

FIRST QUANTUM MINERALS ANNOUNCES 2023 PRELIMINARY PRODUCTION, 2024-2026 GUIDANCE AND BALANCE SHEET INITIATIVES

(In United States dollars, except where noted otherwise)

Toronto, Ontario (January 15, 2024) - First Quantum Minerals Ltd. ("First Quantum" or "the Company") (TSX: FM) announces preliminary production for the three months ("Q4") and year ended December 31, 2023, guidance for production, capital expenditures and costs for the years 2024 to 2026 and an update on balance sheet initiatives.

"With the suspension of production at Cobre Panama, we are taking decisive action to conserve capital, lower costs and strengthen our financial position. This will enable the continued development of the Kansanshi S3 Expansion, which will further strengthen our cash flows when commissioned next year. In parallel, we are advancing several initiatives to give us optionality and flexibility in respect to our balance sheet," commented Tristan Pascall, Chief Executive Officer of First Quantum. "We remain committed to Zambia with the improved investment climate. The strong progress of the S3 Expansion project is a reflection of this. It is also pleasing that recent discussions in Panama have been constructive regarding the responsible environmental stewardship of the mine."

Highlights

- **Q4 and 2023 Production:** First Quantum achieved annual copper production of 708 thousand tonnes ("kt"), a 9% reduction from 2022. After the successful completion of the CP100 Expansion project, Cobre Panama delivered annual copper production of 331kt before halting operations in November and placing the mine into a phase of Preservation and Safe Management ("P&SM"). Zambian production of 349kt was 10% lower than 2022 due to a combination of lower throughput at both sites and lower grades at Kansanshi. Copper production in Q4 2023 was 160kt, 22% lower than Q4 2022 and 28% lower than Q3 2023 mainly attributable to the ramp down of operations at Cobre Panama in November.
- **Three-Year Guidance:** When referring to future and prior year production figures, guidance is presented excluding Cobre Panama. 2024 Copper production guidance is between 370 – 420kt and is expected to increase to between 400 – 460kt in 2025 and 2026 as the S3 Expansion at Kansanshi comes online. Total C1 and AISC unit cost ranges are in line with prior year guidance when excluding Cobre Panama. Improvements in operating costs such as fuel, maintenance, contractors and labour mitigate the impact of lower by-product credits from Kansanshi and lower production at Sentinel. Guidance for gold production has been revised at Kansanshi, in line with an improved understanding of the sources of sulphide copper-gold mineralization at depth. Nickel production guidance for Ravensthorpe has been reduced in response to weak nickel market conditions.
- **Balance sheet initiatives:** The Company has suspended its dividend as a result of Cobre Panama being in a phase of P&SM. Additionally, planned capital programs have been reduced or re-phased by approximately \$400 million in 2024 and \$250 million in 2025. This reflects a halt in capital spend at Cobre Panama and proactive initiatives to offset capital inflation in the Zambian business. The Company has commenced discussions with its banking partners to address and extend its bank loan facilities. The Company is further evaluating a range of options to maintain a robust financial position and preserve value for its shareholders, including exploring the sale of smaller mines and interests in its larger mining assets.

Cobre Panama Update

Cobre Panama currently remains in a phase of P&SM with production halted. Approximately 1,400 workers remain on site to run the P&SM program. Further reductions to a headcount below 1,000 workers may follow depending on environmental stewardship programs. Previous illegal blockages around the mine have been cleared, allowing for the delivery by road and at port of necessary supplies to conduct the P&SM program.

In January, the Company and Panama's Ministry of Commerce and Industries ("MICI") had preliminary discussions related to the P&SM program and the associated funding of P&SM costs. These costs are expected to range from

\$15 - \$20 million per month and further reductions could follow depending on environmental stewardship programs. On January 11, Cobre Panama hosted a large delegation, including the Ministers from MICI and the Ministry of the Environment, as well as other government departments and a broad range of civil society organizations, to demonstrate the measures that are being undertaken as part of the P&SM program. At the request of MICI, Cobre Panama will deliver a preliminary draft for the first phase of P&SM on January 16. This will be an initial plan that will require regular adjustments and updates to address additional subsequent project phases and steps as the planning and preparation requirements evolve.

2023 Preliminary Production

First Quantum achieved annual copper production of 708kt in 2023, which was 68kt lower than in 2022. Copper production in Q4 2023 was 160kt, 46kt below Q4 2022 and 62kt below Q3 2023. Copper production for the full year and Q4 2023 was impacted by the ramp down of operations at Cobre Panama in November with the operation placed in a phase of P&SM. Production guidance for Cobre Panama was duly suspended.

Copper production at Cobre Panama of 331kt for the full year was 19kt lower than 2022. Cobre Panama achieved record copper production of 310kt to the end of October before ramping down operations in November and entering a phase of P&SM. Copper production in Q4 2023 of 63kt was a 27kt decrease from Q4 2022 and 50kt lower than Q3 2023. Approximately 121 thousand dry metric tonnes of copper concentrate remains unsold following disruptions at the Punta Rincon port.

Kansanshi copper production of 135kt for the full year was 11kt lower than 2022 due to lower feed grades and lower throughput on the sulphide circuit, particularly from the highly competent ore from lower elevations of M11 in the main pit. The variability of grades in ore stockpiles also impacted grades. Copper production in Q4 2023 was 32kt, a 3kt reduction from Q4 2022 and 8kt lower than Q3 2023. Kansanshi production for 2023 was within the revised guidance range of 130 – 140kt.

Sentinel copper production of 214kt for the full year was 28kt lower than 2022. Production in Q1 was impacted by excessive rainfall that resulted in the accumulation of water in the high-grade area of the Stage 1 pit, which was subsequently cleared by mid-May 2023. Mining volumes and mill throughput improved in H2 2023 but were lower than anticipated due to the mining of very hard rock in the lower levels of the pit. Q4 2023 copper production of 60kt was 13kt below Q4 2022 and 4kt lower than Q3 2023. Sentinel production for 2023 of 214kt was lower than the revised guidance range of 220 – 230kt.

Other sites achieved consolidated copper production of 28kt for the full year, a 10kt reduction from 2022 reflecting declining production from short life mines. Copper production at the Cobre Las Cruces mine in Spain ceased in Q2 2023. All permits are now in place for the underground development project at Cobre Las Cruces.

The production and sales figures provided herein are preliminary and subject to final adjustment. The final production and sales figures will be confirmed in the Company's financial results for the fourth quarter and year ended December 31, 2023.

000's	Q4 2023	Q4 2022	Year 2023	Year 2022
Copper production (tonnes)	160	206	708	776
Gold production (ounces)	53	70	227	283
Nickel production (tonnes)	7	6	26	22

Copper (000's tonnes)	Q4 2023	Q4 2022	Year 2023	Year 2022
Cobre Panama	63	90	331	350
Kansanshi	32	35	135	146
Trident - Sentinel	60	73	214	242
Other	5	8	28	38
Production	160	206	708	776

Gold (000's ounces)	Q4 2023	Q4 2022	Year 2023	Year 2022
Cobre Panama	31	38	130	140
Kansanshi	17	24	69	110
Other	5	8	28	33
Production	53	70	227	283

Nickel production (000's tonnes)	Q4 2023	Q4 2022	Year 2023	Year 2022
Ravensthorpe	4	6	22	22
Trident - Enterprise	3	-	4	-
Production	7	6	26	22

Copper sales (000's tonnes)	Q4 2023	Q4 2022	Year 2023	Year 2022
Total copper	128	199	674	782

2024 – 2026 Guidance

Guidance is based on a number of assumptions and estimates as of December 31, 2023, 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.

Guidance for 2024 to 2026 is presented excluding Cobre Panama.

Production guidance

000's	2024	2025	2026
Copper (tonnes)	370 - 420	400 - 460	400 - 460
Gold (ounces)	95 - 115	120 - 140	140 - 165
Nickel (tonnes)	22 - 37	26 - 41	36 - 51

Production guidance by operation

Copper

000's tonnes	2024	2025	2026
Kansanshi	130 - 150	170 - 200	180 - 210
Trident - Sentinel	220 - 250	210 - 240	210 - 240
Other sites	20	20	10

Gold

000's ounces	2024	2025	2026
Kansanshi	65 - 75	85 - 95	90 - 105
Guelb Moghrein	28 - 38	34 - 44	49 - 59
Other sites	2	1	1

Nickel

000's tonnes	2024	2025	2026
Ravensthorpe	12 - 17	11 - 16	11 - 16
Trident - Enterprise	10 - 20	15 - 25	25 - 35

Kansanshi copper production in 2024 is in line with prior year guidance and is higher in 2025 from prior year guidance, reflecting the continued strong progress of the S3 Expansion project. Through the course of 2023, the project achieved key milestones of commissioning approximately 30% of the fleet, progressing 80% of the engineering, and earthworks and civil works are ahead of schedule. The progressive increase in copper production over the three-year guidance period is attributable to the S3 Expansion, which is expected to come online during the second half of 2025. A proportion of the initial feed for S3 will be sourced from lower grade stockpiles in order to fill the concentrator, reducing feed grade. Production is expected to increase from 2027 as increased ore from the South East Dome deposit at in-situ grades is fed into the plant, replacing the stockpile feed. Gold production at Kansanshi has been revised from prior year's guidance, in line with an improved understanding of the sources of sulphide copper-gold mineralization at depth.

Sentinel copper production has been adjusted to ensure a more even mining sequence for ore and waste movement and sustaining capital requirements, in particular the ongoing opening up of the pit at Phase 3 in 2024 and looking ahead to Phase 4 in future years. This approach provides for improved mining productivities, trolley assist and waste dump profiles and also improves storm-water management and the sequencing of in-pit crusher moves. As such, year-on-year guidance for Sentinel is based on an optimal and sustainable balance of grades and volumes, with slightly lower grades expected in 2025 and 2026 than 2024.

Guelb Moghrein gold production reflects the commissioning of the Carbon-in-Leach plant in the first half of 2024. Gold production in 2024 for other sites is in line with prior year guidance.

At Ravensthorpe, weak nickel prices, lower payabilities and high operating costs have resulted in significant margin pressure leading to the decision to scale back operations. The priority is to improve margins while still maintaining asset integrity to avoid compromising the future operation of the mine at full capacity. Mining at Shoemaker-Levy will be suspended and both High Pressure Acid Leach circuits will be bypassed. Existing ore stockpiles will be processed through the Atmospheric Leach circuit. This will substantially reduce mining and processing costs, albeit at slightly lower recoveries in the process plant. Stockpiles are sufficient for eighteen months of production, after which time Hale Bopp and Halley's ore bodies will be mined. The change in strategy results in a decrease in nickel production guidance with grades and recoveries impacted, while at the same time preserving the higher-grade Shoemaker Levy orebody until nickel prices recover and operating margins improve.

Cash cost and all-in sustaining cost

Total Copper (\$/lb)	2024	2025	2026
C1	1.80 - 2.05	1.80 - 2.05	1.80 - 2.05
AISC	2.70 - 3.00	2.85 - 3.15	2.80 - 3.10
Total Nickel (\$/lb)	2024	2025	2026
C1	7.00 - 8.50	5.50 - 7.00	5.00 - 6.25
AISC	8.40 - 10.40	7.70 - 9.70	6.50 - 7.80

C1 copper cash cost guidance has increased as a result of the production impacts from the suspension of operations at Cobre Panama. Excluding Cobre Panama, C1 cash costs for 2024 are in line with prior year as current inflationary pressures, lower copper production from Sentinel and reduced by-product gold credits from Kansanshi are offset by cost saving initiatives, lower fuel prices and a weaker Zambian kwacha.

AISC cash cost guidance has increased to reflect the volume impact of the absence of Cobre Panama production, coupled with higher royalties in line with increased copper price assumptions. The higher AISC in 2025 reflects increased capital expenditures for fleet replacement at Kansanshi before normalizing in 2026 as production increases.

Unit cost guidance assumes a gold price of \$1,800 per ounce, average Brent crude oil price of \$90 per barrel, Zambian kwacha/USD exchange rate of 21 and royalties based on consensus copper prices. Unit cost guidance assumes a sulphur price of \$150 per tonne at Ravensthorpe.

Total nickel unit cost guidance excludes Enterprise in 2024. Enterprise nickel unit cost guidance is included from its expected first full year of commercial production in 2025 with C1 nickel cash costs of \$4.00 to \$6.00 per lb and \$3.50 to \$6.00 per lb in 2026. Commercial production is expected during 2024.

Capital expenditure

\$ million	2024	2025	2026
Project Capital	810 - 880	570 - 590	290 - 320
Sustaining capital	260 - 290	450 - 480	280 - 320
Capitalized stripping	180 - 230	180 - 230	280 - 310
Total capital expenditure	1,250 - 1,400	1,200 - 1,300	850 - 950

Capital expenditure continues to experience inflationary cost increases driven by higher shipping rates, steel prices, power costs, labour rates and general inflation. Guidance reflects these cost increases as well as additional scope increases and the timing of expenditures, including approximately \$235 million of expenditure carried over from 2023 related mainly to the S3 Expansion and smelter expansion projects at Kansanshi, in-pit crusher relocations at Sentinel, as well as other sustaining capital mostly related to mobile fleet replacements. However, strategic measures have been implemented to offset the impact of these inflationary increases and deferred expenditure through optimizing and prioritizing capital expenditure.

Total capital expenditure for the S3 Expansion project remains unchanged at \$1.25 billion, with approximately \$215 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, capital expenditure for the S3 Expansion project is expected to be approximately \$780 million with the majority of the spend planned over 2024 and 2025. Pre-strip activities for the South East Dome pit are expected to continue through 2025, of which \$220 million is included in the S3 project capital within the guidance period. First production from S3 continues to be expected in H2 2025.

In addition to the S3 Expansion project, project capital in the three-year guidance period includes approximately:

- \$200 million at Kansanshi for the expansion of the smelter, expansion of the tailings facility and the relocation of an in-pit crusher,
- \$130 million in capital expenditures at Sentinel for the relocation of in-pit crushers,
- \$100 million for La Granja development, with a majority of the spending occurring in the back end of the guidance period, predominantly on community engagement, metallurgical and feasibility studies,
- \$45 million for additional trolley line installations across Kansanshi and Sentinel.

The three-year guidance includes capital expenditure that is expected to drive better sustainability performance as well as improving the cost structures and productivity of the business. These include:

- Upgrade of the Kansanshi smelter to increase processing capacity, which reduces downstream greenhouse gas emissions from the transport and refining of copper concentrate produced by Kansanshi and Sentinel,
- Expansion of trolley assist infrastructure across the Zambian operations to lower diesel consumption and associated mine fleet greenhouse gas emissions, as well as offering the potential for future integration with battery mining trucks,
- Relocation and installation of in-pit crushers at the Zambian operations to optimize haul cycle efficiency and reduce mine fleet diesel consumption,

- Investments at Trident to enhance the social infrastructure serving both our workforce and local communities,
- Water initiatives at various operations for the management of water quality and reuse by operations, and
- Community engagement in relation to the La Granja development project in Peru.

Sustaining capital expenditure ranges between \$260 million and \$480 million over the guidance period with an increase at Kansanshi in 2025 reflecting increased fleet replacement programs.

Capital expenditure guidance excludes capitalized pre-commercial production results.

Balance Sheet Initiatives

With Cobre Panama in a phase of P&SM, First Quantum is employing a number of measures to prudently allow for the planned capital spending for the S3 Expansion project at Kansanshi to continue, while comprehensively addressing the Company's leverage. The Company has a number of options that it is actively pursuing in this regard. These initiatives include:

- **Dividend suspension:** The Board has suspended the semi-annual dividend. The Board will review the Company's financial policy on an ongoing basis and adjust the dividend approach when appropriate.
- **Capital expenditure reductions:** Planned capital programs across the Company have been reduced or re-phased by approximately \$400 million in 2024 and \$250 million in 2025. This reflects a halt in capital spend at Cobre Panama and proactive initiatives to offset capital inflation in the Zambian business. The Company remains committed to delivering the S3 Expansion project at Kansanshi in H2 2025.
- **Operating costs and other reductions:** Following a detailed review of all operating and administrative costs, the Company has identified savings which will offset the inflationary impact on operating costs. The cost savings initiatives include a change in strategy at Ravensthorpe to temporarily remove higher cost production.
- **Working Capital:** The Company is also targeting reductions in its working capital requirements and savings in the procurement of materials, supplies and third party service costs where possible.
- **Asset and stake sales:** A process is currently underway to sell some of the Company's smaller mining assets. Following a number of inbound expressions of interest, the Company is also evaluating the possibility of investments by strategic investors in its larger mining assets.
- **Financing activity:** The Company is taking a proactive approach to managing its balance sheet and the refinancing of its near-term debt maturities. The Company has commenced constructive discussions with its banking partners to address and extend its bank loan facilities. The Company will continue to evaluate a range of options across the capital markets to maintain a robust financial position and preserve value for its shareholders.

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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 of copper, gold and nickel at its projects (excluding Cobre Panama), capital expenditures and cash costs and all-in sustaining costs in each of 2024, 2025 and 2026; the timing and effect on cash flows of the commissioning of the S3 Expansion at Kansanshi; the success of reductions or rephrasing of planned capital programs; steps the Company make take to maintain a robust financial position; the P&SM program at Cobre Panama, including expected costs thereof; the delivery of a draft for the first phase of P&SM and the process of adjusting and updating such plan; the mining plan at Ravensthorpe and its effect on mining and processing costs; the expected entry of Enterprise into commercial production; the amounts and timing of total capital expenditures for the S3 Expansion; and anticipated capital expenditures associated with project works and the effects thereof. 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 (other than Cobre Panama), the prices of copper, gold, nickel; anticipated costs and expenditures (including the average Brent crude oil price the amounts payable under certain royalties, and the sulphur price, shipping rates, steel prices, labour rates, power costs and general inflation); the Zambian kwacha-to-U.S. dollar exchange rate; the timing of, and costs associated with, the completion of the S3 Expansion; 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, the prices of copper, gold and nickel, 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, Argentina and Australia, adverse weather conditions in 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.

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.