹	3,207	3,220	3,341	13,160	13,386
Sulphide ore grade processed (%)	0.65	0.58	0.95	0.71	0.88
Sulphide copper recovery (%)	89	86	90	89	91
Sulphide concentrate grade (%)	21.9	22.4	23.3	22.8	24.5
Mixed ore milled (000's tonnes) ¹	2,017	2,096	1,866	7,713	7,601
Mixed ore grade processed (%)	0.63	0.54	0.93	0.63	0.96
Mixed copper recovery (%)	73	71	81	74	82
Mixed ore concentrate grade (%)	18.6	16.3	22.0	17.8	21.3
Oxide ore milled (000's tonnes) ¹	2,011	2,034	1,788	7,866	7,164
Oxide ore grade processed (%)	0.60	0.50	0.80	0.57	0.72
Oxide copper recovery (%)	60	59	68	64	69
Oxide concentrate grade (%)	10.3	10.7	16.9	11.7	17.1
Copper production (tonnes) ²	34,802	29,862	51,939	146,282	202,159
Copper smelter					
Concentrate processed ³	322,984	331,715	364,031	1,304,839	1,259,856
Copper anodes produced (tonnes) ³	80,279	77,150	85,484	304,914	301,556
Smelter copper recovery (%)	98	96	97	97	98
Acid tonnes produced (000's)	301	312	350	1,247	1,217
Copper sales (tonnes) ⁴	32,496	37,305	59,872	159,007	195,327
Gold production (ounces)	24,479	24,561	34,546	109,617	128,199
Gold sales (ounces)	16,156	19,256	36,295	101,015	125,338
Copper all-in sustaining cost (AISC) (per lb) ^{5,6}	\$3.55	\$3.89	\$1.67	\$3.11	\$1.96
Copper cash cost (C1) (per lb) ^{5,6}	\$2.81	\$2.93	\$0.79	\$2.18	\$1.04
Total copper cost (C3) (per lb) ^{5,6}	\$3.96	\$4.08	\$1.78	\$3.31	\$2.03
Financial Results (\$ millions)					
Copper	324	314	569	1,502	1,794
Gold	26	29	63	174	219
Other	6	16	1	30	1
Total sales revenues	356	359	633	1,706	2,014
Gross profit	(17)	–	337	382	969
EBITDA ⁵	39	54	407	594	1,178

¹ Measured in dry metric tonnes ("DMT").² Production presented on a copper concentrate basis, i.e. mine production only. Production does not include output from the smelter.³ Concentrate processed in smelter and copper anodes produced are disclosed on a 100% basis, inclusive of Trident and third-party concentrate processed. Concentrate processed is measured in DMT.⁴ Sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Trident). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 8,651 and 13,379 tonnes for the three and twelve months ended December 31, 2022, (nil for the three and twelve months ended December 31, 2021).⁵ Copper all-in sustaining costs (copper AISC), copper C1 cash cost (copper C1), and total copper cost (copper C3) are non-GAAP ratios, and EBITDA is a non-GAAP financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.⁶ Excludes purchases of copper concentrate from third parties treated through the Kansanshi smelter.

Fourth Quarter

Kansanshi produced 34,802 tonnes of copper during the fourth quarter of 2022, which was 33% lower than the same quarter of 2021 due to lower grades across all three circuits and the resulting impacts on recovery. Feed grades to all three circuits improved from the third quarter mainly due to deployment changes made during the second half of the year. This resulted in an enhanced water management strategy in M12, which led to a more consistent feed grade to the mixed and

oxide circuits. Deployment changes in M17 also resulted in de-risking the plan by balancing the mixed ore feed between strata and ore associated with narrow-veins, which had a positive impact on feed grade consistency. Sulphide feed grades improved as mining took place in areas with mainly strata mineralization. Work is continuing on reconciliations and the learnings are incorporated in the near-term mine plans to further improve and optimize sequences.

Gold production of 24,479 ounces for the fourth quarter of 2022 was 29% lower than the same period in 2021 due to the reduction in copper concentrate produced.

Copper C1 cash cost¹ of \$2.81 per lb was \$2.02 per lb higher than the comparable quarter in 2021, mainly due to lower production, a non-recurring favourable movement on operational provisions in the fourth quarter of 2021 following the conclusion of the arbitration case on electricity prices charged by ZESCO, as well as underlying cost increases from higher fuel, explosives, and employee costs. Copper AISC¹ of \$3.55 per lb was \$1.88 per lb higher than the comparable quarter in 2021 due to higher copper C1 cash costs¹ in the quarter, reduced by lower royalties, capitalized stripping² and sustaining capital expenditure².

Sales revenues of \$356 million were 44% lower than the same quarter of 2021, reflecting a decrease in copper sales volumes during the quarter and negative gold finalization recorded in December 2022. Gross loss of \$17 million was \$354 million lower than the comparable period in 2021, reflecting lower sales revenues and increases in costs.

Full Year

Kansanshi produced 146,282 tonnes of copper over the year ended December 31, 2022, which was 28% lower than 2021 due to lower grades and the resulting impacts on recovery. After an extended rainy season, accumulation of water in the M12 cutback restricted mining deployment, which led to supplementary plant feed from low-grade stockpile. During the period, grades were also affected by a higher than normal proportion of sulphide feed that came from narrow-veined regions as a result of the current mine layout and mining sequence. Recent detailed updates of the geological model confirm that a relatively small proportion, 20% of the sulphide ores, comprise of vein-hosted areas and 80% from dominant stratiform mineralization. Ongoing reconciliation enhancements have elevated the understanding of such areas, which will allow near-term mine plans and sequences to be improved and optimized.

Gold production for the year ended December 31, 2022 of 109,617 ounces is 14% lower than the same period in 2021, mainly due to the decrease in copper production, partially offset by improvements on the gravity gold recovery circuit.

Copper C1 cash cost¹ of \$2.18 per lb for the year ended December 31, 2022 was \$1.14 per lb higher than the same period in 2021, mainly due to lower production and inflationary pressures impacting fuel, explosives, employee and maintenance costs, coupled with a non-recurring favourable movement on operational provisions in the fourth quarter of 2021. Copper AISC¹ of \$3.11 per lb was \$1.15 per lb higher than the same period in 2021, driven by higher copper C1 cash costs¹ and higher capitalized stripping², partially offset by lower royalties and lower sustaining capital expenditure².

Sales revenues of \$1,706 million for the year ended December 31, 2022 were 15% lower than 2021 due to lower sales volumes and lower realized copper prices¹ excluding the impact of the corporate sales hedge program. Gross profit for the year ended December 31, 2022 of \$382 million was 61% lower than 2021 due to lower sales volumes and an increase in operating costs.

Kansanshi Copper Smelter

Fourth Quarter

The smelter treated 322,984 DMT of concentrate during the quarter and produced 80,279 tonnes of copper anode and 301,000 tonnes of sulphuric acid. The concentrate grade treated in the quarter was 25%.

Full Year

The smelter treated 1,304,839 DMT of concentrate during the year ended December 31, 2022 and produced 304,914 tonnes of copper anode and 1,247,000 tonnes of sulphuric acid. The concentrate grade treated during the period was 24%.

¹ Copper all-in sustaining costs (copper AISC), Copper C1 cash cost (copper C1), and realized metal prices are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Capitalized stripping, sustaining capital and project capital are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

Outlook

Production in 2023 is expected to be 130,000 – 150,000 tonnes of copper, and 95,000 – 105,000 ounces of gold. Kansanshi copper production in 2023 and 2024 reflects similar levels as 2022 with lower oxide grades and sulphide grades while mining vein-hoisted areas. Copper and gold production in 2025 includes some limited production associated with the S3 Expansion, expected to commence in the second half of 2025.

Following procurement of long-lead items, engineering contractors have commenced with the detailed design for the S3 Expansion. The mining fleet has been procured and deliveries will commence in the second half of 2023, which will enable the mine to transition ahead of the plant commissioning in the second half of 2025. Engineering has also commenced on the related smelter expansion project and orders have been placed for key long-lead items associated with the oxygen plant, acid plant, and wet electrostatic precipitation.

Trident

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Waste mined (000's tonnes)	23,485	24,030	24,624	95,335	102,445
Ore mined (000's tonnes)	14,721	14,766	14,863	56,219	57,380
Copper ore milled (000's tonnes) ¹	15,456	15,376	15,030	58,868	56,329
Copper ore grade processed (%)	0.52	0.46	0.45	0.46	0.47
Copper recovery (%)	90	91	89	90	89
Copper production (tonnes)	73,409	64,120	60,197	242,451	232,688
Concentrate grade (%)	27.8	28.5	28.0	28.3	27.5
Copper sales (tonnes)	71,642	60,058	58,087	241,162	232,812
Copper all-in sustaining cost (AISC) (per lb) ²	\$2.25	\$2.39	\$2.39	\$2.43	\$2.21
Copper cash cost (C1) (per lb) ²	\$1.55	\$1.77	\$1.51	\$1.69	\$1.44
Total copper cost (C3) (per lb) ²	\$2.42	\$2.69	\$2.59	\$2.66	\$2.40
Financial Results (\$ millions)					
Sales revenues – Copper	535	437	527	1,980	2,032
Gross profit	169	95	233	665	916
EBITDA ²	258	172	300	970	1,178

¹ Measured in dry metric tonnes ("DMT")

² Copper all-in sustaining costs (copper AISC), copper C1 cash cost (copper C1), and total copper cost (copper C3) are non-GAAP ratios, and EBITDA is a non-GAAP financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Fourth Quarter

Sentinel delivered record quarterly production with 73,409 tonnes of copper produced as throughput, grade, and recoveries improved in the fourth quarter despite experiencing heavy rainfall in December. Production was 22% higher than the comparable quarter in 2021. The record quarterly throughput was 3% higher than the same quarter in 2021 and benefitted from the treatment of soft, well-fragmented ore and the performance of the fourth in-pit crusher. The feed grade was 16% above the same period in 2021 with more consistent higher-grade ore being exposed in the Stage 1 and Stage 2 pits. Recovery was 1% higher with less transitional ore processed compared with the same period in 2021.

C1 cash cost¹ of \$1.55 per lb for the fourth quarter of 2022 was \$0.04 per lb higher than the comparable period of 2021, reflecting higher employee, fuel, explosives and contractor costs, partially offset by the higher copper production. Despite the higher C1 cash cost¹, copper AISC¹ for the fourth quarter of 2022 of \$2.25 per lb was \$0.14 per lb lower than the comparable period in 2021 due to a reduction in royalties as a result of the lower copper price.

Sales revenues of \$535 million were \$8 million higher than the same period in 2021 reflecting a 23% increase in copper sales volumes, partially offset by the decrease in realized copper prices¹. Sales revenues comprise of both concentrate and anode sales, with a higher proportion of revenue realized from copper anodes.

¹ Copper all-in sustaining costs (copper AISC), Copper C1 cash cost (copper C1), and realized metal prices are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Gross profit of \$169 million was \$64 million lower than the comparable period in 2021 due to higher employee, fuel, explosives, contractors and consumables costs partially offset by the higher sales revenues.

Full Year

Copper production of 242,451 tonnes for the year ended December 31, 2022 was 4% higher than the comparable period in 2021, due to higher throughput and recoveries, which was partially offset by lower grades. Throughput benefitted from the treatment of soft, well-fragmented ore and the performance of the fourth in-pit crusher. Feed grade was impacted by a delay in the Stage 2 North-wall stripping during the first half of 2022, which improved during the second half of 2022 with more consistent higher-grade ore being exposed in the Stage 1 and Stage 2 pits.

C1 cash cost¹ of \$1.69 per lb for the year ended December 31, 2022 was \$0.25 per lb higher than the same period in 2021, due to higher employee, freight, fuel, explosives and consumable costs, partially offset by higher copper production. Copper AISC¹ of \$2.43 per lb was \$0.22 per lb higher than the same period of 2021 due to higher C1 cash cost¹ and sustaining capital expenditure², partially offset by a reduction in royalties as a result of the lower copper price.

Sales revenues of \$1,980 million were \$52 million lower than the same period in 2021 due to a decline in the realized copper prices¹ excluding the impact of the corporate sales hedge program, despite a 4% increase in copper sales volumes. Sales revenues comprise of both concentrate and anode sales, with a higher proportion of revenue realized from copper anodes.

Gross profit of \$665 million was \$251 million lower than the comparable period in 2021, reflecting lower revenues and higher employee, freight, fuel, explosives and consumable costs.

Outlook

Copper production in 2023 is expected to be 260,000 – 280,000 tonnes. The operation has experienced particularly heavy rains in January 2023, which has impacted mining operations and the sequence of mining. As a result, copper production is expected to be below the quarterly average in the first quarter. A 5-day maintenance shutdown is planned for the third quarter.

The operational focus will continue to be on mining fleet's availability and productivity and ramping up mining volumes and waste stripping to maintain access to the planned higher-grade ore, as well as a focus on drilling, blasting and secondary crushing to optimize the mine to mill process. The ramp-up in mining volumes will be assisted by the additional mining equipment and haul units, as well as increased trolley utilization. Major capital projects include the fourth stage tailings pumping system, completion of the permanent effluent treatment facility and preparation for relocation and modification of crusher 2. Stage 3 waste stripping will commence in the third quarter.

Nickel production at Enterprise is expected to commence in the first half of 2023 with ramp up to full plant throughput in 2024. 2023 production guidance for Enterprise is 5,000 – 10,000 contained tonnes of nickel, and includes 5,000 tonnes of pre-commercial production results.

¹ Copper all-in sustaining costs (copper AISC), Copper C1 cash cost (copper C1), and realized metal prices are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Capitalized stripping, sustaining capital and project capital are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".



Ravensthorpe

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Beneficiated ore tonnes processed (000's)	696	728	544	2,629	2,441
Beneficiated ore grade processed (%)	1.16	1.13	0.98	1.16	1.01
Nickel recovery (%)	81	81	74	79	74
Nickel production (contained tonnes)	5,705	5,849	3,385	21,529	16,818
Nickel sales (contained tonnes)	6,840	5,992	3,756	20,074	17,078
Nickel production (payable tonnes)	4,450	4,960	2,855	18,501	14,018
Nickel sales (payable tonnes)	5,216	5,072	3,175	16,768	14,313
Nickel all-in sustaining cost (AISC) (per lb) ¹	\$11.10	\$10.41	\$11.15	\$10.45	\$9.87
Nickel cash cost (C1) (per lb) ¹	\$9.32	\$9.12	\$10.93	\$8.83	\$8.59
Total nickel cost (C3) (per lb) ¹	\$11.70	\$10.76	\$12.87	\$10.72	\$10.24
Financial Results (\$ millions)					
Sales revenues	164	117	69	476	286
Gross profit (loss)	24	(10)	(25)	34	(63)
EBITDA ¹	40	1	(16)	78	(29)

¹ Nickel all-in sustaining cost (nickel AISC), nickel C1 cash cost (nickel C1), total nickel cost (nickel C3) are non-GAAP ratios, and EBITDA is a non-GAAP financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Fourth Quarter

Nickel production for the fourth quarter of 2022 was 5,705 contained tonnes of nickel, a 69% increase from the same quarter in 2021. HPAL rates continued to improve during the fourth quarter, achieving similar production volumes as the previous quarter despite a planned autoclave descale shutdown in October 2022. Beneficiation and HPAL availability improved by 12% compared to the fourth quarter of 2021. Improved ore handling and processing from the new Shoemaker Levy mine also continued, leading to improved beneficiation plant availability and stability.

Ravensthorpe continues to be impacted by a tight labour market in the Western Australian mining industry, leading to rising labour costs.

Nickel C1 cash cost¹ for the three months ended December 31, 2022 was \$9.32 per lb, a 15% decrease from the comparable period in 2021. The increase in production volumes in the fourth quarter of 2022 offset the higher processing costs due to increased sulphur and fuel prices when compared to the same period in the prior year. AISC¹ of \$11.10 per lb for the fourth quarter of 2022 is comparable to the same period in 2021, driven by lower C1 cash cost¹ which was offset by increased sustaining capital expenditure².

Sales revenues in the fourth quarter of 2022 were \$164 million, an increase of 138% from the same quarter in 2021. The increase in sales revenues was attributable to a 64% increase in the volume of payable nickel tonnes sold and higher net realized nickel prices¹.

Gross profit of \$24 million in the fourth quarter of 2022 was \$49 million higher than the comparable quarter, reflecting higher payable sales volumes and higher realized prices¹, partially offset by higher operating costs.

The net realized nickel price¹ was \$13.67 per lb for the fourth quarter of 2022, a 54% increase from \$8.88 per lb in the comparable period in 2021. The average LME nickel price for the quarter was \$11.47 per lb.

Full Year

Nickel production for the year ended December 31, 2022 was 21,529 contained tonnes, a 28% increase from the same period in 2021. Production in the first quarter of 2022 was impacted by damage to the power plant high pressure steam header in December 2021, which resulted in a three-week plant shutdown. Design changes were implemented to prevent a

¹ Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

similar reoccurrence. Repairs were completed successfully and production resumed in early January 2022. Production for the second quarter was impacted by wet weather, which impacted materials handling and reduced beneficiation throughput, in addition to low pre-leach extractions and limestone availability. HPAL rates improved throughout the second half of the year, with improved ore handling and processing from the new Shoemaker Levy mine as well as improved beneficiation plant availability and stability. Production in the fourth quarter was impacted by flow restrictions through the precipitation circuit with a major blockage in the Manganese Removal (MnR) thickener feedline, resulting in two days of lost production.

Nickel C1 cash cost¹ for the year ended December 31, 2022 was \$8.83 per lb, a 3% increase from 2021, reflecting higher processing costs mainly due to increases in sulphur and fuel prices, partially offset by reduced mining costs and an increase in by-product credits. AISC¹ of \$10.45 per lb for the year ended December 31, 2022 is 6% higher than 2021 driven by higher royalties and sustaining capital expenditures² as well as higher nickel C1 cash cost¹.

Sales revenues for the year ended December 31, 2022 were \$476 million, an increase of 66% from the same period in 2021. The increase in sales revenues was mainly due to a 17% increase in payable sales volumes, as well as higher net realized nickel prices¹.

Gross profit of \$34 million for the year ended December 31, 2022 was \$97 million higher than the same period in 2021 due to higher sales revenues, partially offset by higher operating costs.

The net realized nickel price¹ for the year ended December 31, 2022 was \$11.93 per lb, a 48% increase from the comparable period in 2021. The average LME Nickel price for the quarter was \$11.61 per lb.

In March 2022, the Company filed an updated NI 43-101 Technical Report for Ravensthorpe.

Outlook

Production guidance for 2023 is expected to be 23,000 – 28,000 contained tonnes of nickel.

Mining continues to be focused on optimizing the Shoemaker Levy operation through ore blend trials. The focus for the plant remains on continuing plant availability improvements, well-executed maintenance works and optimization of buffer ponds.

During 2023, work will continue on rebuilding two of the atmospheric leach tanks, one of which has been offline since the restart in 2020. Work is scheduled to take approximately six to twelve months and will improve recoveries and plant stability once complete.

Statutory inspections and shutdowns of both HPAL trains are planned for two weeks in each of February, August and November 2023. A major acid plant shutdown is also scheduled for two weeks in November 2023 which will also include a plant wide shut down for approximately five days.

A new initiative for a potential wind farm at Ravensthorpe to reduce reliance on power from diesel powered back-up generators is subject to final approval.

Payabilities have been impacted by a disconnect between the key Class 1 benchmark nickel quotations and the broader nickel market, as well as increased volatility within this sector.

¹ Nickel all-in sustaining cost (nickel AISC), nickel C1 cash cost (nickel C1), and realized metal prices are non-GAAP ratios, and do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Sustaining capital expenditure is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

Guelb Moghrein

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Waste mined (000's tonnes)	1,526	1,262	2,871	6,616	5,160
Ore mined (000's tonnes)	128	126	–	323	1,757
Sulphide ore milled (000's tonnes) ¹	849	869	585	3,227	3,426
Sulphide ore grade processed (%)	0.45	0.43	0.58	0.48	0.62
Sulphide copper recovery (%)	91	89	76	86	88
Copper production (tonnes)	3,481	3,336	2,588	13,313	18,845
Copper sales (tonnes)	3,765	3,300	4,359	12,522	23,614
Gold production (ounces)	7,434	7,439	6,552	30,845	38,431
Gold sales (ounces)	8,601	9,754	8,189	30,852	46,661
Magnetite concentrate production (WMT) ²	148,502	176,395	56,058	645,061	375,268
Magnetite concentrate sales (WMT) ²	140,055	138,908	45,700	559,349	362,083
Copper all-in sustaining cost (AISC) (per lb) ³	\$3.19	\$2.38	\$4.57	\$2.47	\$1.66
Copper cash cost (C1) (per lb) ³	\$2.57	\$1.99	\$4.11	\$2.00	\$1.38
Financial Results (\$ millions)					
Sales revenues	56	54	55	214	313
Gross profit	3	4	5	27	105
EBITDA ³	6	6	11	36	140

¹ Measured in dry metric tonnes ("DMT")

² Magnetite concentrate production and sales volumes are measured in wet metric tonnes ("WMT").

³ Copper all-in sustaining costs (copper AISC), copper C1 cash cost (copper C1), are non-GAAP ratios, and EBITDA is a non-GAAP financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Fourth Quarter and Full Year

Copper production for the fourth quarter of 2022 was 35% higher than the same quarter in 2021 due to higher recoveries and higher throughput. Production in the fourth quarter of 2021 was impacted by a crusher failure that resulted in fourteen days of downtime during December 2021. Copper production for the year ended December 31, 2022 was 29% lower than the same period in 2021, due to lower grades, recoveries, and throughput due to the nature of the material fed from ore stockpile as the mine transitions to its next phase.

Gold production for the fourth quarter and full year ended December 31, 2022 was 13% and 20% lower, respectively, compared to the same periods in 2021 as a result of lower grades.

Magnetite production for the fourth quarter and full year ended December 31, 2022 were 165% and 72% higher, respectively, compared to the same periods in 2021 due to higher feed grade and recoveries.

Copper C1 cash cost¹ for the fourth quarter was \$1.54 per lb lower than the same period in 2021, attributable to higher copper production. AISC¹ for the quarter was \$1.38 per lb lower than the fourth quarter of 2021, mainly due to the lower C1 cash costs¹, partially offset by higher sustaining capital expenditure². Copper C1 cash cost¹ for the year was \$0.62 per lb higher than the prior year due to higher fuel, employee, maintenance and consumables costs impacted by inflationary pressures. AISC¹ for the year ended December 31, 2022 increased by \$0.81 per lb compared to the same period in 2021, mainly due to higher C1 cash costs¹ and higher sustaining capital expenditure².

Sales revenues for the fourth quarter and full year ended December 31, 2022 were 2% higher and 32% lower, respectively, compared to the same periods in 2021 due to lower sales volumes and lower realized copper prices¹ excluding the impact of the corporate sales hedge program. Gross profit for the fourth quarter and full year ended December 31, 2022 were \$2

¹ Copper all-in sustaining costs (copper AISC), Copper C1 cash cost (copper C1), and realized metal prices are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Capitalized stripping, sustaining capital and project capital are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

million and \$78 million lower, respectively, than the comparable periods in 2021, attributable to lower sales revenues and higher costs.

Outlook

Production in 2023 is expected to be approximately 13,500 tonnes of copper, 30,000 ounces of gold, and 485,000 WMT of magnetite concentrate.

The stripping of Cutback 4 in the main pit is progressing well and expected to extend mining operations to the end of 2025. Operations at Cutback 2 are also advancing well with the project expected to be completed in the first quarter of 2023.

Production forecast in 2023 includes monthly fibre shuts and a partial relining of the SAG mill in the first and fourth quarters of 2023.

Recommissioning of the CIL plant, together with construction of a re-pulping and scrubbing plant as well as additional CIL tailing ponds, has been approved. Orders are underway and commissioning is expected in the fourth quarter of 2023.

Las Cruces

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Copper cathode production (tonnes)	2,229	2,341	2,805	9,557	13,652
Copper cathode sales (tonnes)	2,236	2,346	2,914	9,570	14,322
Financial Results (\$ millions)					
Sales revenues	18	18	29	85	131
Gross profit (loss)	(6)	(9)	3	(20)	33
EBITDA ¹	(6)	(10)	5	(22)	47

¹ EBITDA is a non-GAAP financial measure, and does not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Fourth Quarter and Full Year

After depletion of secondary ore reserves and the processing of ore stockpiles completed in February 2021, the operation has transitioned to the re-processing of high-grade tailings.

Copper production for the fourth quarter and full year ended December 31, 2022 decreased compared to the same periods in 2021 due to lower grade ore feed and a decline in recoveries from tailings.

Gross loss of \$6 million for the fourth quarter of 2022 was \$9 million lower than the comparable quarter in 2021, and included care and maintenance costs of \$4 million. Gross loss for the year ended December 31, 2022 of \$20 million is a \$53 million reduction from the same period in 2021. Decreases were due to lower sales revenues and higher electricity prices, as well as care and maintenance costs of \$18 million incurred in 2022.

Outlook

Copper production guidance for 2023 is 6,000 tonnes. Reprocessing of high-grade tailings is expected to continue until the third quarter of 2023.

The technical and study work on the polymetallic refinery project are expected to continue, as well as work to obtain permits required to carry out the project. Environmental permits were received at the end of 2020 and a mine exploitation permit was granted in June 2021. The only outstanding license, the water concession, is expected in February 2023. An update of the NI 43-101 Technical Report was published in January 2022 with a mineral resource upgrade to 41.2 million tonnes of the Polymetallic Primary Sulphide of Measured and Indicated Mineral Resources, including 5 million tonnes of Indicated Mineral Resources as stockpile. Further detailed technical work is being conducted to convert Mineral Resources to Mineral Reserves as part of the Las Cruces Underground Project. The Company is also in the process of exploring commercial agreements with other mines in the region to further enhance the value of the project.

Çayeli

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Copper production (tonnes)	2,434	2,913	3,532	11,456	14,799
Copper sales (tonnes)	2,918	2,836	978	14,098	11,343
Zinc production (tonnes)	303	983	1,576	3,132	6,754
Zinc sales (tonnes)	–	2,038	1,941	4,230	5,316
Financial Results (\$ millions)					
Sales revenues	19	22	12	120	99
Gross profit	4	5	2	53	42
EBITDA ¹	7	9	5	69	59

¹ EBITDA is a non-GAAP financial measure, and does not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Fourth Quarter and Full Year

Copper and zinc production for the fourth quarter and full year ended December 31, 2022 were lower compared to the same periods in 2021 due to production from lower grade areas, as well as lower throughput as the mine approaches the end of its mine life.

Gross profit for the three months ended December 31, 2022 was \$2 million higher than the same period in 2021 due to higher sales revenues related to the timing of shipments. Gross profit for the year ended December 31, 2022 was \$11 million higher than same period in 2021 due to an increase in sales revenues with higher realized metal prices¹ and sales volumes.

Outlook

Production for 2023 is expected to be 10,000 tonnes of copper and 3,000 tonnes of zinc, reflecting a declining number of work areas as the mine approaches reserve depletion in 2026.

Production is expected to be challenging due to the ground stabilization and the main ramp traffic management with the closure of the shaft.

Pyhäsalmi

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Copper production (tonnes)	–	731	732	2,362	3,292
Copper sales (tonnes)	525	470	765	2,429	3,393
Pyrite production (tonnes)	66,380	52,907	107,984	341,041	434,148
Pyrite sales (tonnes)	99,328	97,913	106,701	403,695	437,400
Financial Results (\$ millions)					
Sales revenues	9	10	12	43	52
Gross profit (loss)	(2)	2	4	10	21
EBITDA ¹	(1)	1	5	10	20

¹ EBITDA is a non-GAAP financial measure, and does not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

Outlook

Underground production of copper and zinc ended in August 2022. Production in 2023 is expected to be approximately 350,000 tonnes of pyrite. Pyrite production continues from tailing ponds and is processed in the mill.

¹ Realized metal price is a non-GAAP ratio, and does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

SUMMARY FINANCIAL RESULTS

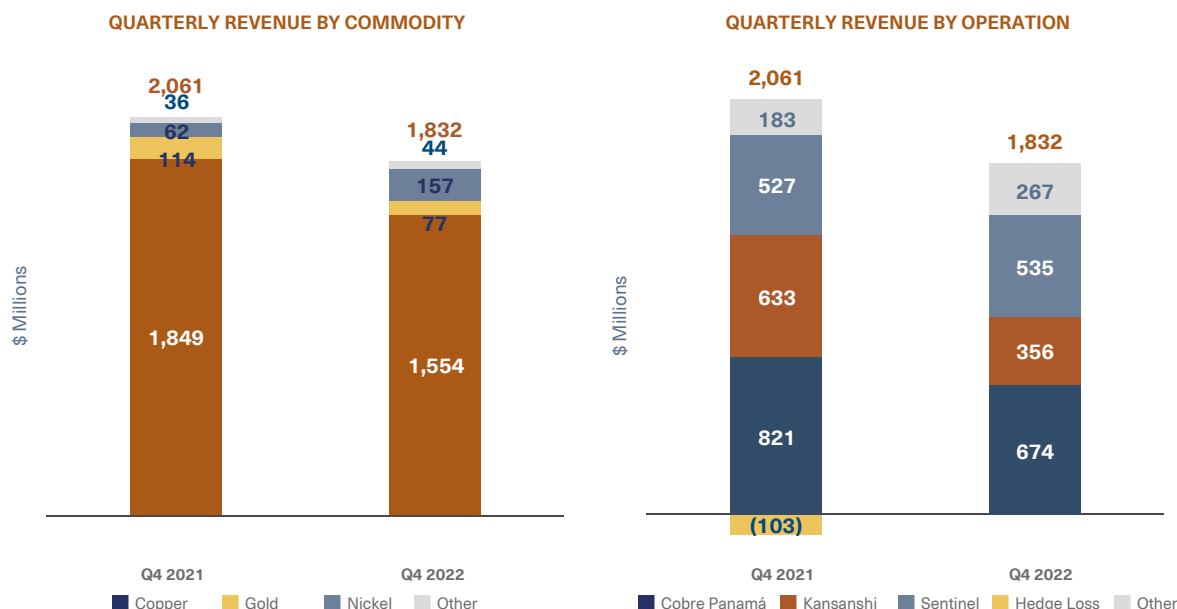
	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Sales revenues	1,832	1,727	2,061	7,626	7,212
Gross profit (loss)					
Cobre Panamá	189	216	336	1,065	1,449
Kansanshi	(17)	–	337	382	969
Trident	169	95	233	665	916
Ravensthorpe	24	(10)	(25)	34	(63)
Corporate & other	(4)	1	(97)	54	(709)
Total gross profit	361	302	784	2,200	2,562
Exploration	(9)	(9)	(7)	(26)	(20)
General and administrative	(40)	(35)	(29)	(136)	(118)
Impairment expense	–	–	(44)	–	(44)
Other income	2	31	18	203	218
Net finance expense ¹	(147)	(137)	(165)	(582)	(660)
Loss on redemption of debt	–	–	(21)	–	(21)
Adjustment for expected phasing of Zambian VAT	(56)	(6)	2	(190)	(16)
Income tax recovery (expense)	6	(34)	(239)	(320)	(812)
Net earnings	117	112	299	1,149	1,089
Net earnings attributable to:					
Non-controlling interests	–	(1)	52	115	257
Shareholders of the Company	117	113	247	1,034	832
Adjusted earnings ²	151	96	306	1,064	826
Earnings per share					
Basic	\$0.17	\$0.16	\$0.36	\$1.50	\$1.21
Diluted	\$0.17	\$0.16	\$0.36	\$1.49	\$1.20
Adjusted ²	\$0.22	\$0.14	\$0.44	\$1.54	\$1.20
Basic weighted average number of shares (in 000's)	691,053	690,726	688,691	690,516	688,674

¹ Net finance expense comprises finance income and finance costs.

² Adjusted earnings is a non-GAAP financial measure and adjusted earnings per share is a non-GAAP ratio. Such measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings was previously named comparative earnings, and the composition remains the same. See "Regulatory Disclosures".

Sales Revenues

FOURTH QUARTER



Sales revenues for the fourth quarter of 2022 of \$1,832 million were 11%, or \$229 million, lower than the comparable period of 2021, reflecting the decrease in copper and gold sales revenues partially offset by higher nickel sales revenues.

Copper sales revenues for the fourth quarter of 2022 of \$1,554 million were 16%, or \$295 million, lower than the comparable period in 2021 reflecting the 14% lower net realized copper price¹ and lower copper sales volumes. Total copper sales volumes for the fourth quarter of 2022 were 7% lower than the same period in 2021, mainly attributable to reduced sales volumes at Kansanshi, partially offset by higher sales volumes at Sentinel arising from record quarterly production. With the cessation of the corporate sales hedge program, no hedge gain or loss was recognized in copper sales revenues, compared with a loss of \$102 million, or \$0.22 per lb, in the fourth quarter of 2021.

The net realized price¹ for copper of \$3.40 per lb for the fourth quarter of 2022 was 14% lower than the same period in 2021 and benefitted from a reduced hedge profile. This compares to a decrease of 18% in the average LME price of copper for the same period to \$3.63 per lb.

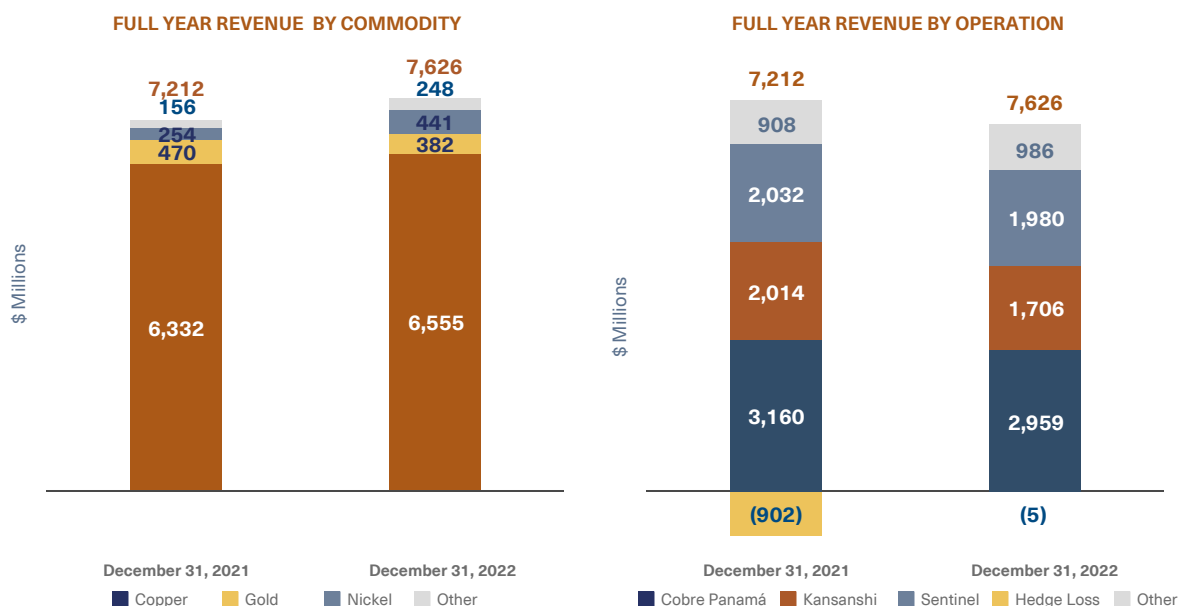
Nickel sales revenues of \$157 million for the fourth quarter of 2022 were 153%, or \$95 million, higher than the comparable period in 2021, reflecting higher sales volumes and higher net realized metal prices¹. Nickel sales volumes were 6,840 contained tonnes for the quarter, an 82% increase to the comparable period of 2021. No hedge gain or loss was recognized on nickel sales revenues in the quarter, compared with a \$1 million loss in the comparative quarter of 2021, or \$0.14 per lb.

The net realized price¹ for nickel of \$13.67 per lb for the fourth quarter of 2022 was 54% higher than that for the same period in 2021.

Gold sales revenues for the fourth quarter of 2022 of \$77 million were 32%, or \$37 million, lower than the comparable period in 2021, arising from lower gold sales volumes and lower net realized metal prices¹. The lower gold sales revenues were primarily attributable to reduced sales volumes from Kansanshi, while Cobre Panamá and Guelb Moghrein sales volumes remained in line with the fourth quarter of 2021. The cost for the purchase of refinery-backed gold and silver credits recognized within revenues was \$58 million, \$3 million lower than the comparable period in 2021.

¹ Realized metal price is a non-GAAP ratio, and does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

FULL YEAR



Sales revenues for the year ended December 31, 2022 of \$7,626 million were 6%, or \$414 million, higher than the comparable period of 2021, reflecting the increases in copper and nickel sales revenues of \$223 million and \$187 million, respectively, partially offset by lower gold sales revenues of \$88 million, or 19%, compared to the same period in 2021.

Copper sales revenues of \$6,555 million were 4%, or \$223 million, higher than the comparable period in 2021 reflecting the higher net realized copper price¹ offset by lower copper sales volumes. Copper sales revenues included a \$1 million loss on the copper sales hedge program, compared with a loss of \$892 million, or \$0.49 per lb, in the comparable period in 2021.

The net realized price¹ for copper of \$3.74 per lb in 2022 was 7% higher than the same period in 2021 and benefitted from a reduced hedge profile. This compares to a decrease of 6% in the average LME price of copper for the same period to \$3.99 per lb.

Nickel sales revenues of \$441 million were 74%, or \$187 million, higher than the comparable period of 2021, reflecting higher net realized metal prices¹ throughout the period and increased nickel sales volumes. Nickel sales revenues include a \$4 million loss on the nickel sales hedge program, or \$0.12 per lb, compared with a \$10 million loss in the comparative period of 2021, or \$0.32 per lb.

The net realized price¹ for nickel of \$11.93 per lb in 2022 was 48% higher than the comparable period in 2021.

Gold sales revenues in 2022 of \$382 million were 19%, or \$88 million, lower than the comparable period in 2021, reflecting lower gold sales volumes with comparable realized metal prices¹. Kansanshi, Cobre Panamá and Mauritania gold sales revenues reduced by \$45 million, \$18 million and \$26 million, respectively, attributable to lower sales volumes at these operations. The cost for the purchase of refinery-backed gold and silver credits recognized within revenues in 2022 was \$229 million, \$8 million lower than the comparable period in 2021.

¹ Realized metal price is a non-GAAP ratio, and does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.



(in United States dollars, tabular amounts in millions, except where noted)

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Copper selling price (per lb)					
Average LME cash price	\$3.63	\$3.51	\$4.40	\$3.99	\$4.23
Realized copper price ¹	\$3.56	\$3.43	\$4.08	\$3.90	\$3.64
Treatment/refining charges ("TC/RC") (per lb)	(\$0.12)	(\$0.12)	(\$0.11)	(\$0.13)	(\$0.12)
Freight charges (per lb)	(\$0.04)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)
Net realized copper price ¹	\$3.40	\$3.28	\$3.94	\$3.74	\$3.49

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Gold selling price (per oz)					
Average LBMA cash price	\$1,728	\$1,729	\$1,795	\$1,800	\$1,799
Net realized gold price ^{1,2}	\$1,574	\$1,546	\$1,677	\$1,665	\$1,673

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Nickel selling price (per payable lb)					
Average LME cash price	\$11.47	\$10.01	\$8.99	\$11.61	\$8.39
Net realized nickel price ^{1,3}	\$13.67	\$9.76	\$8.88	\$11.93	\$8.05

¹ Realized metal prices are a non-GAAP ratio, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Excludes gold revenues recognized under the precious metal stream arrangement.

³ The premium to the average LME cash price arose from the timings of sales across the periods, their respective quotation pricing periods and the impact from the Company's decision to temporarily suspend its nickel hedging program following the failure of the LME nickel platform in March 2022.

Given the volatility in commodity prices, significant variances may arise between average market price and net realized prices due to the timing of sales during the period. Details of the Company's hedging program and the contracts held are included on page 48.

Gross Profit

Fourth Quarter

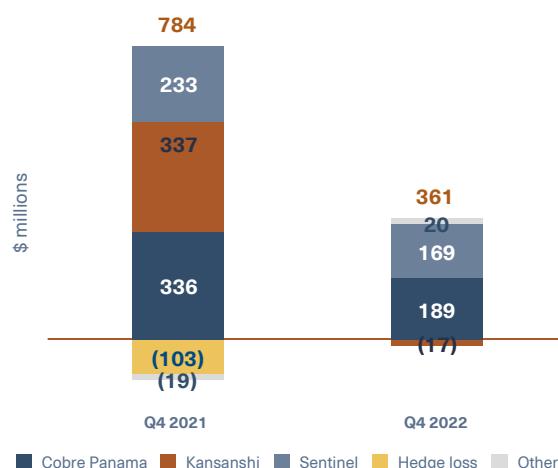
Gross profit for the quarter of \$361 million was \$423 million lower than the fourth quarter of 2021, due to lower net realized metal prices¹ following the reduced hedge profile and higher cash costs.

Gross profit in Q4 2021	784
Lower net realized prices ¹	(195)
Lower sales volumes and change in sales mix	(53)
Lower by-product contribution	(26)
Higher cash costs	(204)
Lower royalty expense	52
Higher depreciation	(13)
Positive impact of foreign exchange on operating costs	16
Gross profit in Q4 2022 ²	361

¹ Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Gross profit is reconciled to EBITDA by including exploration costs of \$9 million, general and administrative costs of \$40 million, share of profit in joint venture of \$4 million, and adding back depreciation of \$327 million and other expense of \$4 million (a reconciliation of EBITDA is included in "Regulatory Disclosures").

QUARTERLY GROSS PROFIT BY OPERATION



Gross profit for the fourth quarter of 2022 was \$361 million, a decrease of \$423 million, or 54%, from the same period in 2021. The fourth quarter of 2022 decrease was attributable to lower sales revenues due to lower net realized metal prices¹ and sales volumes combined with increased operating costs. The increased costs arose due to higher prices for fuel, electricity, explosives, consumables and freight. No hedge gain or loss was recognized in the quarter on the corporate sales hedge program, compared to a loss of \$103 million in the comparative quarter of 2021.

Full Year

Gross profit for the year ended December 31, 2022 of \$2,200 million was \$362 million lower than the comparable period of 2021 due to higher cash costs, partially offset by higher net realized metal prices¹ following the reduced hedge profile.

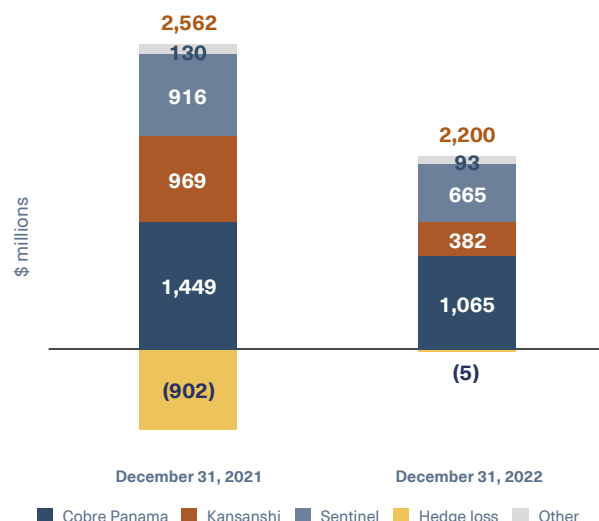
Gross profit in 2021	2,562
Higher net realized prices ¹	636
Lower sales volumes and change in sales mix	(74)
Lower by-product contribution	(39)
Higher cash costs	(920)
Lower royalty expense	74
Higher depreciation	(56)
Positive impact of foreign exchange on operating costs	17
Gross profit in 2022 ²	2,200

¹ Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Gross profit is reconciled to EBITDA by including exploration costs of \$26 million, general and administrative costs of \$136 million, share of profit in joint venture of \$44 million, and adding back depreciation of \$1,230 million and other expense \$4 million (a reconciliation of EBITDA is included in "Regulatory Disclosures").

¹ Realized metal price is a non-GAAP ratio, and does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

FULL YEAR GROSS PROFIT BY OPERATION



Gross profit for the year ended December 31, 2022 was \$2,200 million, a decrease of \$362 million, or 14%, from the same period in 2021, and was driven by lower sales revenues due to lower sales volumes as well as increased costs, offset by higher net realized prices¹ following the reduced hedge profile. Operating costs have been impacted by higher prices for electricity, explosives, consumables, maintenance, employee costs, sulphur and freight. A loss of \$5 million was recognized in the year ended December 31, 2022 on the corporate sales hedge program, compared to a loss of \$902 million in the comparative period of 2021.

Net Earnings

Fourth Quarter

Net earnings attributable to shareholders of the Company for the fourth quarter of 2022 were \$117 million, \$130 million lower than the same period in 2021. Basic earnings per share was \$0.17 during the quarter compared to \$0.36 earnings per share in the same quarter of 2021. Net finance expense of \$147 million was \$18 million lower than the fourth quarter of 2021 due to lower debt. Net finance expense principally consists of interest on debt of \$125 million, related party interest of \$28 million, accretion of deferred revenue \$15 million, offset by interest capitalized of \$8 million and finance income of \$25 million.

Other income of \$2 million is \$16 million lower than the other income of \$18 million incurred in the comparable period in 2021. Foreign exchange loss of \$25 million includes the impact of an agreement reached in respect of the outstanding VAT receivable, compared to a \$13 million foreign exchange gain in the comparable period of 2021. A \$4 million share of profit in Korea Panamá Mining Corporation ("KPMC") was recognized in the quarter, compared to \$17 million recognized in the comparable period of 2021.

An expense of \$56 million reflecting the expected phasing of the Zambian VAT was recognized in the quarter, compared with a credit of \$2 million recognized in the comparable quarter of 2021.

An income tax expense of \$6 million was recognized in the fourth quarter of 2022, compared with a \$239 million income tax expense recognized in the comparable period in 2021, reflecting applicable statutory tax rates that range from 20% to 30% for the Company's operations. No tax credits were recognized with respect to losses of \$103 million realized under the Company's copper and nickel sales hedge program in the three months ended December 2021. The effective tax rate for the quarter was a credit of 5%, which included the current Law 9 legislation.

Full Year

Net earnings attributable to shareholders of the Company of \$1,034 million for the year ended December 31, 2022 was \$202 million higher than the comparable period in 2021. Basic earnings per share was \$1.50 during the year ended December 31,

¹ Realized metal price is a non-GAAP ratio, and does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

2022, compared to earnings per share of \$1.21 in the same period of 2021. Net finance expense of \$582 million was \$78 million lower than the same period of 2021 as debt levels continued to decrease. Net finance expense principally consisted of interest on debt of \$476 million, related party interest of \$114 million, accretion of deferred revenue of \$63 million, offset by capitalized interest of \$24 million and finance income of \$80 million.

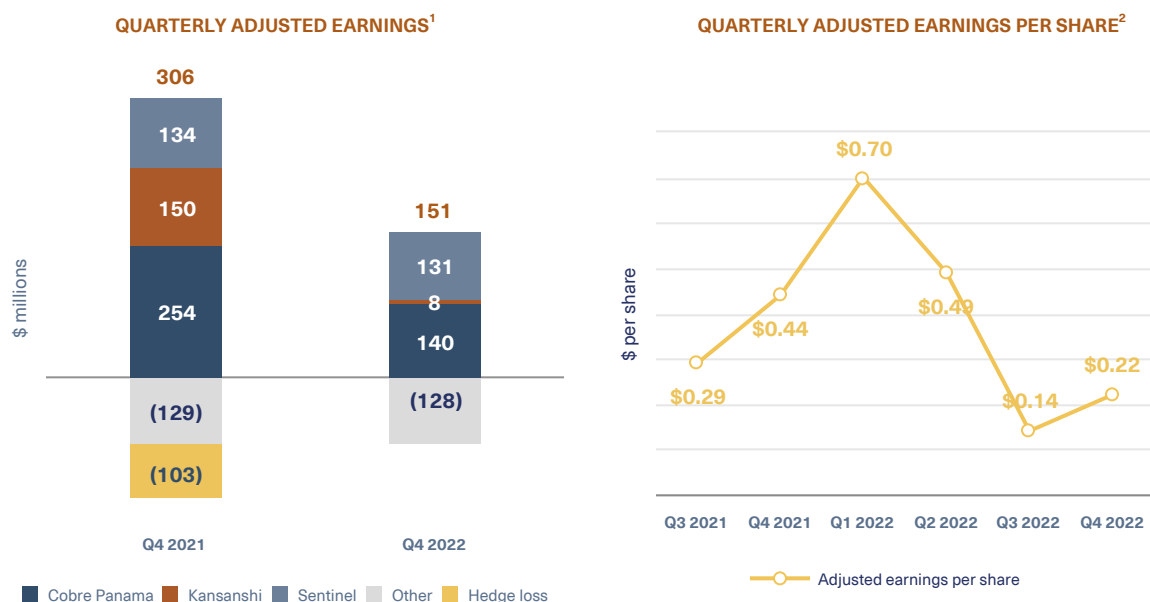
Other income of \$203 million is \$15 million lower than that incurred in the comparable period in 2021. Foreign exchange gain of \$184 million include the impact of an agreement reached in respect of the outstanding VAT receivable compared to a foreign exchange gain of \$159 million in the comparable period in 2021. Other expenses for the year ended December 31, 2022 include a charge of \$40 million for non-recurring costs in connection with previously sold assets. A \$44 million share of profit in KPMC was recognized in the year to December 31, 2022, compared to \$75 million recognized in the comparable period of 2021.

An expense of \$190 million reflecting the expected phasing of the Zambian VAT was recognized in the year ended December 31, 2022, compared with an expense of \$16 million recognized in the comparable period of 2021.

An income tax expense of \$320 million was recognized in the year ended December 31, 2022, compared to a \$812 million expense recognized in the comparable period in 2021, reflecting applicable statutory tax rates that range from 20% to 30% for the Company's operations. No tax credits were recognized with respect to losses of \$902 million realized under the Company's copper and nickel sales hedge program in the year ended December 2021. The effective tax rate for the year to date was 22%, which included the current Law 9 legislation.

Adjusted Earnings¹

FOURTH QUARTER



Adjusted earnings¹ for the quarter ended December 31, 2022 of \$151 million is a decrease of \$155 million from the comparative period in 2021. Adjusted earnings per share² of \$0.22 in the fourth quarter compares to adjusted earnings per share² of \$0.44 in the same period of 2021. The principal items not included in adjusted earnings¹ in the quarter are foreign exchange gains of \$25 million, closed property restoration credits of \$14 million, and the adjustment for expected phasing of Zambian VAT of \$56 million. The effective tax rate, on an adjusted basis, for the quarter ended December 31, 2022 was

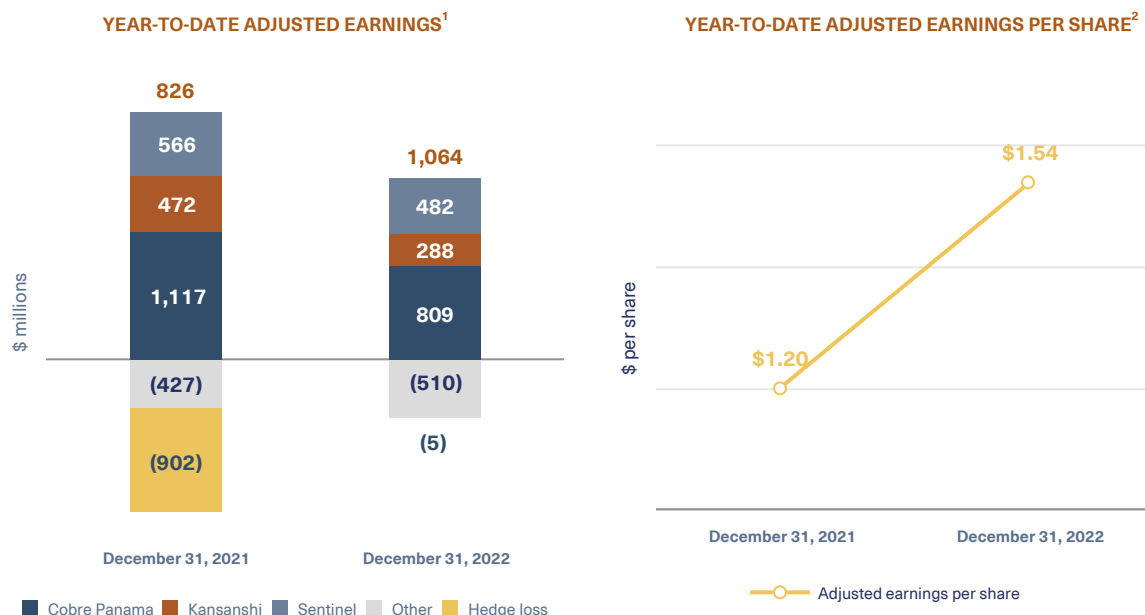
¹ Adjusted earnings is a non-GAAP financial measure, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings was previously named comparative earnings, the composition remains the same. See "Regulatory Disclosures".

² Adjusted earnings per share is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

(in United States dollars, tabular amounts in millions, except where noted)

9%, which included the current Law 9 legislation. The full year tax rate of 22% is in line with guidance of between 20% and 25%. A reconciliation of adjusted metrics is included in "Regulatory Disclosures".

FULL YEAR



Adjusted earnings¹ for the year ended December 31, 2022 of \$1,064 million is an increase of \$238 million from the comparative period in 2021. Adjusted earnings per share² of \$1.54 in the year ended December 31, 2022 compares to adjusted earnings per share² of \$1.20 in the same period of 2021.

The principal items not included in adjusted earnings¹ are foreign exchange gains of \$184 million, the adjustment for expected phasing of Zambian VAT of \$190 million and a charge of \$40 million for non-recurring costs in connection with previously sold assets. The effective tax rate for the year ended December 31, 2022, on an adjusted basis, was 22%, which included the current Law 9 legislation. A reconciliation of adjusted metrics is included in "Regulatory Disclosures".

¹ Adjusted earnings is a non-GAAP financial measure, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings was previously named comparative earnings, the composition remains the same. See "Regulatory Disclosures".

² Adjusted earnings per share is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

LIQUIDITY AND CAPITAL RESOURCES

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Cash flows from operating activities	237	525	760	2,332	2,885
Cash flows used by investing activities	(312)	(293)	(379)	(1,170)	(1,098)
Purchase and deposits on property, plant and equipment	(317)	(296)	(277)	(1,167)	(995)
Acquisition of KPMC	–	–	(100)	–	(100)
Other	5	3	(2)	(3)	(3)
Cash flows used by financing activities	(26)	(268)	(439)	(1,331)	(841)
Net movement in debt and trading facilities	259	(49)	(338)	(547)	(454)
Interest paid ¹	(82)	(134)	(71)	(448)	(521)
Transactions with non-controlling interests	–	–	23	4	263
Dividends paid to shareholders	–	(72)	–	(75)	(5)
Dividends paid to non-controlling interests	(195)	–	(31)	(255)	(37)
Other	(8)	(13)	(22)	(10)	(87)
Exchange losses on cash and cash equivalents	–	–	(1)	(2)	(1)
Net cash inflow (outflow)	(101)	(36)	(59)	(171)	945
Cash balance	1,688	1,789	1,859	1,688	1,859
Total assets	25,080	24,966	25,270	25,080	25,270
Total current liabilities	1,738	1,590	1,678	1,738	1,678
Total long-term liabilities	11,105	11,035	12,098	11,105	12,098
Net debt ²	5,692	5,329	6,053	5,692	6,053
Cash flows from operating activities per share ³	\$0.34	\$0.76	\$1.10	\$3.38	\$4.19

¹ Interest paid excludes \$24 million capitalized to property, plant and equipment for the year ended December 31, 2022, presented in cash flows used by investing activities (2021, \$4 million).

² Net debt is a supplementary financial measure, does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

³ Cash flows from operating activities per share is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

FOURTH QUARTER

Cash Flows from Operating Activities

Cash flows from operating activities for the fourth quarter were \$523 million lower than the same period in 2021, attributable to lower EBITDA¹ and increase in movements in working capital due to a higher receivables balance, partially offset by lower taxes paid.

Cash Flows Used by Investing Activities

Investing activities mostly comprise capital expenditures of \$317 million which were \$40 million higher than the same quarter of 2021, reflecting increased expenditure in Kansanshi for the S3 Expansion and the Enterprise project. This was offset partially by reduced capital expenditure in Ravensthorpe as a result of the completion of the commissioning works at Shoemaker Levy in the fourth quarter of 2021.

Cash Flows Used by Financing Activities

Cash flows used by financing activities of \$26 million for the fourth quarter of 2022 included a net inflow of \$259 million on gross debt. Included within this was the inflow from the \$425 million unsecured term loan facility signed by FQM Trident

¹ EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

(the “FQM Trident Facility”) signed by FQM Trident Limited (“FQM Trident”) in December, with the facility maturing in 2025, the scheduled Term Loan repayment of \$228 million, and movements on the revolving credit facility and trading facilities.

A dividend has been paid of \$195 million to non-controlling interests.

Interest paid of \$82 million is included within cash flows used by financing activities which excludes \$8 million of capitalized interest, and is \$11 million higher than the \$71 million paid in the fourth quarter of 2021, reflecting rising interest rates on the Company’s floating rate debt (excluding the senior notes) partially offset by a lower gross debt position. Net payments of \$5 million were paid to KPMC, a 50:50 joint venture between the Company and Korea Mine Rehabilitation and Mineral Resources Corporation (“KOMIR”).

FULL YEAR

Cash Flows from Operating Activities

Cash flows from operating activities in the year were \$553 million lower than 2021, reflecting lower EBITDA¹, working capital outflows attributable to a higher receivables balance and timing of shipments, combined with higher taxes paid.

Cash Flows Used by Investing Activities

Investing activities of \$1,170 million included capital expenditures of \$1,167 million which was \$172 million higher than 2021, reflecting increased capital expenditure spend in Cobre Panamá on the mining fleet and CP 100 Expansion and at Trident on the Enterprise project. The increase was partially offset by the completion of the Shoemaker Levy project at Ravensthorpe in 2021.

Cash flows used by investing activities in the comparative period included the final \$100 million instalment payment in respect of the acquisition of KPMC in 2017.

Cash Flows Used by Financing Activities

Cash flows used by financing activities of \$1,331 million for the year included a \$547 million net movement on gross debt and trading facilities. During the year dividends paid to shareholders and non-controlling interests were \$75 million and \$255 million, respectively.

Cash flows used by financing activities include a redemption at par of an aggregate of \$1,000 million principal amount of the senior unsecured notes due 2023 and drawdown on the FQM Trident Facility, with the facility maturing in 2025, and the scheduled term loan repayment of \$228 million.

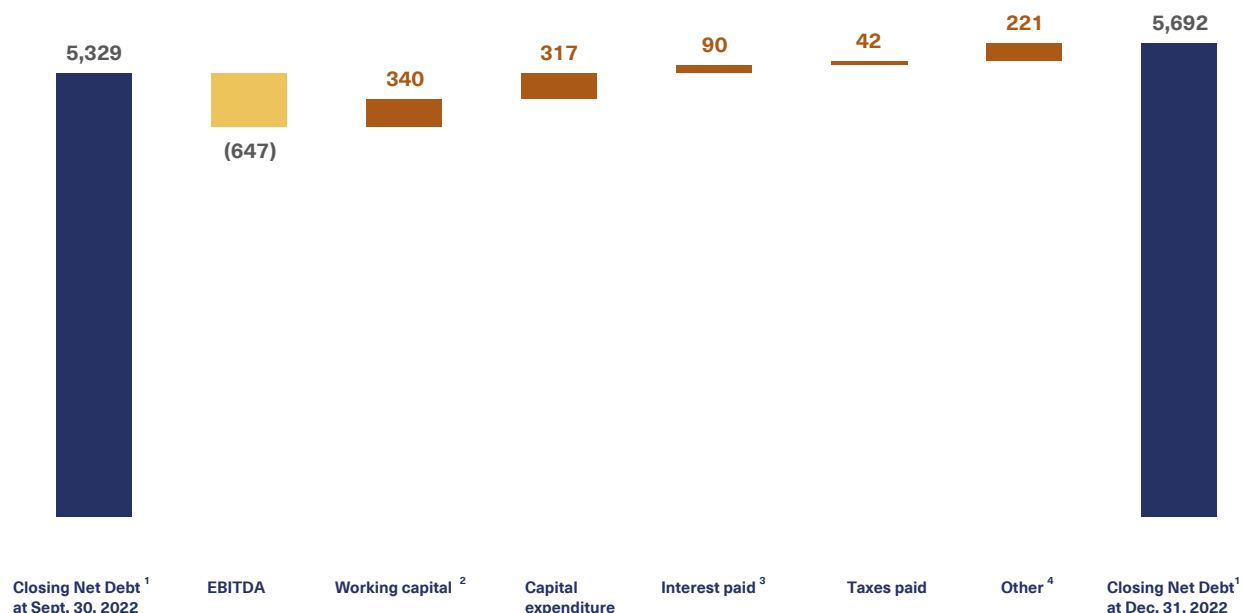
Interest paid of \$448 million is included within cash flows from financing activities for the year which excludes \$24 million of capitalized interest; and is \$73 million lower than the \$521 million of interest paid in 2021, reflecting the lower net debt¹ position in the year. In addition, net payments of \$41 million were paid to KPMC, a 50:50 joint venture between the Company and KOMIR.

¹ EBITDA and deferred stripping are non-GAAP financial measures and net debt is a supplementary financial measure. These measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

Liquidity

FOURTH QUARTER

QUARTERLY NET DEBT¹ MOVEMENT



¹ EBITDA is a non-GAAP financial measure and net debt is a supplementary financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Includes \$39 million outflow related to long-term incentive plans.

³ Interest paid includes \$8 million of interest capitalized to property plant and equipment.

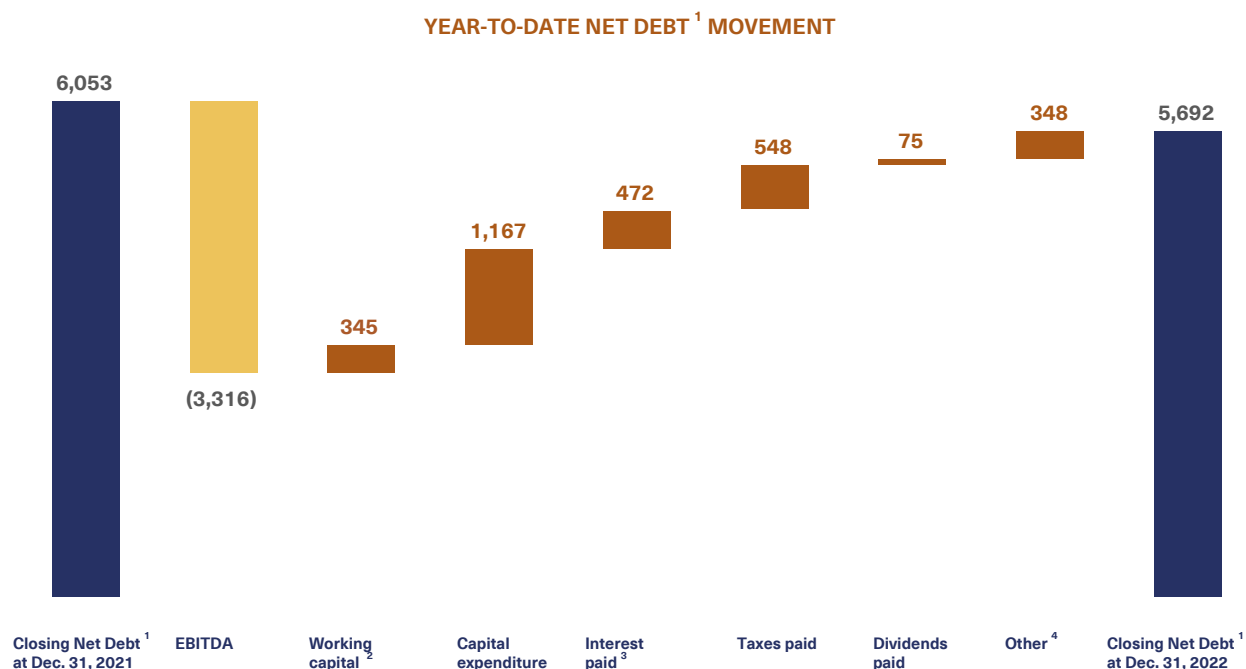
⁴ Other includes dividends paid to non-controlling interest of \$195 million, net payments to joint venture of \$16 million offset by non-cash adjustments relating to amortization of gold and silver revenue of \$25 million and share of profit in joint venture of \$4 million.

Net debt¹ increased by \$363 million during the quarter to \$5,692 million. At December 31, 2022, gross debt was \$7,380 million.

During the quarter, FQM Trident signed the FQM Trident Facility with a termination date of December 31, 2025, resulting in an inflow of \$425 million in the quarter. A final repayment of \$28 million was made for the previous FQM Trident term loan facility which matured in December 2022.

¹ Net debt is a supplementary financial measure. These measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

FULL YEAR



¹ EBITDA is a non-GAAP financial measure and net debt is a supplementary financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Includes \$129 million outflow related to long-term incentive plans.

³ Interest paid includes \$24 million of interest capitalized to property plant and equipment.

⁴ Other includes dividends paid to non-controlling interest of \$255 million, net payments to joint venture of \$41 million offset by restricted cash reclassification of \$41 million, non-cash adjustments relating to amortization of gold and silver revenue of \$97 million and share of profit in joint venture ("JV") of \$45 million.

Net debt¹ decreased by \$361 million during the year ended December 31, 2022 to \$5,692 million. At December 31, 2022, gross debt was \$7,380 million.

During the year, the company redeemed at par an aggregate of \$1,000 million principal amount of the senior unsecured notes due 2023. \$500 million was redeemed on each of April 5, 2022, and June 7, 2022.

Following the upgrades by S&P and Fitch in February 2022 to a B+ credit rating, the Company outlook remained stable at S&P and was upgraded from stable to positive at Fitch. S&P published a rating and outlook affirmation in September 2022, then amended the outlook to Credit Watch Negative in December 2022 "on risk of operational disruptions at MPSA". Fitch amended their outlook to Rating Watch Negative in January 2023 "on Cobre Panamá operational uncertainty". While copper prices lowered over the course of 2022, the medium to long-term outlook for prices and demand continues to be robust. National policies and infrastructure plans supporting green energy across the world are expected to be passed, which are projected to drive the demand for copper, an essential component of both the transition to a low carbon economy and of the socioeconomic development of emerging economies.

The Company had previously entered into derivative contracts to ensure that the exposure to the price of copper on future sales was managed to ensure stability of cash flows until an appropriate level of de-leveraging had been achieved. At February 14, 2023, the Company had no outstanding copper or nickel derivatives designated as hedged instruments.

In respect of discussions with the GOP, the Company has expressed its earnest desire to resolve all outstanding issues and continues to engage with the Government with a view to concluding a reasonable and durable arrangement regarding the long-term future of Cobre Panamá. It is hoped that outstanding matters are resolved in the short term. A period of care and maintenance or a temporary shutdown at Cobre Panamá would have a negative impact on the Company's estimated EBITDA¹ but the Company would still expect to remain in compliance with financial covenants over the next 12 months. An

¹ Net debt is a supplementary financial measure and EBITDA is a non-GAAP financial measure. These measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA were previously named comparative EBITDA and the composition remains the same. See "Regulatory Disclosures".

extended full shutdown to the end of the year may increase the risk of the Company's ability to be in compliance with all existing facility covenants.

At December 31, 2022, the Company had total commitments of \$426 million, \$406 million of which is related to the 12 months following the period end.

Contractual and other obligations as at December 31, 2022 are as follows:

	Carrying Value	Contractual Cash flows	< 1 year	1 – 3 years	3 – 5 years	Thereafter
Debt – principal repayments	7,260	7,293	455	4,338	2,500	–
Debt – finance charges	–	1,426	509	676	241	–
Trading facilities	120	120	120	–	–	–
Trade and other payables	771	771	771	–	–	–
Derivative instruments	117	117	117	–	–	–
Liability to joint venture ¹	1,256	1,990	–	–	–	1,990
Other loans owed to non-controlling interest ²	190	251	28	–	–	223
Current taxes payable	53	53	53	–	–	–
Deferred payments	40	40	4	8	8	20
Leases	29	26	12	10	4	–
Commitments	–	426	406	20	–	–
Restoration provisions	555	1,073	3	22	33	1,015
	10,391	13,586	2,478	5,074	2,786	3,248

¹ Refers to distributions to KPMC, a joint venture that holds a 20% non-controlling interest in Minera Panamá SA ("MPSA"), of which the Company has joint control, and not scheduled repayments.

² Refers to liability with POSCO, an entity that holds a 30% non-controlling interest in FQM Australia Holdings Pty Ltd ("Ravensthorpe"), of which the Company has full control.

Equity

As at December 31, 2022, the Company had 692,505,043 common shares outstanding.

Hedging Programs

The Company has hedging programs for provisionally priced sales contracts. Below is a summary of the fair values of unsettled derivative financial instruments for commodity contracts recorded on the consolidated balance sheet.

As at December 31, 2022, the Company held no derivatives designated as hedged instruments. During the quarter ended December 31, 2022, no gain or loss was realized through sales revenues.

COMMODITY CONTRACTS

	December 31, 2022	December 31, 2021
Asset position	15	38
Liability position	(117)	(57)

During the year ended December 31, 2022, a loss for settled hedges of \$5 million was realized through sales revenues.

Provisional Pricing and Derivative Contracts

A portion of the Company's metal sales is sold on a provisional pricing basis whereby sales are recognized at prevailing metal prices when title transfers to the customer and final pricing is not determined until a subsequent date, typically two to five months later. The difference between final price and provisional invoice price is recognized in net earnings. In order to mitigate the impact of these adjustments on net earnings, the Company enters into derivative contracts to directly offset the pricing exposure on the provisionally priced contracts. The provisional pricing gains or losses and offsetting derivative gains or losses are both recognized as a component of cost of sales. Derivative assets are presented in other assets and

derivative liabilities are presented in other liabilities with the exception of copper and gold embedded derivatives, which are included within accounts receivable.

As at December 31, 2022, the following derivative positions in provisionally priced sales and commodity contracts not designated as hedged instruments were outstanding:

	Open Positions (tonnes/oz)	Average Contract price	Closing Market price	Maturities Through
Embedded derivatives in provisionally priced sales contracts:				
Copper	206,653	\$3.73/lb	\$3.80/lb	April 2023
Gold	51,109	\$1,792/oz	\$1,814/oz	February 2023
Commodity contracts:				
Copper	206,925	\$3.73/lb	\$3.80/lb	April 2023
Gold	51,109	\$1,792/oz	\$1,814/oz	February 2023

As at December 31, 2022, substantially all of the Company's metal sales contracts subject to pricing adjustments were hedged by offsetting derivative contracts.

Foreign Exchange

Foreign exchange risk arises from transactions denominated in currencies other than the U.S. Dollar ("USD"). The USD/ZMW exchange rate has had the greatest impact on the Company's cost of sales, as measured in USD. A 10% movement in the USD/ZMW exchange rate would impact the Company's cost of sales by approximately \$25 million per year.

ZAMBIAN VAT

During the second quarter, the Company reached an agreement with the GRZ for repayment of the outstanding VAT claims based on offsets against future corporate income tax and mineral royalty tax payments. This commenced July 1, 2022. As a result of this agreement, the Company was granted offsets of \$59 million and cash refunds of \$26 million during the quarter.

The total VAT receivable accrued by the Company's Zambian operations at December 31, 2022, was \$639 million, of which \$287 million relates to Kansanshi, \$297 million relates to Sentinel, with the balance of \$55 million attributable to other Zambian subsidiaries providing support services.

Offsets of \$154 million against other taxes due have been granted during the year December 31, 2022. In the year ended December 31, 2021, offsets of \$71 million were granted.

The Company considers that the outstanding VAT claims are fully recoverable and has classified all VAT balances due to the Zambian operations based on the expected recovery period. As at December 31, 2022, amounts totalling \$120 million are presented as current.

A \$56 million expense adjustment for Zambian VAT receipts was recognized in the quarter ended December 31, 2022, representing the expected phasing of recoverability of the receivable amount. An expense of \$2 million had previously been recognized in the quarter ended December 31, 2021. A foreign exchange adjustment of \$221 million was recognized against the receivable in the quarter ended June 30, 2022 as a result of the agreement with the GRZ on the receivable amount to be paid.

ZAMBIAN VAT

VAT receivable by the Company's Zambian operations

	December 31, 2022
Balance at beginning of the year	644
Movement in claims, net of foreign exchange movements	185
Adjustment for expected phasing for non-current portion	(190)
At December 31, 2022	639

AGING ANALYSIS OF VAT RECEIVABLE FOR THE COMPANY'S ZAMBIAN OPERATIONS

	< 1 year	1-3 years	3-5 years	5-8 years	> 8 years	Total
Receivable at the period end	92	394	251	65	170	972
Adjustment for expected phasing	(5)	(183)	(78)	(21)	(46)	(333)
Total VAT receivable from Zambian operations	87	211	173	44	124	639

Changes to Zambian VAT Regime

A zero rating order for VAT on petrol and diesel and a suspension on the excise duty on petrol and diesel announced in January 2021 was removed effective October 1, 2022 and remains in place.

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 Mine Rehabilitation and Mineral Resources Corporation ("KOMIR") and holds a 20% interest in Cobre Panamá. The purchase consideration of \$664 million comprised the acquisition consideration of \$635 million and the reimbursement of cash advances of \$29 million with \$179 million paid on closing. The final consideration of \$100 million was paid in November 2021.

A \$663 million investment in the joint venture representing the discounted consideration value and the Company's proportionate share of the profit or loss in KPMC to date is recognized. For the year ended December 31, 2022, the profit attributable to KPMC was \$88 million (December 31, 2021: \$150 million). The profit in KPMC relates to the 20% equity accounted share of profit reported by Minera Panamá S.A. ("MPSA"), a subsidiary of the Company. The material assets and liabilities of KPMC are an investment in MPSA of \$508 million, shareholder loans receivable of \$1,256 million from the Company and shareholder loans payable of \$1,256 million due to the Company and its joint venture partner KOMIR.

At December 31, 2022, the Company's subsidiary, MPSA, owed to KPMC \$1,256 million (December 31, 2021: \$1,310 million and December 31, 2020: \$1,327 million). Interest is accrued at an annual interest rate of 9%; unpaid interest is capitalized to the outstanding loan on a semi-annual basis. The loan matures on June 30, 2029.

PRECIOUS METAL STREAM ARRANGEMENT

Arrangement Overview

The Company, through MPSA, has a precious metal streaming arrangement with Franco-Nevada Corporation ("Franco-Nevada"). The arrangement comprises two tranches. Under the first phase of deliveries under the first tranche ("Tranche 1") Cobre Panamá is obliged to supply Franco-Nevada 120 ounces of gold and 1,376 ounces of silver for each 1 million pounds of copper produced, deliverable within 5 days of eligible copper concentrate sales. Under the first phase of deliveries under the second tranche ("Tranche 2") Cobre Panamá is obliged to supply Franco-Nevada a further 30 ounces of gold and 344 ounces of silver for each 1 million pounds of copper produced, deliverable within 5 days of eligible copper concentrate sales.

Tranche 1 was amended and restated on October 5, 2015, which provided for \$1 billion of funding to the Cobre Panamá project. 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 Panamá in excess of \$1 billion. The full Tranche 1 deposit amount has been fully funded to MPSA. Tranche 2 was finalized on March 16, 2018, and \$356 million was received on completion. Proceeds received under the terms of the precious metals streaming arrangement are accounted for as deferred revenue.

In all cases, the amount paid is not to exceed the prevailing market price per ounce of gold and silver.

The Company commenced the recognition of delivery obligations under the terms of the arrangement in September 2019 following the first sale of copper concentrate. Deferred revenue will continue to be recognized as revenue over the life of the mine, which is expected to be 33 years. The amount of precious metals deliverable under both tranches is indexed to total copper-in-concentrate sold by Cobre Panamá.

GOLD STREAM

	TRANCHE 1	TRANCHE 2
Delivered (oz)	0 to 808,000	0 to 202,000
Delivery terms	120 oz of gold per one million pounds of copper	30 oz of gold per one million pounds of copper
Threshold	First 1,341,000 oz	First 604,000 oz
Ongoing cash payment	\$450.59/oz (+1.5% inflation)	20% market price

SILVER STREAM

	TRANCHE 1	TRANCHE 2
Delivered (oz)	0 to 9,842,000	0 to 2,460,500
Delivery terms	1,376 oz of silver per one million pounds of copper	344 oz of silver per one million pounds of copper
Threshold	First 21,510,000 oz	First 9,618,000 oz
Ongoing cash payment	\$6.76/oz (+1.5% inflation)	20% market price

Under the first threshold of deliveries, the above Tranche 1 ongoing cash payment terms are for approximately the first 20 years of expected deliveries, thereafter the greater of \$450.59 per oz for gold and \$6.76 per oz for silver, subject to an adjustment for inflation, and one half of the then prevailing market price. Under the first threshold of deliveries, the above Tranche 2 ongoing cash payment terms are for approximately the first 25 years of production, and thereafter the ongoing cash payment per ounce rises to 50% of the spot price of gold and silver.

Accounting

Gold and silver produced by the mine, either contained in copper concentrate or in doré form, are sold to off-takers and revenue recognized accordingly. Cobre Panamá gold and silver revenues consist of revenues derived from the sale of metals produced by the mine, as well as revenues recognized from the amortization of the precious metal stream arrangement.

Gold and silver revenues recognized under the terms of the precious metal streaming arrangement are indexed to copper sold from the Cobre Panamá mine, and not gold or silver production. Gold and silver revenues recognized in relation to the precious metal streaming arrangement comprise two principal elements:

- > the non-cash amortization of the deferred revenue balance.
- > the ongoing cash payments received, as outlined in the above section.

Obligations under the precious metal streaming arrangement are satisfied with the purchase of refinery-backed gold and silver credits, the cost of which is recognized within revenues. Refinery-backed credits purchased and delivered are excluded from the gold and silver sales volumes disclosed and realized price calculations.

C1¹ and AISC¹ include the impact of by-product credits, which include both gold and silver revenues earned under the precious metal stream arrangement and revenues earned on the sales of mine production of gold and silver. Also included is the cost of refinery-backed gold and silver credits, purchased at market price, to give a net gold and silver by-product credit.

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Gold and silver revenue – ongoing cash payments	15	13	15	56	57
Gold and silver revenue – non cash amortization	25	23	25	97	99
Total gold and silver revenues - precious metal stream	40	36	40	153	156
Cost of refinery-backed credits for precious metal stream included in revenue	(58)	(50)	(61)	(229)	(237)

MATERIAL LEGAL PROCEEDINGS

Panamá

Introduction

In February 1996, the Republic of Panamá and MPSA, now a subsidiary of the Company, entered into a mining concession contract in respect of the Cobre Panamá project (“Concession Contract”).

On February 26, 1997, the Concession Contract was approved by the National Assembly of Panamá through law 9 of 1997 (“Law 9”) and Law 9 was published in the Official Gazette on February 28, 1997. Law 9 granted the status of national law to the Concession Contract, establishing a statutory legal and fiscal regime for the development of the Cobre Panamá project. On December 30, 2016, the Government of Panamá signed and issued Resolution No. 128 by which it extended the Concession Contract held by MPSA for a second 20-year term commencing March 1, 2017 up to February 28, 2037.

The current Government of Panamá (“GOP”), inaugurated on July 1, 2019, established a multidisciplinary commission including the Minister of Commerce and Industries (mining regulator), Minister of Environment, and Minister of Employment to discuss the Law 9 matter and seek resolution arising from a Supreme Court Ruling which declared Law 9 to be unconstitutional. In July 2021, the GOP announced the appointment of a high-level commission of senior government ministers and officials, chaired by the Minister of Commerce, to discuss the Company’s concession contract. In September 2021, the Ministry of Commerce publicly announced the culmination of the high-level formal discussions on two topics being environmental and labour matters.

During January 2022, the GOP tabled a new proposal and the commission reached an agreement in principle on certain items, namely that the GOP should receive \$375 million in benefits per year from Cobre Panamá and that the existing revenue royalty will be replaced by a gross profit royalty. The Company seeks protections to the business for downside copper prices, production scenarios, adequate profitability, and ensuring that the new contract and legislation are both durable and sustainable. In the second quarter of 2022, the Minister of Commerce was replaced and discussions have subsequently continued in order, including the installation of a bilateral contractual drafting committee in early September 2022. First Quantum remains committed to a timely conclusion of the Law 9 issue. On November 14, 2022 the GOP unilaterally and arbitrarily established a 30 day period to conclude negotiations on a potential refreshed Concession Contract. While said period expired, negotiations have continued. Once an agreement is concluded and the full contract is documented, it is expected that the refreshed Concession Contract would be put to the Panamanian National Assembly for approval through a new law.

¹ Copper C1 cash cost (copper C1), and copper all-in sustaining costs (copper AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

Panamá Constitutional Proceedings

In September 2018, the Company became aware of a ruling of the Supreme Court of Panamá (“Supreme Court”) in relation to the constitutionality of Law 9. The Company understands that the ruling of the Supreme Court with respect to the constitutionality of Law 9 relates to the enactment of Law 9 and does not affect the legality of the Concession Contract itself, which remains in effect, and allows continuation of the development and operation of the Cobre Panamá project by MPSA.

In respect of the Supreme Court ruling on Law 9, the Company notes the following:

- > The Supreme Court decision was in respect of ongoing legal filings made since 2009 with regard to specific environmental petitions.
- > In reviewing the process of approval of Law 9 of 1997, the Supreme Court found that the National Assembly had failed to consider Cabinet Decree 267 of 1969 in said approval process.
- > The applicable Cabinet Decree of 1969, which was repealed in 1997 by Law 9, required the Ministry of Commerce and Industry (“MICI”) to issue a request for proposals before awarding mining concession in the Petaquilla area.
- > The Attorney General (“Procurador General de la Nación”, in Spanish) provided two formal opinions favourable to the constitutionality of Law 9 as required in this type of proceedings by Panamanian law.
- > The Supreme Court ruling did not make a declaration as to the annulment of the MPSA Concession Contract.

In 2018, MPSA submitted filings to the Supreme Court for ruling, prior to the ruling in relation to the constitutionality of Law 9 taking effect. On September 26, 2018, the Government of Panamá issued a news release affirming support for Cobre Panamá. The release confirmed that MICI considers that the MPSA Mining Concession contract, and its extension, remains in effect in all its parts (The MICI release is available at [www.twitter.com/MICIPMA/status/1044915730209222657](https://twitter.com/MICIPMA/status/1044915730209222657)). As a matter of fact, MICI, among other actions taken in relation to the contract’s continued validity, submitted its own filings to the Supreme Court, prior to the ruling in relation to the constitutionality of Law 9 taking effect. In July 2021, the Supreme Court responded to the requests for clarifications submitted by MPSA and MICI, ruling them inadmissible on procedural grounds. This means that the original ruling that Law 9 is unconstitutional has been upheld. The unconstitutionality ruling was published in the Official Gazette on December 22, 2021.

More recently, the current administration of the GOP has made public a different position, in the sense that in their view, the declaration of unconstitutionality of Law 9 by the Supreme Court of Justice does affect the Concession Contract’s validity.

The Company understands that the ruling’s effects are non-retrospective, pursuant to article 2573 of the Code of Judicial Proceedings, which means that the enactment of the contract in 1997 and its extension in 2017 granted until the year 2037 remain unaffected together with the acquired rights.

Nullity Actions by Third Parties

Two claims have been lodged with Supreme Court contesting the approval, granted in 2016 by the GOP, for the extension of MPSA’s mining Concession Contract by means of Resolution No. 128 of 2016 issued by MICI. These claims center on: the nature of rights accorded by the mining concession contract to Petaquilla Gold S.A. (a subsidiary of MPSA); the validity of certain assignments between MPSA and Petaquilla Gold, S.A. relating to the concession area and concession rights; and the process followed by the MICI in approving the extension of MPSA’s mining concession contract.

The Company refutes the claims made in the aforementioned nullity motions and has been advised by external counsel that the extension process followed by the MICI in 2016 was correct. The Company has requested that both nullity motions be joined, the decision is pending. In both proceedings, the State’s Attorney of Panamá has provided a favourable formal opinion as to the legality of the resolution which approved the extension of MPSA’s mining concession contract, as required for such proceedings under Panamanian law. However, on 11 January 2023, the Administration’s Attorney filed in both proceedings of the nullity actions, motions requesting that the Supreme Court, based on the ruling that declared Law 9 to be unconstitutional, declares “res judicata” in each proceeding, to avoid contradictory results in the different proceedings, resulting in that the Extension Resolution is deemed without legal effect. MPSA vigorously challenges this motion which remains pending resolution.

If the nullity actions contesting the approval of the extension of the Concession Contract are upheld by the Supreme Court the outcome may include a challenge to the legality of continuing to exploit the mine under the Concession Contract.

Administrative Proceedings

On November 2022, the State began to claim-contrary to its prior and repeatedly stated position, actions, and controlling law-that the Concession Contract was invalid based on the Supreme Court Decision, and mandated negotiations for a refreshed Concession Contract.

Also on November, 2022, the State set a unilateral and arbitrary deadline of 14 December 2022 to conclude negotiations on a potential refreshed Concession Contract. As the parties were unable to attain consensus on all key economic and legal terms which would govern their relationship into the future, on December 15, 2022, the Cabinet Council (comprised of the President of the Republic of Panamá, together with all Ministers) issued Resolution No. 144 by instructing the Ministry of Commerce and Industries, the Ministry of Employment, and the Ministry of the Environment to take certain actions in relation to the ruling that declared Law 9 unconstitutional, including an instruction to the Ministry of Commerce and Industries to order MPSA to prepare and execute a plan to put the mine under care and maintenance. Thereafter, complying with said instruction, on December 19, 2022, the National Directorate of Mineral Resources of the Ministry of Commerce and Industries issued Resolution No. 2022-234, by which it ordered MPSA to prepare and submit to the Ministry of Commerce and Industries within 10 business days a plan to put the mine in care and maintenance. MPSA filed recourses, appeals, and other motions against these resolutions, staying their legal effect; and, as a result, the term provided for the filing of the care and maintenance plan is currently suspended.

On January 26, 2023, the Panamá Maritime Authority ("AMP") issued a resolution (Resolution No. 007-20230) that required the suspension of concentrate loading operations at the Cobre Panamá port, Punta Rincón, until evidence was provided that the process of certification of the calibration of the scales by an accredited company had been initiated. MPSA submitted the required proof of the initiation of the certification process on February 2, 2023, and, on February 7, 2023, MPSA submitted certifications of the calibration of the scales and weights. AMP rejected the certification on February 8, 2023, claiming that the certification company is not accredited in Panamá, even though the provider MPSA used is on the list of accredited companies published by MICI. MPSA is challenging this decision, and, at the same time, is working to find another accredited certification company that the GOP will accept. In the meantime, the AMP has maintained its order suspending loading operations at the Port.

As previously reported, if AMP's measures persist, it may become necessary to shut down the Cobre Panamá mine if concentrate is not shipped by approximately February 20, 2023 due to limited storage capacity on site.

Arbitration Proceedings

Steps towards two arbitration proceedings have been taken by the Company. One under Canada-Panamá Free Trade Agreement (FTA), and another one as per the dispute resolution and arbitration clause of the Concession Contract.

1. On December 23, 2022, First Quantum submitted a letter to the GOP initiating the consultation period required under the Canada-Panamá Free Trade Agreement (FTA). Under the terms of the FTA, First Quantum and the GOP are required to engage in consultations to resolve the dispute amicably. At least 90 days after submitting the notice of intent, and 6 months after the events giving rise to the claim, First Quantum may file a request for arbitration. Pursuant to Article 9.22(2)(c)(iv) of the Canada-Panamá FTA, First Quantum will seek any and all relief appropriate in arbitration, including but not limited to damages and reparation for Panamá's breaches of the Canada-Panamá FTA by curtailing MPSA's ability to mine under its Concession Contract.
2. Also on December 23, 2022, First Quantum submitted a Notice of Arbitration pursuant to the Rules of Procedure of the Inter-American Commercial Arbitration Commission (the "IACAC Rules") and Clause 23 of the Concession Contract. The arbitration enforces the parties' agreement to arbitrate its disputes arising out of and in connection with the Concession Contract. The parties have each appointed their arbitrator and the process towards the appointment of the Arbitral Tribunal chairman is underway, to be completed by February 27, 2023.

Both of these processes are under way and in the initial stages. The Company continues to utilize the consultation period under the FTA to strive to reach an amicable resolution with the GOP.

Kansanshi Development Agreement

On May 19, 2020, KMP filed a Request for Arbitration against the GRZ with the International Centre for Settlement of International Disputes ("ICSID"). This arbitration is confidential. KMP's claims concern breaches of certain contractual provisions of a development agreement between GRZ and KMP and international law. The amount in dispute is to be

quantified at a later stage, however it is believed to be material. The hearing in this matter has been rescheduled to July 2023. Pursuant to the wider reset arrangements concluded between the Company and GRZ in May 2022, the parties have agreed in principle to a settlement in respect of this arbitration. However, the effectiveness of the settlement is subject to the satisfaction of certain conditions precedent, which the parties are currently working to satisfy.

REGULATORY DISCLOSURES

Seasonality

The Company's results as discussed in this MD&A are subject to seasonal aspects, in particular the rainy season in Zambia. The rainy 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 rainy 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

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of the date of this report.

Non-GAAP Financial Measures and Ratios

This document refers to cash cost (C1), all-in sustaining cost (AISC) and total cost (C3) per unit of payable production, operating cash flow per share, realized metal prices, EBITDA, net debt and adjusted earnings, which are not measures recognized under IFRS, do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other issuers. These measures are used internally by management in measuring the performance of the Company's operations and serve to provide additional information which should not be considered in isolation to measures prepared under IFRS.

C1, AISC and C3 are non-GAAP financial measures based on production and sales volumes for which there is no directly comparable measure under IFRS, though a reconciliation from the cost of sales, as stated in the Company's financial statements, and which should be read in conjunction with this MD&A, to C1, AISC and C3 can be found on the following pages. These reconciliations set out the components of each of these measures in relation to the cost of sales for the Company as per the consolidated financial statements.

The calculation of these measures is described below, and may differ from those used by other issuers. The Company discloses these measures in order to provide assistance in understanding the results of the operations and to provide additional information to investors.

Calculation of Cash Cost, All-In Sustaining Cost, Total Cost, Sustaining Capital Expenditure and Deferred Stripping Costs Capitalized

The consolidated cash cost (C1), all-in sustaining cost (AISC) and total cost (C3) presented by the Company are measures that are prepared on a basis consistent with the industry standard definitions by the World Gold Council and Brook Hunt cost guidelines but are not measures recognized under IFRS. In calculating the C1 cash cost, AISC and C3, total cost for each segment, the costs are measured on the same basis as the segmented financial information that is contained in the financial statements.

C1 cash cost includes all mining and processing costs less any profits from by-products such as gold, silver, zinc, pyrite, cobalt, sulphuric acid, or iron magnetite and is used by management to evaluate operating performance. 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.

AISC is defined as cash cost (C1) plus general and administrative expenses, sustaining capital expenditure, deferred stripping, royalties and lease payments and is used by management to evaluate performance inclusive of sustaining expenditure required to maintain current production levels.

C3 total cost is defined as AISC less sustaining capital expenditure, deferred stripping and general and administrative expenses net of insurance, plus depreciation and exploration. This metric is used by management to evaluate the operating performance inclusive of costs not classified as sustaining in nature such as exploration and depreciation.

Sustaining capital expenditure is defined as capital expenditure during the production phase, incurred to sustain and maintain the existing assets to achieve constant planned levels of production, from which future economic benefits will be

(in United States dollars, tabular amounts in millions, except where noted)

derived. This includes expenditure for assets to retain their existing productive capacity, and to enhance assets to minimum reliability, environmental and safety standards.

Deferred stripping costs capitalized are defined as waste material stripping costs in excess of the strip ratio, for the production phase, and from which future economic benefits will be derived from future access to ore. Deferred stripping costs are capitalized to the mineral property, and will be depreciated on a units-of-production basis.

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Purchase and deposits on property, plant and equipment	317	296	277	1,167	995
Sustaining capital expenditure and deferred stripping	134	113	121	492	457
Project capital expenditure	183	183	156	675	538
Total capital expenditure	317	296	277	1,167	995

Non-GAAP Reconciliations

The following tables provide a reconciliation of C1², C3² and AISC² to the consolidated financial statements:

For the three months ended December 31, 2022	Cobre Panamá	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
Cost of sales¹	(485)	(373)	(366)	(53)	(24)	(15)	(11)	(1,327)	(4)	(140)	(1,471)
Adjustments:											
Depreciation	151	60	91	4	–	4	1	311	(1)	17	327
By-product credits	47	31	1	30	–	1	4	114	–	8	122
Royalties	12	21	45	2	–	1	–	81	–	7	88
Treatment and refining charges	(33)	(6)	(17)	(1)	–	(2)	(1)	(60)	–	–	(60)
Freight costs	–	–	(16)	–	–	(1)	–	(17)	–	–	(17)
Finished goods	(13)	(15)	17	(1)	1	(1)	4	(8)	–	16	8
Other	10	71	4	1	4	–	1	91	5	1	97
Cash cost (C1)²	(311)	(211)	(241)	(18)	(19)	(13)	(2)	(815)	–	(91)	(906)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(156)	(61)	(89)	(4)	–	(3)	(1)	(314)	–	(16)	(330)
Royalties	(12)	(21)	(45)	(2)	–	(1)	–	(81)	–	(7)	(88)
Other	(4)	(3)	(3)	–	–	–	–	(10)	–	(2)	(12)
Total cost (C3)²	(483)	(296)	(378)	(24)	(19)	(17)	(3)	(1,220)	–	(116)	(1,336)
Cash cost (C1) ²	(311)	(211)	(241)	(18)	(19)	(13)	(2)	(815)	–	(91)	(906)
Adjustments:											
General and administrative expenses	(14)	(9)	(11)	–	(2)	–	–	(36)	–	(4)	(40)
Sustaining capital expenditure and deferred stripping ³	(46)	(24)	(52)	(3)	–	(2)	–	(127)	–	(7)	(134)
Royalties	(12)	(21)	(45)	(2)	–	(1)	–	(81)	–	(7)	(88)
Lease payments	–	–	(1)	–	(1)	–	–	(2)	–	–	(2)
AISC^{2,4}	(383)	(265)	(350)	(23)	(22)	(16)	(2)	(1,061)	–	(109)	(1,170)
AISC (per lb) ^{2,4}	\$2.01	\$3.55	\$2.25	\$3.19	\$4.33	\$3.01	–	\$2.42	–	\$11.10	
Cash cost – (C1) (per lb) ^{2,4}	\$1.63	\$2.81	\$1.55	\$2.57	\$4.02	\$2.46	–	\$1.86	–	\$9.32	
Total cost – (C3) (per lb) ^{2,4}	\$2.54	\$3.96	\$2.42	\$3.35	\$4.09	\$3.31	–	\$2.79	–	\$11.70	

¹ Total cost of sales per the Consolidated Statement of Earnings in the Company's annual audited consolidated financial statements.

² C1 cash cost (C1), total costs (C3), and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

³ Sustaining capital and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

⁴ Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.



(in United States dollars, tabular amounts in millions, except where noted)

For the three months ended December 31, 2021	Cobre Panamá	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
Cost of sales ¹	(485)	(295)	(294)	(50)	(26)	(10)	(8)	(1,168)	(15)	(94)	(1,277)
Adjustments:											
Depreciation	154	71	70	6	–	3	–	304	2	8	314
By-product credits	48	63	–	17	–	4	4	136	–	6	142
Royalties	16	57	61	1	–	1	–	136	–	4	140
Treatment and refining charges	(30)	(7)	(15)	(2)	–	(1)	–	(55)	–	–	(55)
Freight costs	(1)	–	(11)	–	–	–	–	(12)	–	–	(12)
Finished goods	12	19	(11)	9	1	(5)	–	25	–	8	33
Other	20	9	8	(2)	–	2	–	37	13	–	50
Cash cost (C1) ²	(266)	(83)	(192)	(21)	(25)	(6)	(4)	(597)	–	(68)	(665)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(146)	(60)	(75)	(4)	–	(6)	–	(291)	–	(8)	(299)
Royalties	(16)	(57)	(61)	(1)	–	(1)	–	(136)	–	(4)	(140)
Other	(4)	(3)	(2)	1	–	–	–	(8)	–	(1)	(9)
Total cost (C3) ²	(432)	(203)	(330)	(25)	(25)	(13)	(4)	(1,032)	–	(81)	(1,113)
Cash cost (C1) ²	(266)	(83)	(192)	(21)	(25)	(6)	(4)	(597)	–	(68)	(665)
Adjustments:											
General and administrative expenses	(12)	(4)	(8)	–	(1)	–	–	(25)	–	(3)	(28)
Sustaining capital expenditure and deferred stripping ³	(34)	(47)	(43)	–	–	(1)	–	(125)	–	4	(121)
Royalties	(16)	(57)	(61)	(1)	–	(1)	–	(136)	–	(4)	(140)
Lease payments	(2)	–	–	–	(1)	–	–	(3)	–	–	(3)
AISC ²	(330)	(191)	(304)	(22)	(27)	(8)	(4)	(886)	–	(71)	(957)
AISC (per lb) ²	\$1.94	\$1.67	\$2.39	\$4.57	\$4.32	\$0.62	\$2.93	\$2.05	–	\$11.15	
Cash cost – (C1) (per lb) ²	\$1.57	\$0.79	\$1.51	\$4.11	\$4.01	\$(0.44)	\$2.81	\$1.39	–	\$10.93	
Total cost – (C3) (per lb) ²	\$2.55	\$1.78	\$2.59	\$4.01	\$4.10	\$1.19	\$2.81	\$2.39	–	\$12.87	

¹ Total cost of sales per the Consolidated Statement of Earnings in the Company's annual audited consolidated financial statements.

² C1 cash cost (C1), total costs (C3) and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

³ Sustaining capital and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".



(in United States dollars, tabular amounts in millions, except where noted)

For the year ended December 31, 2022	Cobre Panamá	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
Cost of sales¹	(1,894)	(1,324)	(1,315)	(187)	(105)	(67)	(33)	(4,925)	(59)	(442)	(5,426)
Adjustments:											
Depreciation	608	226	314	13	–	19	3	1,183	1	46	1,230
By-product credits	190	204	1	118	–	17	22	552	–	31	583
Royalties	57	135	188	6	1	7	–	394	–	20	414
Treatment and refining charges	(130)	(25)	(55)	(6)	–	(7)	(2)	(225)	–	–	(225)
Freight costs	–	–	(45)	–	–	(9)	–	(54)	–	–	(54)
Finished goods	(17)	(9)	17	(7)	1	–	1	(14)	–	(23)	(37)
Other ⁴	31	115	20	2	18	–	–	186	58	6	250
Cash cost (C1)^{2,4}	(1,155)	(678)	(875)	(61)	(85)	(40)	(9)	(2,903)	–	(362)	(3,265)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(616)	(225)	(306)	(14)	–	(17)	(3)	(1,181)	–	(50)	(1,231)
Royalties	(57)	(135)	(188)	(6)	(1)	(7)	–	(394)	–	(20)	(414)
Other	(16)	(11)	(10)	(1)	(1)	–	–	(39)	–	(6)	(45)
Total cost (C3)^{2,4}	(1,844)	(1,049)	(1,379)	(82)	(87)	(64)	(12)	(4,517)	–	(438)	(4,955)
Cash cost (C1) ^{2,4}	(1,155)	(678)	(875)	(61)	(85)	(40)	(9)	(2,903)	–	(362)	(3,265)
Adjustments:											
General and administrative expenses	(49)	(28)	(37)	(2)	(4)	(1)	–	(121)	–	(15)	(136)
Sustaining capital expenditure and deferred stripping ³	(151)	(145)	(159)	(5)	–	(5)	–	(465)	–	(27)	(492)
Royalties	(57)	(135)	(188)	(6)	(1)	(7)	–	(394)	–	(20)	(414)
Lease payments	(4)	–	(2)	–	(2)	–	–	(8)	–	(1)	(9)
AISC^{2,4}	(1,416)	(986)	(1,261)	(74)	(92)	(53)	(9)	(3,891)	–	(425)	(4,316)
AISC (per lb) ^{2,4}	\$1.91	\$3.11	\$2.43	\$2.47	\$4.35	\$2.17	\$1.99	\$2.35	–	\$10.45	
Cash cost – (C1) (per lb) ^{2,4}	\$1.56	\$2.18	\$1.69	\$2.00	\$4.05	\$1.67	\$1.91	\$1.76	–	\$8.83	
Total cost – (C3) (per lb) ^{2,4}	\$2.49	\$3.31	\$2.66	\$2.77	\$4.15	\$2.64	\$2.56	\$2.73	–	\$10.72	

¹ Total cost of sales per the Consolidated Statement of Earnings in the Company's annual audited consolidated financial statements.

² C1 cash cost (C1), total costs (C3) and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

³ Sustaining capital and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

⁴ Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.



(in United States dollars, tabular amounts in millions, except where noted)

For the year ended December 31, 2021	Cobre Panamá	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
Cost of sales ^{1,2}	(1,711)	(1,045)	(1,116)	(208)	(98)	(57)	(31)	(4,266)	(35)	(349)	(4,650)
Adjustments:											
Depreciation	579	220	270	36	13	18	1	1,137	3	34	1,174
By-product credits ²	208	220	–	114	–	14	21	577	–	22	599
Royalties	61	192	203	9	2	8	–	475	–	13	488
Treatment and refining charges	(112)	(26)	(56)	(10)	–	(5)	(2)	(211)	–	–	(211)
Freight costs	(5)	–	(41)	–	–	(5)	–	(51)	–	–	(51)
Finished goods	27	(24)	10	12	3	(7)	–	21	–	10	31
Other	41	13	16	2	–	2	1	75	32	5	112
Cash cost (C1) ³	(912)	(450)	(714)	(45)	(80)	(32)	(10)	(2,243)	–	(265)	(2,508)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(564)	(224)	(270)	(29)	(10)	(21)	(1)	(1,119)	–	(34)	(1,153)
Royalties	(61)	(192)	(203)	(9)	(2)	(8)	–	(475)	–	(13)	(488)
Other	(16)	(9)	(8)	–	(1)	–	–	(34)	–	(5)	(39)
Total cost (C3) ³	(1,553)	(875)	(1,195)	(83)	(93)	(61)	(11)	(3,871)	–	(317)	(4,188)
Cash cost (C1) ³	(912)	(450)	(714)	(45)	(80)	(32)	(10)	(2,243)	–	(265)	(2,508)
Adjustments:											
General and administrative expenses	(43)	(21)	(33)	(2)	(4)	(1)	–	(104)	–	(13)	(117)
Sustaining capital expenditure and deferred stripping ³	(106)	(182)	(149)	(1)	–	(5)	–	(443)	–	(14)	(457)
Royalties	(61)	(192)	(203)	(9)	(2)	(8)	–	(475)	–	(13)	(488)
Lease payments	(5)	–	–	–	(2)	(1)	–	(8)	–	(1)	(9)
AISC ³	(1,127)	(845)	(1,099)	(57)	(88)	(47)	(10)	(3,273)	–	(306)	(3,579)
AISC (per lb) ³	\$1.61	\$1.96	\$2.21	\$1.66	\$2.91	\$1.56	\$1.61	\$1.88	–	\$9.87	
Cash cost – (C1) (per lb) ³	\$1.31	\$1.04	\$1.44	\$1.38	\$2.67	\$0.99	\$1.54	\$1.30	–	\$8.59	
Total cost – (C3) (per lb) ³	\$2.22	\$2.03	\$2.40	\$2.31	\$3.10	\$2.01	\$1.71	\$2.23	–	\$10.24	

¹ Total cost of sales per the Consolidated Statement of Earnings in the Company's annual audited consolidated financial statements.

² C1 cash cost (C1), total costs (C3) and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

³ Sustaining capital and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

Realized Metal Prices

Realized metal prices are used by the Company to enable management to better evaluate sales revenues in each reporting period. Realized metal prices are calculated as gross metal sales revenues divided by the volume of metal sold in lbs. Net realized metal price is inclusive of the treatment and refining charges (TC/RC) and freight charges per lb.

EBITDA and Adjusted Earnings

EBITDA and adjusted earnings, which are non-GAAP financial measures, and adjusted earnings per share, which is a non-GAAP ratio, are the Company's adjusted earnings metrics, and are used to evaluate operating performance by management. These measures do not have a standardized meaning under IFRS and might not be comparable to similar measures disclosed by other issuers. The Company believes that the adjusted metrics presented are useful measures of the Company's underlying operational performance as they exclude certain impacts which the Company believes are not reflective of the Company's underlying performance for the reporting period. These include impairment and related charges, foreign exchange revaluation gains and losses, gains and losses on disposal of assets and liabilities, one-time costs related to acquisitions, dispositions, restructuring and other transactions, revisions in estimates of restoration provisions at closed sites, debt extinguishment and modification gains and losses, the tax effect on unrealized movements in the fair value of derivatives designated as hedged instruments, and adjustments for expected phasing of Zambian VAT receipts.

Calculation of Operating Cash Flow per Share and Net Debt

Cash flows from operating activities per share is a non-GAAP ratio and is calculated by dividing the operating cash flow calculated in accordance with IFRS by the basic weighted average common shares outstanding for the respective period.

Net debt is comprised of bank overdrafts and total debt less unrestricted cash and cash equivalents.

NET DEBT

	Q4 2022	Q3 2022	Q4 2021	Q4 2020
Cash and cash equivalents	1,688	1,789	1,859	950
Bank overdraft	–	–	–	36
Current debt	575	572	313	871
Non current debt	6,805	6,546	7,599	7,452
Net debt	5,692	5,329	6,053	7,409

EBITDA

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Operating profit	314	289	722	2,241	2,598
Depreciation	327	320	314	1,230	1,174
Other adjustments:					
Foreign exchange loss (gain)	25	(26)	(13)	(184)	(159)
Impairment expense	–	–	44	–	44
Other expense (income) ¹	(5)	3	12	46	20
Revisions in estimates of restoration provisions at closed sites	(14)	(3)	6	(17)	7
Total adjustments excluding depreciation	6	(26)	49	(155)	(88)
EBITDA	647	583	1,085	3,316	3,684

¹ Other expenses includes a charge of \$40 million for non-recurring costs in connection with previously sold assets for the year ended December 31, 2022.

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Net earnings attributable to shareholders of the Company	117	113	247	1,034	832
Adjustments attributable to shareholders of the Company:					
Adjustment for expected phasing of Zambian VAT	56	6	(2)	190	16
Loss on redemption of debt	–	–	21	–	21
Total adjustments to EBITDA excluding depreciation	6	(26)	49	(155)	(88)
Tax and minority interest adjustments	(28)	3	(9)	(5)	45
Adjusted earnings	151	96	306	1,064	826
Basic earnings per share as reported	\$0.17	\$0.16	\$0.36	\$1.50	\$1.21
Diluted earnings per share	\$0.17	\$0.16	\$0.36	\$1.49	\$1.20
Adjusted earnings per share	\$0.22	\$0.14	\$0.44	\$1.54	\$1.20

Significant Judgments, Estimates and Assumptions

Many of the amounts disclosed in the financial statements involve the use of judgments, estimates and assumptions. These judgments and estimates are based on management's knowledge of the relevant facts and circumstances at the time, having regard to prior experience, and are continually evaluated.

Significant judgments

> Determination of ore reserves and resources

Judgments about the amount of product that can be economically and legally extracted from the Company's properties are made by management using a range of geological, technical and economic factors, history of conversion of mineral deposits to proven and probable reserves, as well as data regarding quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. This process may require complex and difficult geological judgments to interpret the data. The Company uses qualified persons (as defined by the Canadian Securities Administrators' National Instrument 43-101) to compile this data.

Changes in the judgments surrounding ore reserves and resources may impact the carrying value of property, plant and equipment, restoration provisions included in provisions and other liabilities, recognition of deferred income tax amounts and depreciation.

> Achievement of commercial production

Once a mine or smelter reaches the operating levels intended by management, depreciation of capitalized costs begins. Significant judgment is required to determine when certain of the Company's assets reach this level.

Management considers several factors, including, but not limited to the following:

- > completion of a reasonable period of commissioning;
- > consistent operating results achieved at a pre-determined level of design capacity and indications exist that this level will continue;
- > mineral recoveries at or near expected levels; and
- > the transfer of operations from development personnel to operational personnel has been completed.

➤ Taxes

Judgment is required in determining the recognition and measurement of deferred income tax assets and liabilities on the balance sheet. In the normal course of business, the Company is subject to assessment by taxation authorities in various jurisdictions. These authorities may have different interpretations of tax legislation or tax agreements than those applied by the Company in computing current and deferred income taxes. These different judgments may alter the timing or amounts of taxable income or deductions. The final amount of taxes to be paid or recovered depends on a number of factors including the outcome of audits, appeals and negotiation. The timings of recoveries with respect to indirect taxes, such as VAT, are subject to judgment which, in the instance of a change of circumstances, could result in material adjustments.

The Company operates in a specialized industry and in a number of tax jurisdictions. As a result, its income is subject to various rates of taxation. The breadth of its operations and the global complexity and interpretation of tax regulations require assessment and judgement of uncertainties and of the taxes that the Company will ultimately pay. These are dependent on many factors, including negotiations with tax authorities in various jurisdictions, outcomes of tax litigation and resolution of disputes. The resolution of these uncertainties may result in adjustments to the Company's tax assets and liabilities.

Management assesses the likelihood and timing of taxable earnings in future periods in recognizing deferred income tax assets on unutilized tax losses. Future taxable income is based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. Forecast cash flows are based on life of mine projections.

To the extent that future cash flows and taxable income differ significantly from forecasts, the ability of the Company to realize the net deferred income tax assets recorded at the balance sheet date could be impacted. In addition, future changes in tax laws that could limit the ability of the Company to obtain tax deductions in future periods from deferred income tax assets.

➤ Precious metal stream arrangement

On October 5, 2015, the Company finalized an agreement with Franco-Nevada Corporation ("Franco-Nevada") for the delivery of precious metals from the Cobre Panamá project. Franco-Nevada have provided \$1 billion deposit to the Cobre Panamá project against future deliveries of gold and silver produced by the mine. A further agreement was completed on March 26, 2018, with an additional \$356 million received from Franco-Nevada.

Management has determined that under the terms of the agreements the Company meets the 'own-use' exemption criteria under IFRS 9: Financial Instruments. The Company also retains significant business risk relating to the operation of the mine and as such has accounted for the proceeds received as deferred revenue.

Management has exercised judgement in determining the appropriate accounting treatment for the Franco-Nevada streaming agreements. Management has determined, with reference to the agreed contractual terms in conjunction with the Cobre Panamá reserves and mine plan, that funds received from Franco-Nevada constitute a prepayment of revenues deliverable from future Cobre Panamá production.

➤ Assessment of impairment indicators

Management applies significant judgement in assessing the cash-generating units and assets for the existence of indicators of impairment at the reporting date. Internal and external factors are considered in assessing whether indicators of impairment are present that would necessitate impairment testing. Significant assumptions regarding commodity prices, production, operating costs, capital expenditures and discount rates are used in determining whether there are any indicators of impairment. These assumptions are reviewed regularly by senior management and compared, where applicable, to relevant market consensus views.

For exploration projects, management considers indicators including the Company's continued ability and plans to further develop the projects and title of mineral properties required to advance the projects to assess the existence of impairment indicators.

The Company's most significant cash generating units are longer-term assets and therefore their value is assessed on the basis of longer-term pricing assumptions. Shorter-term assets are more sensitive to short term commodity prices assumptions that are used in the review of impairment indicators.

➤ Cobre Panamá discussions

On December 19, 2022, the National Directorate of Mineral Resources of the Ministry of Commerce and Industries (“MICI”) (the mining regulator) issued a resolution requiring MPSA to submit a plan to the GOP to suspend commercial operations at Cobre Panamá. MPSA filed recourses, appeals and other motions against these resolutions, which has stayed their legal effect. Due to the legal processes and the Government’s role in responding to the plan, the timing and impact of this requirement remain uncertain. Management assessed the impact of a possible care and maintenance situation, should it arise, at the Cobre Panamá mine and considered the possible impact on the recoverability of the cash-generating unit’s assets, including goodwill.

On January 26, 2023, the Panamá Maritime Authority (“AMP”) issued a resolution that required the suspension of concentrate loading operations at the Cobre Panamá port, Punta Rincón, until evidence was provided that the process of certification of the calibration of the scales by an accredited company had been initiated. MPSA filed legal proceedings to challenge the resolution, staying its legal effects. Nevertheless, the Company submitted the required proof of the initiation of the certification process on February 2, 2023, and, on February 7, 2023, the Company submitted certifications of the calibration of the scales and weights. AMP rejected the certification on February 8, 2023, claiming that the certification company is not accredited in Panamá, even though the provider MPSA used is on the list of accredited companies published by MICI. MPSA is challenging this decision, and, at the same time, is working to find another accredited certification company that the GOP will accept. In the meantime, the AMP has maintained its order suspending loading operations at the Port. MPSA is pursuing all avenues to restart shipments at Punta Rincón, including all legal recourse available. As previously reported, if AMP’s measures persist, it may become necessary to shut down the Cobre Panamá mine if concentrate is not shipped by approximately February 20, 2023 due to limited storage capacity on site.

It is hoped that these specific matters are resolved in the short term. A period of care and maintenance or a temporary shutdown would have a negative impact on the Company’s estimated EBITDA but the Company would still expect to be in compliance with financial covenants over the next 12 months. An extended full shutdown to the end of the year may increase the risk of the Company’s ability to be in compliance with all existing facility covenants and may have an associated impact on the longer term value of the CGU. However, at the current time, the Company is unable to determine the impact of this eventuality given its uncertainty. The Company has also expressed its earnest desire to resolve all outstanding issues and continues to engage with the Government with a view to concluding a reasonable and durable arrangement regarding the long-term future of Cobre Panamá.

Significant accounting estimates

Estimates are inherently uncertain and therefore actual results may differ from the amounts included in the financial statements, potentially having a material future effect on the Company’s consolidated financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

➤ Determination of ore reserves and life of mine plan

Reserves are estimates of the amount of product that can be economically and legally extracted from the Company’s properties. Estimating the quantity and/or grade of reserves requires the size, shape and depth of ore bodies or fields to be determined by analyzing geological data such as drilling samples. Following this, the quantity of ore that can be extracted in an economical manner is calculated using data regarding the life of mine plans and forecast sales prices (based on current and long-term historical average price trends).

The majority of the Company’s property, plant and equipment are depreciated over the estimated lives of the assets on a units-of-production basis. The calculation of the units-of-production rate, and therefore the annual depreciation expense could be materially affected by changes in the underlying estimates which are driven by the life of mine plans. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of mineral reserves through exploration activities, differences between estimated and actual costs of mining and differences in the commodity prices used in the estimation of mineral reserves.

Management made significant estimates of the strip ratio for each production phase. Waste material stripping costs in excess of this ratio, and from which future economic benefit will be derived from future access to ore, will be capitalized to mineral property and depreciated on a units-of-production basis.

Changes in the proven and probable reserves estimates may impact the carrying value of property, plant and equipment, restoration provisions, recognition of deferred income tax amounts and depreciation.

➤ Review of asset carrying values and impairment charges

Management's determination of recoverable amounts includes estimates of mineral prices, recoverable reserves, and operating, capital and restoration costs and tax regulations applicable to the cash-generating unit's operations are subject to certain risks and uncertainties that may affect the recoverability of mineral property costs. The calculation of the recoverable amount can also include assumptions regarding the appropriate discount rate and inflation and exchange rates. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its projects.

➤ Estimation of the amount and timing of restoration and remediation costs

Accounting for restoration provisions requires management to make estimates of the future costs the Company will incur to complete the restoration and remediation work required to comply with existing laws, regulations and agreements in place at each mining operation and any environmental and social principles the Company is in compliance with. The calculation of the present value of these costs also includes assumptions regarding the timing of restoration and remediation work, applicable risk-free interest rate for discounting those future cash outflows, inflation and foreign exchange rates. Actual costs incurred may differ from those amounts estimated. Also, future changes to environmental laws and regulations could increase the extent of restoration work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for restoration. A 10% increase in costs would result in an increase to restoration provisions of \$39 million at December 31, 2022.

The provision represents management's best estimate of the present value of the future restoration and remediation costs. The actual future expenditures may differ from the amounts currently provided; any increase in future costs could materially impact the amounts included in the liability disclosed in the consolidated balance sheet.

➤ Estimation and assumptions relating to the timing of VAT receivables in Zambia

In addition to the timing of the recoverability of VAT receivables being a key judgment, certain assumptions are determined by management in calculating the adjustment for expected phasing of VAT receipts. In assessing the expected phasing adjustment, management considers an appropriate discount rate, which is then applied to calculate the phasing adjustment based on the estimated timing of recoverability. Changes to the timings could materially impact the amounts charged to finance costs. The impact of repayments being one year later than estimated at December 31, 2022, would lead to a decrease to the carrying value and an increase to finance costs of \$62 million.

Financial instruments risk exposure

Credit risk

The Company's credit risk is primarily attributable to cash and bank balances, short-term deposits, derivative instruments and trade and other receivables. The Company's exposure to credit risk is represented by the carrying amount of each class of financial assets, including commodity contracts, recorded in the consolidated balance sheet.

The Company limits its credit exposure on cash held in bank accounts by holding its key transactional bank accounts with highly rated financial institutions. The Company manages its credit risk on short-term deposits by only investing with counterparties that carry investment grade ratings as assessed by external rating agencies and spreading the investments across these counterparties. Under the Company's risk management policy, allowable counterparty exposure limits are determined by the level of the rating unless exceptional circumstances apply. A rating of investment grade or equivalent is the minimum allowable rating required as assessed by international credit rating agencies. Likewise, it is the Company's policy to deal with banking counterparties for derivatives who are rated investment grade or above by international credit rating agencies and graduated counterparty limits are applied depending upon the rating.

Exceptions to the policy for dealing with relationship banks with ratings below investment grade are reported to, and approved by, the Audit Committee. As at December 31, 2022, substantially all cash and short-term deposits are with counterparties of investment grade.

The Company's credit risk associated with trade accounts receivable is managed through establishing long-term contractual relationships with international trading companies using industry-standard contract terms. 34% of the

Company's trade receivables are outstanding from three customers together representing 17% of the total sales for the year. No amounts were past due from these customers at the balance sheet date. The Company continues to trade with these customers. Revenues earned from these customers are included within the Kansanshi, Trident, Panamá and Çayeli segments. Other accounts receivable consist of amounts owing from government authorities in relation to the refund of value-added taxes applying to inputs for the production process and property, plant and equipment expenditures, prepaid taxes and amounts held in broker accounts.

The VAT receivable due from government authorities includes \$639 million at December 31, 2022, which is past due (December 31, 2021: \$644 million).

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk. Expected credit losses on trade and other receivables at December 31, 2022, are insignificant.

Liquidity risk

The Company manages liquidity risk by maintaining cash and cash equivalent balances and available credit facilities to ensure that it is able to meet its short-term and long-term obligations as and when they fall due. Company-wide cash projections are managed centrally and regularly updated to reflect the dynamic nature of the business and fluctuations caused by commodity price and exchange rate movements.

In addition, the Company was obligated under its corporate revolving credit and term loan facility to maintain liquidity and satisfy covenant ratio tests on a historical cash flow basis. These ratios were in compliance during the year ended December 31, 2022, and December 31, 2021. If the Company breaches a covenant in its Financing Agreements, this would be an event of default which, if un-addressed, would entitle the lenders to make the related borrowings immediately due and payable and if made immediately due and payable all other borrowings would also be due and payable.

In respect of discussions with the GOP, the Company has expressed its earnest desire to resolve all outstanding issues and continues to engage with the Government with a view to concluding a reasonable and durable arrangement regarding the long-term future of Cobre Panamá. It is hoped that outstanding matters are resolved in the short term. A period of care and maintenance or a temporary shutdown at Cobre Panamá would have a negative impact on the Company's estimated EBITDA but the Company would still expect to remain in compliance with financial covenants over the next 12 months. An extended full shutdown to the end of the year may increase the risk of the Company's ability to be in compliance with all existing facility covenants.

Market risks

Commodity price risk

The Company is subject to commodity price risk from fluctuations in the market prices of copper, gold, nickel, zinc and other elements.

As part of the hedging program, the Company has elected to apply hedge accounting for a portion of copper and nickel sales. For the year ended December 31, 2022, a fair value gain of \$nil (2021: fair value loss of \$9 million) has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income and a fair value loss of \$5 million (2021: fair value loss of \$902 million) has been recognized through sales revenues.

As at December 31, 2022, the company had not entered into any unmargined copper or nickel forward sales.

The Company is also exposed to commodity price risk on diesel fuel required for mining operations and sulphur required for acid production. The Company's risk management policy allows for the management of these exposures through the use of derivative financial instruments. As at December 31, 2022, and December 31, 2021, the Company had not entered into any derivatives or fuel forward contracts. A collar structure for coal purchases is currently in place until December 2023.

The Company's commodity price risk related to changes in fair value of embedded derivatives in accounts receivable reflecting copper, nickel, gold and zinc sales provisionally priced based on the forward price curve at the end of each quarter.

Interest rate risk

The majority of the Company's interest expense is fixed however it is also exposed to an interest rate risk arising from interest paid on floating rate debt and the interest received on cash and short-term deposits.

Deposits are invested on a short-term basis to ensure adequate liquidity for payment of operational and capital expenditures. To date, no interest rate management products are used in relation to deposits.

The Company manages its interest rate risk on borrowings on a net basis. The Company has a policy allowing floating-to-fixed interest rate swaps targeting 50% of exposure over a five-year period. As at December 31, 2022, and December 31, 2021, the Company held no floating-to-fixed interest rate swaps.

Foreign exchange risk

The Company's functional and reporting currency is USD. As virtually all of the Company's revenues are derived in USD and the majority of its business is conducted in USD, foreign exchange risk arises from transactions denominated in currencies other than USD. Commodity sales are denominated in USD, the majority of borrowings are denominated in USD and the majority of operating expenses are denominated in USD. The Company's primary foreign exchange exposures are to the local currencies in the countries where the Company's operations are located, principally the Zambian kwacha ("ZMW"), Australian dollar ("A\$") Mauritanian ouguiya ("MRU"), the euro ("EUR") and the Turkish lira ("TRY"); and to the local currencies suppliers who provide capital equipment for project development, principally the A\$, EUR and the South African rand ("ZAR").

The Company's risk management policy allows for the management of exposure to local currencies through the use of financial instruments at a targeted amount of up to 100% for exposures within one year down to 50% for exposures in five years.

Capital management

The Company's objectives when managing capital are to continue to provide returns for shareholders, and comply with lending requirements while safeguarding the Company's ability to continue as a going concern. The Company considers the items included in equity to be capital.

The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Company uses a combination of short-term and long-term debt to finance its operations and development projects. Typically, floating rates of interest are attached to short-term debt, and fixed rates on senior notes.

Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is communicated to senior management, to allow timely decisions regarding required disclosure.

An evaluation of the effectiveness of the Company's disclosure controls and procedures, as defined under the National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*, was conducted as of December 31, 2022, under the supervision of the Company's Audit Committee and with the participation of management. Based on the results of the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report in providing reasonable assurance that the information required to be disclosed in the Company's annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported in accordance with the securities legislation.

Since the December 31, 2022 evaluation, there have been no adverse changes to the Company's controls and procedures and they continue to remain effective.

Internal Control Over Financial Reporting ("ICFR")

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements in compliance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

- > pertain to the maintenance of records that accurately and fairly reflect the transactions of the Company;
- > provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS;
- > ensure the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and
- > provide reasonable assurance regarding prevention or timely detection of unauthorized transactions that could have a material effect on the annual or interim financial statements.

There have been no changes in the Company's ICFR during the year ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

An evaluation of the effectiveness of the Company's internal control over financial reporting was conducted as of December 31, 2022 by the Company's management, including the Chief Executive Officer and Chief Financial Officer, based on the Control - Integrated Framework (2013) established by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Based on this evaluation, management has concluded that the Company's internal controls over financial reporting were effective.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable and not absolute assurance that the objectives of the control system are met. Further, the design of a control system reflects the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

SUMMARY QUARTERLY INFORMATION

The following unaudited tables set out a summary of certain quarterly and annual results for the Company:

Consolidated operations	Q1 21	Q2 21	Q3 21	Q4 21	2021	Q1 22	Q2 22	Q3 22	Q4 22	2022
Sales revenues										
Copper	1,445	1,525	1,513	1,849	6,332	1,862	1,670	1,469	1,554	6,555
Gold	113	123	120	114	470	117	101	87	77	382
Nickel	29	99	64	62	254	120	55	109	157	441
Other	35	35	50	36	156	64	78	62	44	248
Total sales revenues	1,622	1,782	1,747	2,061	7,212	2,163	1,904	1,727	1,832	7,626
Cobre Panamá	724	838	777	821	3,160	741	837	707	674	2,959
Kansanshi	418	458	505	633	2,014	596	395	359	356	1,706
Sentinel	531	525	449	527	2,032	555	453	437	535	1,980
Guelb Moghrein	77	112	69	55	313	46	58	54	56	214
Ravensthorpe	39	107	71	69	286	132	63	117	164	476
Sales hedge program loss	(257)	(338)	(204)	(103)	(902)	(3)	(2)	–	–	(5)
Other	90	80	80	59	309	96	100	53	47	296
Total sales revenues	1,622	1,782	1,747	2,061	7,212	2,163	1,904	1,727	1,832	7,626
Gross profit	540	625	613	784	2,562	908	629	302	361	2,200
EBITDA ³	811	902	886	1,085	3,684	1,180	906	583	647	3,316
Net earnings attributable to shareholders of the Company	142	140	303	247	832	385	419	113	117	1,034
Adjusted earnings ³	150	173	197	306	826	480	337	96	151	1,064
Net debt ³	7,062	6,751	6,302	6,053	6,053	5,815	5,339	5,329	5,692	5,692
Basic earnings per share	\$0.21	\$0.20	\$0.44	\$0.36	\$1.21	\$0.56	\$0.61	\$0.16	\$0.17	\$1.50
Adjusted earnings per share ⁴	\$0.22	\$0.25	\$0.29	\$0.44	\$1.20	\$0.70	\$0.49	\$0.14	\$0.22	\$1.54
Diluted earnings per share	\$0.21	\$0.20	\$0.44	\$0.36	\$1.20	\$0.56	\$0.60	\$0.16	\$0.17	\$1.49
Dividends declared per common share (CDN\$ per share)	\$0.005	\$–	\$0.005	\$–	\$0.010	\$0.005	\$–	\$0.160	\$–	\$0.165
Cash flows per share from operating activities ⁴	\$1.08	\$0.99	\$1.02	\$1.10	\$4.19	\$0.97	\$1.31	\$0.76	\$0.34	\$3.38
Basic weighted average shares ('000's) ²	688,771	688,457	688,852	688,691	688,674	690,130	690,237	690,726	691,053	690,516
Copper statistics										
Total copper production (tonnes)	205,064	199,689	209,859	201,823	816,435	182,210	192,668	194,974	206,007	775,859
Total copper sales (tonnes) ⁶	210,734	203,790	194,278	213,087	821,889	196,702	187,642	198,980	198,912	782,236
Realized copper price (per lb) ⁴	\$3.25	\$3.55	\$3.68	\$4.08	\$3.64	\$4.45	\$4.19	\$3.43	\$3.56	\$3.90
TC/RC (per lb)	(0.12)	(0.12)	(0.11)	(0.11)	(0.12)	(0.12)	(0.14)	(0.12)	(0.12)	(0.13)
Freight charges (per lb)	(0.02)	(0.04)	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)
Net realized copper price (per lb) ⁴	\$3.11	\$3.39	\$3.53	\$3.94	\$3.49	\$4.29	\$4.02	\$3.28	\$3.40	\$3.74
Cash cost – copper (C1) (per lb) ^{4,5}	\$1.24	\$1.29	\$1.26	\$1.39	\$1.30	\$1.61	\$1.74	\$1.82	\$1.86	\$1.76
All-in sustaining cost (AISC) (per lb) ^{4,5}	\$1.72	\$1.91	\$1.87	\$2.05	\$1.88	\$2.27	\$2.37	\$2.34	\$2.42	\$2.35
Total cost – copper (C3) (per lb) ^{4,5}	\$2.10	\$2.21	\$2.22	\$2.39	\$2.23	\$2.65	\$2.73	\$2.75	\$2.79	\$2.73
Gold statistics										
Total gold production (ounces)	78,048	81,375	78,124	74,945	312,492	70,357	74,959	67,417	70,493	283,226
Total gold sales (ounces) ¹	77,391	85,291	79,773	79,403	321,858	76,195	69,998	65,014	59,568	270,775
Net realized gold price (per ounce) ⁴	\$1,661	\$1,670	\$1,683	\$1,677	\$1,673	\$1,772	\$1,736	\$1,546	\$1,574	\$1,665
Nickel statistics										
Nickel produced (contained tonnes)	4,642	4,543	4,248	3,385	16,818	5,122	4,853	5,849	5,705	21,529
Nickel produced (payable tonnes)	3,843	3,789	3,531	2,855	14,018	4,743	4,348	4,960	4,450	18,501
Nickel sales (contained tonnes)	2,357	6,910	4,055	3,756	17,078	4,350	2,892	5,992	6,840	20,074
Nickel sales (payable tonnes)	1,969	5,777	3,392	3,175	14,313	4,037	2,443	5,072	5,216	16,768
Net realized price (per payable lb) ⁴	\$6.67	\$7.79	\$8.50	\$8.88	\$8.05	\$13.52	\$10.09	\$9.76	\$13.67	\$11.93

¹ Excludes refinery-backed gold credits purchased and delivered under the precious metal streaming arrangement. See "Precious Metal Stream Arrangement".

² Fluctuations in average weighted shares between quarters reflects shares issued and changes in levels of treasury shares held for performance share units.

³ EBITDA and adjusted earnings are non-GAAP financial measures and net debt is a supplementary financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. Adjusted earnings (loss) and EBITDA were previously named comparative earnings (loss) and comparative EBITDA, respectively, and the composition remains the same. See "Regulatory Disclosures" for further information.

⁴ All-in sustaining costs (AISC), copper C1 cash cost (copper C1), and total copper cost (C3), realized metal prices, adjusted earnings (loss) per share and cash flows from operating activities per share are non-GAAP ratios. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

(in United States dollars, tabular amounts in millions, except where noted)

⁵ Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.

⁶ Sales of copper anode attributable to anode produced from third-party purchased concentrate are excluded.

APPENDICES

PRODUCTION

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Copper production (tonnes) ¹					
Cobre Panamá	89,652	91,671	80,030	350,438	331,000
<i>Kansanshi cathode</i>	5,001	3,362	10,071	20,625	39,170
<i>Kansanshi concentrate</i>	29,801	26,500	41,868	125,657	162,989
Kansanshi total	34,802	29,862	51,939	146,282	202,159
Sentinel	73,409	64,120	60,197	242,451	232,688
Guelb Moghrein	3,481	3,336	2,588	13,313	18,845
Las Cruces	2,229	2,341	2,805	9,557	13,652
Çayeli	2,434	2,913	3,532	11,456	14,799
Pyhäsalmi	–	731	732	2,362	3,292
Total copper production (tonnes)	206,007	194,974	201,823	775,859	816,435
Gold production (ounces)					
Cobre Panamá	38,302	34,571	32,800	139,751	141,637
Kansanshi	24,479	24,561	34,546	109,617	128,199
Guelb Moghrein	7,434	7,439	6,552	30,845	38,431
Other sites ²	278	846	1,047	3,013	4,225
Total gold production (ounces)	70,493	67,417	74,945	283,226	312,492
Nickel production (contained tonnes) – Ravensthorpe	5,705	5,849	3,385	21,529	16,818

¹ Production is presented on a contained basis, and is presented prior to processing through the Kansanshi smelter.

² Other sites include Çayeli and Pyhäsalmi.



(in United States dollars, tabular amounts in millions, except where noted)

SALES

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Copper sales volume (tonnes)					
Cobre Panamá	85,330	92,665	86,112	343,448	341,078
Kansanshi cathode	5,781	2,902	11,122	23,751	38,731
Kansanshi anode ³	26,715	34,403	48,750	135,256	156,596
Kansanshi total ³	32,496	37,305	59,872	159,007	195,327
Sentinel anode	47,703	44,375	34,061	169,899	148,494
Sentinel concentrate	23,939	15,683	24,026	71,263	84,318
Sentinel total	71,642	60,058	58,087	241,162	232,812
Guelb Moghrein	3,765	3,300	4,359	12,522	23,614
Las Cruces	2,236	2,346	2,914	9,570	14,322
Çayeli	2,918	2,836	978	14,098	11,343
Pyhäsalmi	525	470	765	2,429	3,393
Total copper sales (tonnes)	198,912	198,980	213,087	782,236	821,889
Gold sales volume (ounces)					
Cobre Panamá	34,208	35,033	34,409	134,660	145,185
Kansanshi	16,156	19,256	36,295	101,015	125,338
Guelb Moghrein	8,601	9,754	8,189	30,852	46,661
Other sites ¹	603	971	510	4,248	4,674
Total gold sales (ounces) ²	59,568	65,014	79,403	270,775	321,858
Nickel sales volume (contained tonnes) – Ravensthorpe	6,840	5,992	3,756	20,074	17,078

¹ Other sites include Çayeli and Pyhäsalmi.

² Excludes refinery-backed gold credits purchased and delivered under precious metal streaming arrangement.

³ Copper sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Trident). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 8,651 and 13,379 tonnes for the three and twelve months ended December 31, 2022, (nil for the three and twelve months ended December 31, 2021).

SALES REVENUES

		QUARTERLY			FULL YEAR	
		Q4 2022	Q3 2022	Q4 2021	2022	2021
Cobre Panamá	- copper	626	657	773	2,768	2,952
	- gold	36	41	37	148	166
	- silver	12	9	11	43	42
Kansanshi	- copper cathode	46	22	106	216	356
	- copper anode	278	292	463	1,286	1,438
	- gold	26	29	63	174	219
	- other	6	16	1	30	1
Sentinel	- copper anode	375	335	323	1,452	1,339
	- copper concentrate	160	102	204	528	693
Guelb Moghrein	- copper	27	23	38	97	199
	- gold	15	16	13	53	79
	- magnetite	14	15	4	64	35
Las Cruces	- copper	18	18	29	85	131
Çayeli	- copper	19	17	8	103	85
	- zinc, gold and silver	–	5	4	17	14
Pyhäsalmi	- copper	5	3	7	21	31
	- zinc, pyrite, gold and silver	4	7	5	22	21
Ravensthorpe	-nickel	157	109	63	445	264
	-cobalt	7	8	6	31	22
Corporate ¹		1	3	(97)	43	(875)
Sales revenues		1,832	1,727	2,061	7,626	7,212
	Copper	1,554	1,469	1,849	6,555	6,332
	Gold	77	87	114	382	470
	Nickel	157	109	62	441	254
	Silver	12	11	11	48	47
	Other	32	51	25	200	109
		1,832	1,727	2,061	7,626	7,212

¹ Corporate sales include sales hedges (see "Hedging Programs" for further discussion).

UNIT CASH COSTS (PER LB)^{1,2}

	QUARTERLY			FULL YEAR	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Cobre Panamá					
Mining	\$0.43	\$0.42	\$0.40	\$0.44	\$0.36
Processing	1.02	0.85	1.00	0.95	0.86
Site administration	0.08	0.06	0.07	0.07	0.06
TC/RC and freight charges	0.35	0.35	0.35	0.35	0.31
By-product credits	(0.25)	(0.25)	(0.25)	(0.25)	(0.28)
Copper cash cost (C1) (per lb)	\$1.63	\$1.43	\$1.57	\$1.56	\$1.31
Copper all-in sustaining cost (AISC) (per lb)	\$2.01	\$1.76	\$1.94	\$1.91	\$1.61
Total copper cost (C3) (per lb)	\$2.54	\$2.33	\$2.55	\$2.49	\$2.22
Kansanshi					
Mining	\$1.48	\$1.57	\$0.53	\$1.20	\$0.56
Processing	1.10	1.26	0.73	1.00	0.67
Site administration	0.20	0.18	(0.30)	0.15	–
TC/RC and freight charges	0.20	0.19	0.14	0.18	0.14
By-product credits	(0.42)	(0.54)	(0.48)	(0.57)	(0.50)
Total smelter costs	0.25	0.27	0.17	0.22	0.17
Copper cash cost (C1) (per lb)	\$2.81	\$2.93	\$0.79	\$2.18	\$1.04
Copper all-in sustaining cost (AISC) (per lb)	\$3.55	\$3.89	\$1.67	\$3.11	\$1.96
Total copper cost (C3) (per lb)	\$3.96	\$4.08	\$1.78	\$3.31	\$2.03
Sentinel					
Mining	\$0.54	\$0.67	\$0.47	\$0.59	\$0.46
Processing	0.52	0.60	0.59	0.61	0.56
Site administration	0.15	0.17	0.13	0.15	0.11
TC/RC and freight charges	0.27	0.25	0.26	0.26	0.24
Total smelter costs	0.07	0.08	0.06	0.08	0.07
Copper cash cost (C1) (per lb)	\$1.55	\$1.77	\$1.51	\$1.69	\$1.44
Copper all-in sustaining cost (AISC) (per lb)	\$2.25	\$2.39	\$2.39	\$2.43	\$2.21
Total copper cost (C3) (per lb)	\$2.42	\$2.69	\$2.59	\$2.66	\$2.40
Ravensthorpe					
Mining	\$1.54	\$1.52	\$2.51	\$1.55	\$2.24
Processing	7.19	7.06	7.86	6.95	5.92
Site administration	0.77	0.80	1.09	0.74	0.82
TC/RC and freight charges	0.48	0.45	0.32	0.43	0.31
By-product credits	(0.66)	(0.71)	(0.85)	(0.84)	(0.70)
Nickel cash cost (C1) (per lb)	\$9.32	\$9.12	\$10.93	\$8.83	\$8.59
Nickel all-in sustaining cost (AISC) (per lb)	\$11.10	\$10.41	\$11.15	\$10.45	\$9.87
Total nickel cost (C3) (per lb)	\$11.70	\$10.76	\$12.87	\$10.72	\$10.24
Guelb Moghrein					
Copper cash cost (C1) (per lb)	\$2.57	\$1.99	\$4.11	\$2.47	\$1.38
Copper all-in sustaining cost (AISC) (per lb)	\$3.19	\$2.38	\$4.57	\$2.00	\$1.66
Total copper cost (C3) (per lb)	\$3.35	\$2.82	\$5.01	\$2.77	\$2.31
Las Cruces					
Copper cash cost (C1) (per lb)	\$4.02	\$4.36	\$4.01	\$4.05	\$2.67
Çayeli					
Copper cash cost (C1) (per lb)	\$2.46	\$1.68	(\$0.44)	\$1.67	\$0.99
Pyhäsalmi					
Copper cash cost (C1) (per lb)	\$–	(\$0.13)	\$2.81	\$1.91	\$1.54

¹ All-in sustaining costs (AISC), C1 cash cost (C1), C3 total cost (C3) are non-GAAP ratios, and do not have standardized meaning prescribed by IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

² Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain statements and information herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. The forward-looking statements include estimates, forecasts and statements as to the Company's expectations of production and sales volumes, the Company's ability to reach an agreement with the Government of Panamá regarding the long term future of Cobre Panamá (including the resumption of ordinary course loading process at the port and the delivery by MPSA of a "care and maintenance plan" and the enactment by the government of any such plan), expected timing of completion of project development at Enterprise and post-completion construction activity at Cobre Panamá and are subject to the impact of ore grades on future production, the potential of production disruptions, potential production, operational, labour or marketing disruptions as a result of the COVID-19 global pandemic, capital expenditure and mine production costs, the outcome of mine permitting, other required permitting, the outcome of legal proceedings which involve the Company, information with respect to the future price of copper, gold, nickel, silver, iron, cobalt, pyrite, zinc and sulphuric acid, estimated mineral reserves and mineral resources, First Quantum's exploration and development program, estimated future expenses, exploration and development capital requirements, the Company's hedging policy, and goals and strategies; plans, targets and commitments regarding climate change-related physical and transition risks and opportunities (including intended actions to address such risks and opportunities), greenhouse gas emissions, energy efficiency and carbon intensity, use of renewable energy sources, design, development and operation of the Company's projects and future reporting regarding climate change and environmental matters; the Company's expectations regarding increased demand for copper; the Company's project pipeline and development and growth plans. Often, but not always, forward-looking statements or information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

With respect to forward-looking statements and information contained herein, the Company has made numerous assumptions including among other things, assumptions about continuing production at all operating facilities, the price of copper, gold, nickel, silver, iron, cobalt, pyrite, zinc and sulphuric acid, anticipated costs and expenditures, the success of Company's actions and plans to reduce greenhouse gas emissions and carbon intensity of its operations, and the ability to achieve the Company's goals. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. These factors include, but are not limited to, future production volumes and costs, the temporary or permanent closure of uneconomic operations, costs for inputs such as oil, power and sulphur, political stability in Panamá, Zambia, Peru, Mauritania, Finland, Spain, Turkey, Argentina and Australia, adverse weather conditions in Panamá, Zambia, Finland, Spain, Turkey, Mauritania, and Australia, labour disruptions, potential social and environmental challenges (including the impact of climate change), power supply, mechanical failures, water supply, procurement and delivery of parts and supplies to the operations, the production of off-spec material and events generally impacting global economic, political and social stability. For mineral resource and mineral reserve figures appearing or referred to herein, varying cut-off grades have been used depending on the mine, method of extraction and type of ore contained in the orebody.

See the Company's Annual Information Form for additional information on risks, uncertainties and other factors relating to the forward-looking statements and information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actual results, performances, achievements or events not as anticipated, estimated or intended. Also, many of these factors are beyond First Quantum's control. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to reissue or update forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements made and information contained herein are qualified by this cautionary statement.