

## FIRST QUANTUM MINERALS REPORTS SECOND QUARTER 2018 RESULTS

(In United States dollars, except where noted otherwise)

**First Quantum Minerals Ltd. (“First Quantum” or the “Company”, TSX Symbol “FM”)** today reported comparative earnings<sup>1</sup> of \$128 million (\$0.19 per share<sup>1</sup>), net earnings attributable to shareholders of the Company<sup>1</sup> of \$135 million (\$0.20 per share) and cash flows from operating activities of \$407 million (\$0.59 per share<sup>1</sup>) for the three months ended June 30, 2018. The results include a \$45 million loss realized under the copper sales hedge program for which no tax credit is available.

### SUMMARY:

- **Solid Operations: Record Quarterly Copper Sales of 152,403 tonnes; Low Unit Cost of Production Maintained**
  - Produced 150,950 tonnes of copper<sup>2</sup>:
    - o 28% increase year-over-year at the Sentinel mine.
    - o Maintenance shutdown at Las Cruces deferred to the third quarter while Kansanshi commenced its previously announced maintenance shutdown of its high pressure leach circuit.
  - Unit cost of copper production<sup>3</sup>: All-in sustaining cost (“AISC”) = \$1.76 per pound; Cash cost (“C1”) = \$1.28 per pound; Total cost (“C3”) = \$2.11 per pound.
- **Strong Operating Cash Flows and Liquidity**
  - Generated \$407 million of cash flows from operating activities. Almost double that of the comparative quarter in 2017 on a higher realized copper price and sales volume.
  - Extended the copper hedge program: 25,000 tonnes of unmarginated copper forward sales contracts at an average price of \$3.15 per lb with periods of maturity to December 2018; 98,000 tonnes of zero cost collar unmarginated sales contracts at weighted average prices of \$3.04 per lb to \$3.45 per lb with maturities to June 2019.
  - Ended the quarter with \$682 million in net unrestricted cash and cash equivalents, \$1,500 million of committed undrawn facilities and in full compliance with all financial covenants.
- **Key Milestones Achieved at the Cobre Panama Project Towards Phased Commissioning in 2018**
  - Synchronized set 1 of the power station and started supplying power into the national grid.
  - Started receiving and unloading full coal shipments at the port.
  - Began first commissioning activities at the process plant.
  - Recorded over 10 million continuous hours worked without incurring a Lost Time Injury.
- **Other**
  - In July 2018, the Company’s Zambian operations were advised by the country’s state-run power company of its plans to reduce power supply to the Kansanshi complex and Sentinel for about a 31-day period, beginning late July, to facilitate maintenance and upgrades to the electricity network. Plans are in place at both sites to optimally manage operations during this period. Market production guidance is currently unchanged.
  - Further to the assessment, received in March 2018, from the Zambia Revenue Authority (“ZRA”) regarding import duties, the Company has provided to the ZRA the relevant documentation in its rebuttal of the assessment and remains engaged with the agency and committed to ensuring transparency in all discussions between the parties.
  - On June 1, 2018, ZCCM International Holdings PLC sought to amend its application for additional grounds

on which to challenge a February 22, 2018 Arbitral Tribunal's ruling that denied it permission to continue Arbitration proceedings against Kansanshi Holdings Limited and Kansanshi Mining PLC. A hearing on the application is expected to take place in the first quarter of 2019.

- **Corporate Developments:**

- Elected, with Northern Dynasty Minerals, to terminate the framework agreement, announced on December 15, 2017, in accordance with its terms after being unable to reach agreement on the contemplated option and partnership transaction on the Pebble project.
- Declared an interim dividend of CDN\$0.005 per share, in respect of the financial year ending December 31, 2018.

<sup>1</sup> Net earnings (loss) attributable to shareholders of the Company has been adjusted to exclude items which are not reflective of underlying performance to arrive at comparative earnings (loss). Comparative earnings (loss), comparative earnings (loss) per share, comparative EBITDA and cash flows per share are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. The Company has disclosed these measures to assist with the understanding of results and to provide further financial information about the results to investors. Refer to the "Regulatory Disclosures" section in the MD&A for the quarter ended June 30, 2018 for further information.

<sup>2</sup> Production is presented on a copper contained basis, and is presented prior to processing through the Kansanshi smelter.

<sup>3</sup> AISC, C1 and C3 costs per pound are not recognized under IFRS. Refer to the "Regulatory Disclosures" section in the MD&A for the quarter ended June 30, 2018 for further information.

## CEO'S COMMENTS

"We are pleased with the results for the quarter and first six months of the year. Our operations performed well and in line with plan while several important milestones were achieved at Cobre Panama," noted Philip Pascall, Chairman and CEO.

"The start of power supply into the national grid from the first of two generating sets at the power station is significant as it will eventually provide the requirements for that entire operation. Equally important is the project's safety record. Throughout our Company, one of our top priorities is to continually strengthen and improve our safety culture. We are heartened to see this fully embraced by the predominately Panamanian workforce at Cobre Panama.

"While metal prices are being negatively affected by global political concerns, demand for copper remains robust. We continue to sell all of our production into a market where there is excess demand. This supports our belief that the pressure on the copper price is not driven by fundamentals. Nevertheless, in light of current conditions, we think it is prudent to extend our copper sales hedge program on a limited basis. The intent is to ensure a certain level of cash flow during Cobre Panama's commissioning and ramp-up phases that precede commercial operations," Mr. Pascall concluded.

## OPERATING HIGHLIGHTS

(U.S. dollars where applicable)	Three months ended June 30		Six months ended June 30	
	2018	2017	2018	2017
<b>COPPER</b>				
- Production (tonnes)	150,950	141,912	296,308	274,268
- Sales (tonnes)	152,403	139,521	290,424	279,331
- Cost of production:				
o AISC (per lb)	\$1.76	\$1.50	\$1.74	\$1.54
o C1 (per lb)	\$1.28	\$1.12	\$1.28	\$1.19
o C3 (per lb)	\$2.11	\$1.95	\$2.13	\$2.00
- Realized price (per lb)	\$2.95	\$2.24	\$2.85	\$2.22
<b>GOLD</b>				
- Production (ounces)	46,467	50,040	92,396	100,619
- Sales (ounces)	48,172	52,020	96,987	98,924

**FINANCIAL HIGHLIGHTS**

<i>(U.S. dollars millions, except where noted otherwise)</i>	<b>Three months ended June 30</b>		<b>Six months ended June 30</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Sales revenues	1,049	782	1,934	1,548
Gross profit	271	66	452	135
Net earnings (loss) attributable to shareholders of the Company	135	(35)	182	(149)
Basic earnings (loss) per share	\$0.20	(\$0.05)	\$0.27	(\$0.22)
Diluted earnings (loss) per share	\$0.20	(\$0.05)	\$0.26	(\$0.22)
Comparative EBITDA	466	267	829	532
Comparative earnings (loss)	128	(18)	177	(47)
Comparative earnings (loss) per share	\$0.19	(\$0.03)	\$0.26	(\$0.07)
Cash flow from operating activities	407	205	1,203	444

**CONFERENCE CALL & WEBCAST**

Conference call and webcast details are as follows:

Date: July 31, 2018  
Time: 9:00 am (EDT); 2:00 pm (BST); 6:00 am (PDT)

Webcast: [www.first-quantum.com](http://www.first-quantum.com)

Dial in: North America: (toll free) (877) 291-4570  
North America and international: 1 (647) 788-4919  
United Kingdom: (toll free) 0-800-051-7107

Replay: Available from noon (Eastern) on July 31, 2018 until 11:59 pm (Eastern) on August 14, 2018  
North America: (toll free) (800) 585-8367  
North America and international: 1 (416) 621-4642

Passcode: 6282328

**COMPLETE FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS**

The complete consolidated financial statements and Management's Discussion and Analysis for the quarter ended June 30, 2018 are available at [www.first-quantum.com](http://www.first-quantum.com) and should be read in conjunction with this news release.

**On Behalf of the Board of Directors of First Quantum Minerals Ltd.**

**G. Clive Newall**  
**President**

For further information visit our website at [www.first-quantum.com](http://www.first-quantum.com)

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## 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, and expected timing of completion of project development at Cobre Panama and Enterprise and are subject to the impact of ore grades on future production, the potential of production disruptions, 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, zinc, pyrite, cobalt, iron 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. 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, zinc, pyrite, cobalt, iron and sulphuric acid, anticipated costs and expenditures 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 Zambia, Peru, Mauritania, Finland, Spain, Turkey, Panama, Argentina and Australia, adverse weather conditions in Zambia, Finland, Spain, Turkey, Mauritania and Panama, labour disruptions, potential social and environmental challenges, power supply, mechanical failures, water supply, procurement and delivery of parts and supplies to the operations, and the production of off-spec material.

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 to be 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 and information made herein are qualified by this cautionary statement.