

FIRST QUANTUM MINERALS REPORTS THIRD QUARTER 2020 RESULTS

(In United States dollars, except where noted otherwise)

TORONTO, Ontario (October 28, 2020) - **First Quantum Minerals Ltd. ("First Quantum" or the "Company") (TSX:FM)** today reported results for the three and nine months ended September 30, 2020. The Company reported, for the three months ended September 30, 2020 ("Q3"), comparative earnings¹ of \$64 million (\$0.09 per share¹), net earnings attributable to shareholders of the Company¹ of \$29 million (\$0.04 per share¹) and cash flows from operating activities of \$452 million (\$0.66 per share¹).

"The third quarter was strong from an operational and financial perspective. Cobre Panama restarted normal operations and was back into full production well ahead of schedule. Almost all of our operations delivered lower costs and a number of new production and cost records were achieved. As promised, we have maintained our focus on balance sheet de-leveraging and I am pleased to report that our net debt position is now beginning to decline. We have continued our program of active balance sheet management with the completion of a senior note offering of \$1.5 billion which has been used to extend our senior debt maturities and reduce our debt service costs," *commented Philip Pascall, Chairman and CEO.* "We continue to prioritize the health and safety of our workforce as we navigate the COVID-19 pandemic that is now the 'new normal'. Despite all the challenges, our workforce and operations continue to be extremely resilient. This has resulted in a strong operational performance, allowing us to increase our production expectations for the year at slightly improved costs. I am proud of how we continue to navigate this very challenging year while preparing the Company for continued future success."

THIRD QUARTER SUMMARY:

- **Operational Highlights:**

- 211,396 tonnes of total copper production² in the quarter, 10% higher than the same period in 2019, due to record production at both Sentinel and Cobre Panama.
- Q3 cost of copper production³: all-in sustaining cost ("AISC") of \$1.48 per lb and cash cost of copper production ("C1") of \$1.07 per lb for the third quarter of 2020, a \$0.38 per lb and \$0.29 per lb decrease, respectively, compared to the same period in 2019.
- Almost all of our copper operations delivered a reduction in cash costs and total cash costs were at their lowest level in four years. Sentinel achieved a record low AISC of \$1.77 per lb and C1 cash cost of \$1.25 per lb, respectively. There was also a notable reduction in C1 cash cost at Guelb Moghrein, to \$0.24 per lb, the lowest C1 cash cost for over a decade, and the lowest reported AISC.
- 72,926 ounces of total gold production for the quarter, 4% higher than the same period in 2019 reflecting increased gold production at Cobre Panama.
- Sentinel performed exceptionally in the quarter, achieving its highest ever quarterly production of 70,829 tonnes and record low cash costs. Increased throughput and higher grades resulted in the 25% increase in copper production from the same period in 2019, while lower maintenance costs, lower fuel prices and currency depreciation drove improved unit costs.

- Performance at Cobre Panama was strong as it ramped up from preservation and safe maintenance in July to full production levels in August, slightly ahead of expectation. Copper production in the quarter was 62,055 tonnes, significantly higher than the same period in 2019.
- Las Cruces operated at normal throughput levels compared to the third quarter of 2019, which was impacted by a land slippage in January 2019. Robust performance at Guelb Moghrein resulted in 8% higher production compared to the same period in 2019. Q3 total copper production at other operations: Las Cruces, Guelb Moghrein, Cayeli and Pyhasalmi was 24,082 tonnes.
- Kansanshi performed consistently during the quarter. Copper production of 54,430 tonnes was slightly lower than Q3 2019 as a result of reduced grades and recoveries despite increased throughput. Cash costs were lower driven by currency depreciation and lower fuel costs.
- The Kansanshi smelter processed 362,554 dry metric tonnes ("DMT") of copper concentrate, produced 89,090 tonnes of copper anode with recoveries of 98%, together with 342,000 tonnes of sulphuric acid.
- Production guidance for 2020 has been updated. Total copper production expected for 2020 has been increased to between 750,000 – 785,000 tonnes, gold production expected is now to be between 245,000 – 260,000 ounces and nickel production expectation has been reduced to 13,000 - 15,000 tonnes.

	Three months ended September 30		Nine months ended September 30	
<i>(U.S. dollars where applicable)</i>	2020	2019	2020	2019
COPPER				
- Production ^{2,7} (tonnes)	211,396	192,510	575,740	497,878
- Sales ^{4,7} (tonnes)	197,533	203,827	547,430	483,422
- Cost of production ³ :				
o AISC (per lb)	\$1.48	\$1.86	\$1.58	\$1.80
o C1 (per lb)	\$1.07	\$1.36	\$1.19	\$1.34
o C3 (per lb)	\$1.97	\$2.20	\$2.08	\$2.19
- Realized price (per lb)	\$2.77	\$2.62	\$2.65	\$2.73
GOLD				
- Production (ounces) ⁷	72,926	70,120	196,365	179,124
- Sales (ounces) ^{5,7}	78,013	71,664	206,386	175,376

• Financial Highlights

- Sales revenues for the quarter of \$1,402 million, an increase of 42% from the comparable period of 2019, were primarily driven by the commercial sales volumes of copper and gold from Cobre Panama, increased sales volumes at Kansanshi and higher realized metal prices.
- \$452 million of cash flows from operating activities (\$0.66 per share¹) generated during the quarter, a significant increase from the same period of 2019.
- Gross profit of \$346 million for the quarter compared to \$150 million for the same period in 2019.
- Comparative EBITDA¹ of \$641 million for the quarter compared to \$354 million for the same period in 2019.
- Realized price for copper of \$2.64 per lb for the quarter, 6% higher than the same period in 2019. This compares to an increase of 13% in the London Metal Exchange ("LME") average copper price, to \$2.96 per lb, for the same period.

- The Company's copper sales hedge program reduced sales revenues by \$51 million (\$0.12 per lb) in the quarter, while the nickel sales hedge program contributed \$2 million to sales revenues.
- Net debt decreased during the quarter by \$113 million to \$7,545 million at September 30, 2020.
- Ended the quarter with \$915 million in net unrestricted cash and cash equivalents, current working capital of \$1,132 million and in full compliance with all financial covenants.
- On October 1, 2020, the Company completed the offering of \$1.5 billion of Senior Notes due 2027 ("the Offering"). Interest will accrue at the rate of 6.875% per annum and will be payable semi-annually. The proceeds of the Offering were used towards the repayment of \$650 million principal amount under the Company's existing revolving credit facility, and the redemption in full of the Company's outstanding Senior Notes due 2022. On September 18, 2020, the Company issued a notice of redemption of the 7.25% Senior Notes due 2022, and redemption at par was completed on October 19, 2020.
- At October 28, 2020, the Company had hedge positions for 416,775 tonnes of copper using unmargined copper forward and zero cost collar sales contracts with an average floor price of \$2.79 per lb and maturities to December 2021. This represents approximately half of the Company's expected sales for the next 12 months.

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
<i>(U.S. dollars millions, except where noted otherwise)</i>				
Sales revenues	1,402	987	3,598	2,783
Gross profit	346	150	634	531
Net earnings (loss) attributable to shareholders of the Company	29	(73)	(189)	58
Basic and diluted earnings (loss) per share	\$0.04	(\$0.11)	(\$0.27)	\$0.08
Comparative EBITDA ^{1,6}	641	354	1,427	1,098
Comparative earnings (loss) ¹	64	32	(99)	214
Comparative earnings (loss) per share ¹	\$0.09	\$0.05	(\$0.14)	\$0.31
Cash flow from operating activities	452	151	1,080	489
Cash flow from operating activities per share ¹	\$0.66	\$0.22	\$1.57	\$0.71

¹ 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 period ended June 30, 2020 for further information.

² Production is presented on a contained basis and is presented prior to processing through the Kansanshi smelter.

³ AISC, C1 and C3 costs per pound are not recognized under IFRS. Refer to the "Regulatory Disclosures" section in the MD&A for the period ended September 30, 2020 for further information. C1, C3 and AISC costs exclude third-party concentrate purchased at Kansanshi.

⁴ Copper 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 nil for the three and nine months ended September 30, 2020 (nil and 1,182 tonnes for the three and nine months ended September 30, 2019, respectively).

⁵ Excludes refinery-backed gold credits purchased and delivered under the precious metal streaming arrangement.

⁶ Adjustments to comparative EBITDA in the third quarter of 2020 relate principally to foreign exchange (foreign exchange and write-off of assets and costs associated with the land slippage at Las Cruces in 2019).

⁷ Cobre Panama declared commercial production effective September 1, 2019. Copper production volumes includes pre-commercial production from Cobre Panama of 36,783 tonnes and 67,704 tonnes for the three and nine months ended September 30, 2019, respectively. Copper sales volumes include pre-commercial sales from Cobre Panama of 42,425 tonnes and 48,967 tonnes for the three and nine months ended September 30, 2019, respectively. Gold production volumes includes pre-commercial production from Cobre Panama of 13,570 ounces and 24,120 ounces for the three and nine months ended September 30, 2019, respectively. Gold sales volumes include pre-commercial sales from Cobre Panama of 16,032 ounces and 18,659 ounces for the three and nine months ended September 30, 2019, respectively. Pre-commercial production and sales volumes at Cobre Panama are not included in earnings, C1, C3 and AISC calculations.

- **COVID-19**

The Company remains focused on ensuring the health and safety of the workforce and continuing measures to prevent and manage transmission of COVID-19 amongst the workforce and the wider community. The Company is managing the necessary country-by-country restrictions in order to assist in the protection of those most vulnerable. At its mine sites, health protocols are in place for control, isolation and quarantine as necessary and these continue to be reviewed and adjusted as necessary with circumstances at each location.

When COVID-19 was declared an international public health emergency by the World Health Organization in late January, the Company moved quickly to introduce health and sanitation protocols across its sites in compliance with both local and international guidelines. These health protocols measures continue to be reviewed and adjusted as needed. In Panama, the Company is supporting the wider community with donations of medical equipment and supplies, as well as responding to the Panamanian Government's request to support families in need with food and supplies. In Zambia, the Company has pledged financial support for the provision of medical logistics support in the Solwezi and Kalumbila districts of North-Western Zambia. In addition to increased medical facility resilience initiatives at the mine clinics in Mauritania, Zambia and Panama, COVID-19 protective measures to minimize person-to-person transmission in the work place and protect business continuity have been implemented across all operations.

COVID-19 had a direct impact at Cobre Panama where the operation was placed on preservation and safe maintenance beginning April 7, 2020 following Panamanian government restrictions related to COVID-19. On July 7, 2020, the Company announced the resumption of normal operations and full production levels were achieved ahead of expectation, on August 8, 2020. Cobre Panama continues to operate while adhering to the strictest protocols that have been implemented to protect the health of the workforce and communities.

The Company's other operations have not been significantly impacted by restrictions arising from COVID-19. The Company has not experienced any significant disruption to supply chains and product shipments since the onset of the pandemic. The Company is working to manage the logistical challenges presented by the closure of trade borders, using alternative routes where feasible. Border restrictions, if ongoing, could result in supply chain delays.

2020 Guidance Revisions

Guidance provided below is based on a number of assumptions and estimates as of September 30, 2020, including among other things, assumptions about metal prices and anticipated costs and expenditures. The unprecedented challenges presented by COVID-19 pose some additional risk to the accuracy of forward looking information. Production guidance and cost guidance includes current assumptions on the impact of COVID-19 on operations. Guidance involves estimates of known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different.

Guidance has been increased for copper production to between 750,000 and 785,000 tonnes, an increase of 25,000 to the lower range and 15,000 tonnes to the upper range and gold production to between 245,000 and 260,000 ounces, an increase of 15,000 ounces to the lower range and 10,000 ounces to the upper range. Guidance on Ravensthorpe production has been reduced to between 13,000 to 15,000 tonnes of nickel.

Cash costs guidance, including Cobre Panama, has been narrowed for C1 Cost to \$1.20 per lb to \$1.30 per lb, a reduction of \$0.05 per lb to the upper end range and reduced for AISC to \$1.60 per lb to \$1.70 per lb, a reduction of \$0.05 per lb to the lower range and \$0.10 per lb to the upper range.

The improved guidance reflects the lower operating cost environment, with favourable foreign exchange movements, lower fuel prices, and other cost control measures, coupled with the impact of higher gold prices.

Total capital expenditure guidance is unchanged at \$675 million.

Production guidance

	2020 Previous guidance	2020 Updated guidance
000's		
Copper (tonnes)	725 – 770	750 – 785
Gold (ounces)	230 – 250	245 – 260
Nickel (tonnes)	15 – 17	13 – 15

Production guidance by operation**Copper**

	2020 Previous guidance	2020 Updated guidance
000's tonnes		
Cobre Panama	180 – 200	190 – 205
Kansanshi	220 – 235	220 – 230
Sentinel	230 – 240	240 – 250
Las Cruces	52	55
Other sites	43	45

Gold

	2020 Previous guidance	2020 Updated guidance
000's ounces		
Cobre Panama	70 – 80	75 – 85
Kansanshi	120 – 130	125 – 130
Other sites	40	45

Nickel

	2020 Previous guidance	2020 Updated guidance
000's tonnes		
Ravensthorpe	15 – 17	13 – 15

Cash cost and all-in sustaining cost

	2020 Previous guidance	2020 Updated guidance
Copper		
C1 (per lb)	\$1.20 – \$1.35	\$1.20 – \$1.30
AISC (per lb)	\$1.65 – \$1.80	\$1.60 – \$1.70

Interest

Net interest expense for the quarter ended September 30, 2020, was \$179 million. A significant proportion of the Company's interest expense is incurred in jurisdictions where no tax credit is recognized. Interest expense for the full year 2020 remains unchanged and is expected to range between \$770 million and \$810 million. This includes interest accrued on related party loans to Cobre Panama and a finance cost accreted on the precious metal streaming arrangement.

Tax

Excluding Cobre Panama and the impact of interest expense, the effective tax rate for 2020 is expected to be approximately 35% reflecting the impact of the Company's sales hedge program which is not tax effected.

Depreciation

Depreciation expense for the quarter was \$323 million. The full year 2020 depreciation expense is expected to be approximately \$1,250 million, unchanged from previous disclosure.

Complete Financial Statements and Management's Discussion and Analysis

The complete Consolidated Financial Statements and Management's Discussion and Analysis for the period ended September 30, 2020 are available at www.first-quantum.com and should be read in conjunction with this news release.

The Company will host a conference call and webcast to discuss the results. Conference call and webcast details are as follows:

Date: October 29, 2020

Time: 9:00 am (EDT); 1:00 pm (BT); 6:00 am (PDT)

Webcast: www.first-quantum.com

Dial in: North America (toll free): (877) 291-4570
North America and international: (647) 788-4919

Replay: Available from noon (EDT) on October 29, 2020 until 11:59 pm (EDT) on November 12, 2020
North America (toll free): (800) 585-8367
North America and international: (416) 621-4642

Passcode: 4678165

For further information visit our website at 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 Enterprise and post-completion construction activity at Cobre Panama 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 (including but not limited to the temporary suspension of labour activities at Cobre Panama implemented in April 2020), 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. 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, silver, 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, Australia and Panama, 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.

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.