

MANAGEMENT'S DISCUSSION AND ANALYSIS

FIRST QUARTER ENDED MARCH 31, 2023

(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 unaudited consolidated financial statements of First Quantum for the three months ended March 31, 2023. The Company’s results have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to interim reporting, IAS 34 Interim Financial Reporting, 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 April 25, 2023.

FIRST QUARTER HIGHLIGHTS

First Quantum achieved many milestones during this quarter. At Cobre Panamá, the Company successfully agreed and finalized the draft of the concession contract (the “Refreshed Concession Contract”) with the Government of Panamá (“GOP”) and completed commissioning of the CP100 Expansion project. In Peru, a partnership was formed with Rio Tinto to progress the La Granja copper project, one of the largest undeveloped copper resources in the world. First ore was fed to the plant at the Enterprise nickel project in February. At the Las Cruces Underground Project, the water concession license was granted in March 2023 and all permits are in place for project approval. Subsequent to the quarter end, the Company completed the transaction for the conversion of ZCCM Investment Holdings PLC (“ZCCM-IH”) dividend rights into royalty rights.

The Company also faced some challenges during the quarter impacting copper and gold production as mining operations were suspended at Cobre Panamá at the end of February for 15 days following the temporary suspension of copper concentrate loading operations by the Panama Maritime Authority (“AMP”). Upon return to normal operations at the port, Cobre Panamá successfully returned to full production levels in March. Excessive rainfall was experienced this rainy season at the Zambian operations, particularly at Sentinel, where it presented challenging mining conditions. The focus at Sentinel is on additional dewatering capacity to regain access to high-grade ore, with higher feed grades and production levels expected for the remainder of the year.

- **Cobre Panamá:** On March 8, 2023, the Company announced that Minera Panamá S.A. (“MPSA”) had agreed and finalized the Refreshed Concession Contract with the GOP. The Refreshed Concession Contract will have an initial 20-year term with a 20-year extension option and additional extensions for life of mine.
- **CP100 Expansion project:** Construction and commissioning of the CP100 Expansion project have been completed ahead of schedule. The project remains on schedule to achieve a throughput rate of 100 million tonnes per annum (“Mtpa”) by the end of 2023.
- **Enterprise:** First ore was fed to the plant in February and first production of nickel is expected during the second quarter of 2023.
- **La Granja:** On March 30, 2023, the Company entered into an agreement with Rio Tinto to progress the next phase of the La Granja copper project in Peru, one of the largest undeveloped copper resources in the world. Upon completion, First Quantum will acquire a 55% interest in La Granja for a consideration of \$105 million and will become the operator of the project. The transaction is expected to close before the end of the third quarter of 2023.

- > **Conversion of ZCCM dividend rights to royalty rights:** During the fourth quarter of 2022, an agreement was entered into between the Company's subsidiary, Kansanshi Mining Plc ("KMP") and its partner, ZCCM-IH, to convert ZCCM-IH's dividend rights in KMP into royalty rights. This transaction was completed on April 4, 2023.
- > **Total copper production** for the first quarter was 139 thousand tonnes ("kt"), a 24% decrease from the same quarter of 2022, with lower production at the three major operations, as well as expected decreases at shorter life operations. Production is expected to recover for each of the next three quarters, particularly in the second half of the year.
- > **Cobre Panamá** delivered copper production of 65kt in the first quarter, a decrease of 13kt from the same quarter of 2022 due to a 15-day temporary interruption to production. The operation delivered strong production during the last three weeks of the quarter following a successful ramp-up back to full production levels.
- > **Sentinel** produced 36kt of copper for the quarter, 16kt lower than the same quarter of 2022. The area experienced the highest total rainfall in 25 years, which resulted in the accumulation of water in the Stage 1 pit and prevented access to high-grade ore. The mine plan has been rephased and higher feed grades are expected in the second half of the year.
- > **Kansanshi's** copper production of 29kt for the quarter was 13kt lower than the same quarter of 2022. Production in the quarter was mainly impacted by lower feed grades from narrow-veined regions and variability of grades in ore stockpiles. Mining fleet deployment changes over the past six months have enabled the operation to open up mining areas, placing less reliance on variable grade ore stockpiles, as well as mining cutbacks at elevations with historically higher grades which will benefit production through the rest of 2023. Grades and production are expected to improve throughout 2023.
- > **Total copper sales volumes** of 150kt were 11kt higher than production in the current quarter with lower closing inventory levels.
- > **Ravensthorpe's** nickel production of 6 thousand contained tonnes was one thousand contained tonnes higher than the same quarter of 2022.
- > **Total gold production** for the quarter was 48 thousand ounces ("koz"), a 22koz decrease from the same quarter of 2022.
- > **Financial results** for the first quarter include net earnings attributable to shareholders of the Company of \$75 million (\$0.11 net earnings per share) and adjusted earnings¹ of \$76 million (\$0.11 adjusted earnings per share²), representing decreases from the same quarter of 2022. This is due to decreases in sales volumes and lower realized metal prices², as well as higher operating costs following inflationary pressures in 2022.
- > **Gross profit** of \$280 million and EBITDA¹ of \$518 million for the first quarter of 2023 were lower than the same quarter of 2022.
- > **Cost inflation:** Market rates for fuel and freight were on average lower than the fourth quarter of 2022. Input and operational costs have largely stabilized over the past six months, albeit at elevated levels, following inflationary pressures in 2022.
- > **Copper C1 cash cost**² of \$2.24 per lb for the first quarter of 2023 was \$0.63 per lb higher than the same quarter of 2022, attributable to lower production and elevated cost levels following inflationary pressures, particularly experienced in the second and third quarter of 2022. Copper AISC² of \$2.87 per lb for the quarter was \$0.60 per lb higher than the same quarter of 2022, reflecting the higher copper C1 cash cost².
- > **Cash flows** from operating activities of \$299 million (\$0.43 per share²) for the quarter were a decrease of \$367 million from the same quarter of 2022, attributable to lower EBITDA¹.
- > **Debt:** Net debt¹ increased by \$88 million during the quarter, bringing the net debt¹ level up to \$5,780 million as at March 31, 2023, with total debt at \$6,878 million. The Company continues to target a further \$1 billion debt reduction in the medium term.
- > **Note redemption:** In the first quarter of 2023, the Company redeemed at par an aggregate principal amount of \$850 million of the senior unsecured notes due 2024. \$450 million was redeemed on February 25, 2023 and the remaining \$400 million was redeemed on March 28, 2023. Following the redemptions, there are no outstanding senior unsecured notes due in 2024.

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. 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 OPERATING HIGHLIGHTS

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Copper production (tonnes) ¹	138,753	206,007	182,210
Copper sales (tonnes) ²	150,287	198,912	196,702
Gold production (ounces)	47,874	70,493	70,357
Gold sales (ounces) ³	51,941	59,568	76,195
Nickel production (contained tonnes)	5,917	5,705	5,122
Nickel sales (contained tonnes)	5,846	6,840	4,350

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 9,120 tonnes for the three months ended March 31, 2023, (nil for the three months ended March 31, 2022).

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

CONSOLIDATED FINANCIAL HIGHLIGHTS

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Sales revenues	1,558	1,832	2,163
Gross profit	280	361	908
Net earnings attributable to shareholders of the Company	75	117	385
Basic net earnings per share	\$0.11	\$0.17	\$0.56
Diluted net earnings per share	\$0.11	\$0.17	\$0.56
Cash flows from operating activities	299	237	666
Net debt ¹	5,780	5,692	5,815
EBITDA ^{1,2}	518	647	1,180
Adjusted earnings ¹	76	151	480
Adjusted earnings per share ³	\$0.11	\$0.22	\$0.70
Cash cost of copper production (C1) (per lb) ^{3,4}	\$2.24	\$1.86	\$1.61
Total cost of copper production (C3) (per lb) ^{3,4}	\$3.30	\$2.79	\$2.65
Copper all-in sustaining cost (AISC) (per lb) ^{3,4}	\$2.87	\$2.42	\$2.27
Realized copper price (per lb) ³	\$3.95	\$3.56	\$4.45
Net earnings attributable to shareholders of the Company	75	117	385
Adjustments attributable to shareholders of the Company:			
Adjustment for expected phasing of Zambian value-added tax ("VAT") receipts	(23)	56	22
Total adjustments to EBITDA ¹ excluding depreciation ²	22	6	103
Tax and minority interest adjustments	2	(28)	(30)
Adjusted earnings ¹	76	151	480

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 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 2023 relate principally to foreign exchange revaluations (2022 - foreign exchange revaluations and non-recurring costs relating to previously sold assets).

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 9,120 tonnes for the three months ended March 31, 2023, (nil for the three months ended March 31, 2022).

ENVIRONMENT, SOCIAL AND GOVERNANCE (“ESG”)

Reporting

The Company will publish its primary sustainability report, the 2022 ESG Report, in May 2023. The latest reports 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>. These include the TCFD-aligned Climate Change Reports, ESG Reports, Tax Transparency and Contributions to Government Reports, as well as Company’s sustainability policies.

Innovation driving sustainability

On March 1, 2023, Hitachi Construction Machinery Co. Ltd (“Hitachi Construction Machinery”) and the Company announced a technology partnership for the development of Hitachi Construction Machinery’s first battery mining trucks at the Kansanshi mine. As First Quantum seeks to lower the greenhouse gas (“GHG”) intensity of copper produced, this initiative represents an important milestone towards future commercialization of battery technology to further decarbonize mining operations, consistent with the Company’s 2025 30% and 2030 50% GHG emissions reduction targets.

Hitachi Construction Machinery’s battery mining trucks, developed in collaboration with ABB Ltd, will integrate with the Company’s existing trolley assist network, building on the long-standing relationship that First Quantum has with Hitachi Construction Machinery in implementing trolley assist at Kansanshi. Trolley assist, through pantographs fitted to trucks, enables the mining fleet to connect to overhead powerlines, replacing diesel with electrical power and reducing diesel consumption by up to 90%. This has also been rolled out at the Trident and Cobre Panamá operations, with significant expansion of these trolley assist networks planned in coming years. Together with electric drilling and in-pit crushing and conveying, First Quantum saves an estimated 100,000 tonnes of CO₂ equivalent emissions a year across its Zambian operations, while delivering improved productivity, cost savings, and health & safety benefits.

It is expected that these battery mining trucks will be supplied to Kansanshi by December 2023 for feasibility trials as part of the commissioning of the Kansanshi S3 Expansion.

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 0.07 per 200,000 hours worked as of March 31, 2023 (2022: 0.04).

COBRE PANAMÁ UPDATE

Refreshed Concession Agreement

During the quarter, the Company continued to engage in discussions with the GOP. On March 8, 2023, the Company and the GOP issued a press release announcing that an agreement has been reached on the terms and conditions for a refreshed Concession Contract, which is subject to approval by law. The Refreshed Contract provides for an initial 20-year term with a 20-year extension option and additional extensions for life of mine. The Refreshed Concession Contract is expected to be presented before the National Assembly of Panamá in the legislative term that commences on July 1, 2023, after having gone through a public consultation process and receipt of all required prior governmental approvals. The Refreshed Concession Contract was subject to a public consultation process that started on March 24, 2023. During this period, the Refreshed Concession Contract was made available to the general public in Panama through an online platform for a 30 day period. The GOP, with participation of the Company, held three open forums in surrounding communities, with the last one occurring on Monday April 24, 2023. The forums were attended by citizens of the Republic of Panamá and they received direct and in-person explanation of the Refreshed Concession Contract from the GOP, led by the Ministry of Commerce and Industries (“MICI”). The principal economic terms of the Refreshed Concession Contract are set out in the Guidance section under the heading of Taxation.

Temporary suspension of operations at the port

On January 26, 2023, the AMP issued a resolution that ordered 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. 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 a certification of the calibration of the scales and weights. The AMP rejected the certification on February 8, 2023, stating that the certification company was not accredited in Panamá, even though the provider MPSA used is on the list of accredited companies published by the MICI. MPSA challenged this decision, staying its effects, and on February 13, 2023, submitted to AMP an additional certification by a different certification company. However, the AMP maintained its order suspending loading operations at the port. As a consequence of AMP's measures, on February 23, 2023, it became necessary for MPSA to shut down the Cobre Panamá mine, due to limited storage capacity on site. On March 8, 2023, AMP issued a new resolution, which revoked the prior resolution ordering the suspension of concentrate loading operations. Mining and port operations resumed shortly after this, with mining operations ramping up to full production levels within two days and five shipments of copper sailing during the rest of March.

DEVELOPMENT PROJECTS

Brownfield Projects

CP100 Expansion

Construction work for the CP100 Expansion project was completed seven weeks ahead of schedule and commissioning was completed in the first quarter. This includes the installation of a sixth ball mill, a new screening plant, a new process water pipeline, and other process plant facilities and infrastructure upgrades. With these facilities now in daily operation, focus has moved onto ramping up these facilities 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.

Kansanshi S3 Expansion

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 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 as at the end of the quarter.

Work is also underway to 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. 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. The next round of equipment purchases are progressing well, with equipment selection and commercial negotiations ongoing. Initial site construction work has commenced.

Enterprise

Enterprise is a nickel deposit located 12 kilometres away from Sentinel in the North Western Province of Zambia. It is expected to be a low-cost, high-grade, low-GHG intensity nickel sulphide project. The Company's three-year capital expenditure guidance includes anticipated project capital of \$35 million for the completion of the Enterprise nickel project.

First ore through the Enterprise nickel plant was achieved on schedule in February 2023. Plant refurbishment, completion and commissioning activities were completed on schedule. First production of nickel is expected in the second quarter of 2023 and ramp up to commercial production is expected to continue over the course of 2023, with ramp-up to full plant

throughout in 2024. Progress was made on all other ancillary infrastructure developments, with the haul road between Enterprise and Sentinel concluded during the quarter. The construction of the mine service area and office building is ongoing and will be concluded during the second quarter.

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 and the Company's debt reduction objectives.

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.

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.

The water concession license was granted in March 2023 and all licenses and permits are now in place for approval of the project. The technical and study work on the polymetallic refinery project are expected to continue with all permits required to carry out the project now granted.

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.

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 expected 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 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 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 during 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 Çayeli with follow-up drilling currently in progress.

During the quarter, reconnaissance surveys continued on greenfield porphyry targets in Peru, Chile, and Argentina. 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

La Granja

On March 30, 2023, the Company entered into an agreement with Rio Tinto to progress the next phase of the La Granja copper project in northern Peru. La Granja is one of the largest undeveloped copper resources in the world with a published Inferred mineral resource of 4.32 billion tonnes at 0.51% copper, and has potential for substantial expansion. La Granja is located in the district of Querocoto in the northern region of Cajamarca, Peru, approximately 90 kilometers northeast of Chiclayo, the capital of Lambayeque region, at an altitude of between 2,000 and 2,800 meters. Rio Tinto has operated the project since 2006, carrying out an extensive drilling program that has significantly expanded the resource and has managed a world-class community relations program that has ensured strong local support.

Under the terms of the agreement, on completion the Company will acquire a 55% interest in La Granja for a consideration of \$105 million and will become the operator of the project. The Company will then be responsible for the next \$546 million of initial funding. Part of the initial funding will be used to complete a feasibility study, following which the remaining majority of the initial funding is expected to be spent on construction of the project following a positive investment decision. Upon satisfaction of the initial funding amount, all subsequent expenditures would be applied on a pro-rata basis according to share ownership of the project.

The completion of the transaction is subject to certain conditions, including regulatory approvals by the Government of Peru that are underway. The transaction is expected to close before the end of the third quarter. As part of this process, an addendum to the La Granja Transfer Agreement was signed by Peruvian government agencies Activos Mineros SAC and Proinversión, Rio Tinto, and First Quantum on April 3, 2023. The addendum formalizes the Company's involvement in the project, and also permits the Company to carry out an in-house feasibility study, as well as extending the deadline to complete the study phase of the project.

Work over the initial years is planned to continue to progress community engagement and the feasibility study. The feasibility study will focus on developing an updated geological resource and reserve model, which will require additional infill drilling to upgrade Inferred resources to Measured and Indicated categories. Additional metallurgical studies to establish optimal processing configurations are expected to be carried out in parallel, together with a high-level project layout and configuration of associated infrastructure requirements and logistical routes.

Further to the agreement on La Granja, First Quantum and Rio Tinto have also entered into a memorandum of understanding to support co-operation in relation to base metals development opportunities and the sharing of technology and know-how on certain mining methods, such as the application of trolley-assist and autonomous mining fleets.

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. The transaction 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"). The transaction was completed on April 4, 2023.

Zambian Power Supply

In January 2023, ZESCO 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 coal power plant. During this period, Kansanshi and Sentinel conducted planned maintenance that was previously scheduled for February and March 2023.

Although the country experienced load-shedding, there was no major impact on the Zambian mining operations. Power supply in Zambia returned to normal levels during the first quarter of 2023. In addition, excessive rainfall was experienced, which is expected to replenish the Kariba basin from April 2023 onwards.

In March 2023, the commissioning of the 750MW Kafue Gorge Lower Power Station was completed, with all five 150MW units currently commissioned and running. Zambia, and ZESCO, have been actively looking to diversify their energy mix by adding solar energy. Recent announcements from the Government indicate that they have preliminary memorandum of understanding with various companies for the phased installation of up to 4,000MW of solar energy. The Company continues to monitor these national efforts that will contribute to the diversification of the energy mix of the country and will be a key contributor to the long-term security of electricity supply in Zambia.

Zambian VAT

In 2022, the Company reached an agreement with the Government of Zambia 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.

During the three months ended March 31, 2023, the Company was granted total offsets of \$64 million and cash refunds of \$2 million with respect to VAT receivable balances. In the same quarter of 2022, offsets of \$20 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 33.

GUIDANCE

Guidance provided below is based on a number of assumptions and estimates as of March 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.

It was a challenging start to the year with relatively low production at the main copper operations. However, 2023 guidance remains unchanged as production is expected to recover for each of the next three quarters, particularly in the second half of the year.

PRODUCTION GUIDANCE

000's	2023
Copper (tonnes)	770 – 840
Gold (ounces)	265 – 295
Nickel (contained tonnes)	28 – 38

Cobre Panamá's production during the first quarter was impacted by the suspension of operations from February 23, 2023 to March 8, 2023, following export restrictions imposed by the AMP. Concentrate loading recommenced on March 9, 2023, with a record number of vessels being loaded in March. Throughput returned to full capacity on March 10, 2023, two days after restart of operations. The commissioning of the CP100 Expansion was completed in the first quarter and annualized throughput rate of 100 Mtpa remains on schedule for the end of 2023. Full year 2023 grades and recoveries are expected to be broadly consistent with 2022, with some fluctuation from quarter to quarter, and production guidance range for Cobre Panamá remains unchanged.

Sentinel experienced excessive rainfall during the quarter, which resulted in challenging mining conditions and water accumulation in the high grade Stage 1 pit, and restricted access to high-grade ore for most of the quarter. This resulted in lower throughput at lower grades with mining production forced to move to lower-grade elevations. The current focus on deploying additional dewatering capacity in Stage 1 to regain access to the high-grade ore is already yielding results. The mine plan has been rescheduled, and even if total volumes remain substantively the same, the higher-grade zones will be dispatched across the remainder of the year. Grades have improved in April and production for the year is expected to remain within the current guidance range.

Kansanshi copper production was mainly impacted by lower grades from narrow-veined regions and variability of grades in ore stockpiles. Mining fleet deployment changes over the past six months have enabled the operation to open up mining areas, placing less reliance on variable grade ore stockpiles, as well as mining cutbacks M15 and M17 at upper elevations in the main pit with historically higher grades which will benefit production through the rest of 2023. An extensive drilling

campaign is ongoing in areas associated with vein mineralization prior to mining. Production is expected to be within guidance range.

Ravensthorpe production has improved from the prior quarter, and improved plant availability remains a priority. Guidance remains unchanged.

At Enterprise, first ore was achieved on schedule in February 2023, and first production of nickel is expected during the second quarter of 2023. 2023 production guidance for Enterprise remains unchanged. Ramp-up to commercial production is planned to continue over 2023, with ramp-up to full plant throughput in 2024. As a result of recent changes to IFRS, sales proceeds and related costs associated with nickel sold during the pre-commercial ramp-up phase are required to be recognized through earnings rather than being capitalized.

PRODUCTION GUIDANCE BY OPERATION¹

Copper production guidance (000's tonnes)	2023
Cobre Panamá	350 – 380
Kansanshi	130 – 150
Sentinel	260 – 280
Other sites	30
Gold production guidance (000's ounces)	
Cobre Panamá	140 – 160
Kansanshi	95 – 105
Other sites	30
Nickel production guidance (000's contained tonnes)	
Ravensthorpe	23 – 28
Enterprise	5 – 10

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

CASH COST¹ AND ALL-IN SUSTAINING COST¹

Copper	2023
C1 ¹ (per lb)	\$1.65 – \$1.85
AISC ¹ (per lb)	\$2.25 – \$2.45
Ravensthorpe Nickel	2023
C1 ¹ (per lb)	\$7.00 – \$8.00
AISC ¹ (per lb)	\$9.00 – \$10.50

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"

C1 cash costs¹ guidance 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. Ravensthorpe unit cost guidance was based on a sulphur price of \$150 per tonne.

Costs are currently benefiting from lower than assumed Brent crude prices as well as a more favourable ZMW/US dollar exchange rate. Sulphur prices are currently higher than assumed with an average cost in the quarter of \$235 per tonne.

PURCHASE AND DEPOSITS ON PROPERTY, PLANT & EQUIPMENT

	2023
Capitalized stripping ¹	300
Sustaining capital ¹	430
Project capital ¹	870
Total capital expenditure	1,600

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".

Guidance for total capital expenditure remains unchanged at \$1,600 million. Guidance excludes any capitalized pre-commercial production costs.

Capital expenditure for the quarter ended March 31, 2023 was \$265 million. Expenditure on the S3 Expansion project to date is approximately \$65 million, with \$24 million spent in the first quarter.

Interest

Interest expense on debt for the quarter ended March 31, 2023 was \$137 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 ("ARO").

Cash outflow on interest paid for the quarter ended March 31, 2023 was \$112 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 quarter ended March 31, 2023 was \$8 million and is expected to be at 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, on an adjusted basis, for the quarter ended March 31, 2023 was 23%, which is based on Law 9 legislation.

On March 8, 2023, the Company announced that MPSA had agreed and finalized the draft of the Refreshed Concession Contract with the GOP for the Cobre Panamá mine, which will include the following principal economic terms once it takes effect.

- Payment by MPSA of \$375 million plus an additional \$20 million to cover taxes and royalties up to the year-end 2022
- Payment by MPSA starting in 2023 of an annual minimum contribution of \$375 million in Government income, comprised of corporate taxes, withholding taxes and a profit-based mineral royalty of 12 to 16%, with downside protections
- Downside protections to the annual minimum contribution under the following conditions:
 - Until the end of 2025, copper price below \$3.25 per pound
 - From 2026 and beyond, a total tax contribution for that year of less than \$300 million
- Applicable royalty rate at various operating margins as shown below:

Operating Margin	Effective Royalty Rate
0% - 20%	12%
>20% - 30%	13%
>30% - 40%	14%
>40% - 50%	15%
> 50%	16%

- Application of the general regime of income tax, including deductions for depletion, and withholding taxes in Panamá.
- The income tax deduction for depletion is expected to be 70% of taxable income up until the end of 2031 and 30% of taxable income for years 2032 and later. This deduction applies only to income taxes and not royalties.

The Refreshed Concession Contract was subject to a 30-day public consultation process that started on March 24, 2023, and after completion of the public consultation, the Refreshed Concession Contract will be presented for approval by the Panamanian Cabinet and Comptroller General of the Republic. Once approved it is expected to be presented before the National Assembly of Panamá in the legislative term that commences on July 1, 2023.

Once the agreement is signed and passed into law, payments to cover taxes and royalties up to the year-end 2022 of approximately \$395 million are expected to be made within 30 days of the Refreshed Concession Contract being enacted into law. In addition, past due amounts payable for 2023 corporate tax instalments, withholding taxes and quarterly royalty

payments will also be due 30 days after being enacted, without penalty or interest. It is intended that the charge relating to taxes and royalties up to the year-end 2022 be excluded from 2023 adjusted earnings. The expected taxes and royalties to the GOP relating to 2023 is \$375 million. Any non-profit based top-up tax to meet the proposed minimum contribution is expected to be recognized within operating profit and impact AISC¹. The AISC¹ range is unchanged and is able to accommodate the expected impact of between \$0.00 per lb to \$0.05 per lb.

At current consensus pricing, the adjusted effective tax rate for the Group for the full year 2023 is expected to be between 35% and 40%. It is anticipated that the effective tax rate for the Group in the second half of the year will be higher than this rate as the income tax expense is adjusted to the full year rate under the Refreshed Concession Contract when the agreement is passed into law rather than the Law 9 basis used in this first quarter.

Depreciation

Depreciation expense for the quarter ended March 31, 2023 was \$271 million. The full year 2023 depreciation expense is expected to be between \$1,250 million to \$1,275 million.

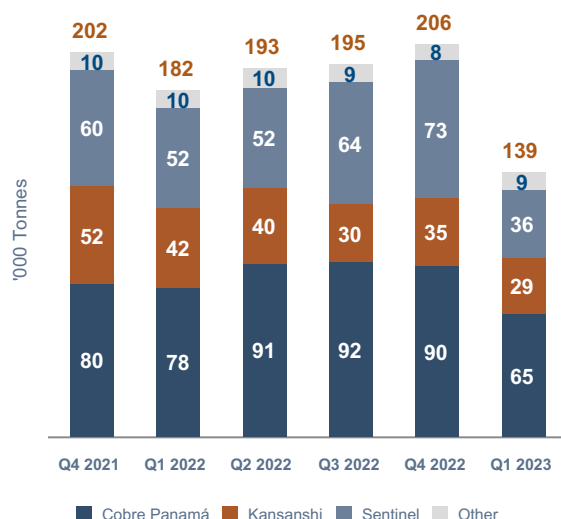
¹ All-in sustaining cost (AISC) is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures"

SUMMARY OPERATIONAL RESULTS

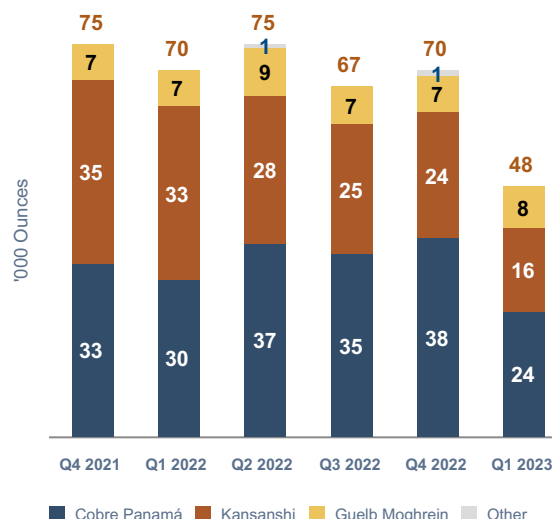
Production

FIRST QUARTER

QUARTERLY COPPER PRODUCTION BY OPERATION



QUARTERLY GOLD PRODUCTION BY OPERATION



Total copper production in the first quarter of 2023 decreased by 24% to 138,753 tonnes compared to the same quarter of 2022, due to lower production at the three major operations, as well as expected decreases at shorter life operations. Production is expected to recover for each of the next three quarters of 2023, particularly in the second half of the year.

Copper production at Cobre Panamá decreased by 16% to 65,427 tonnes from the same quarter of 2022, as production was interrupted on February 23 for 15 days as a result of the temporary suspension of concentrate loading operations by the AMP. Concentrate loading recommenced on March 9, 2023 with a record number of vessels loaded in March. The operation delivered strong production during the last three weeks of the quarter following a successful ramp-up back to full production.

Sentinel's first quarter production of 36,232 tonnes was 31% lower than the same quarter of 2022. Sentinel experienced excessive rainfall during the quarter, which resulted in the accumulation of water in the Stage 1 pit and prevented access to high-grade ores.

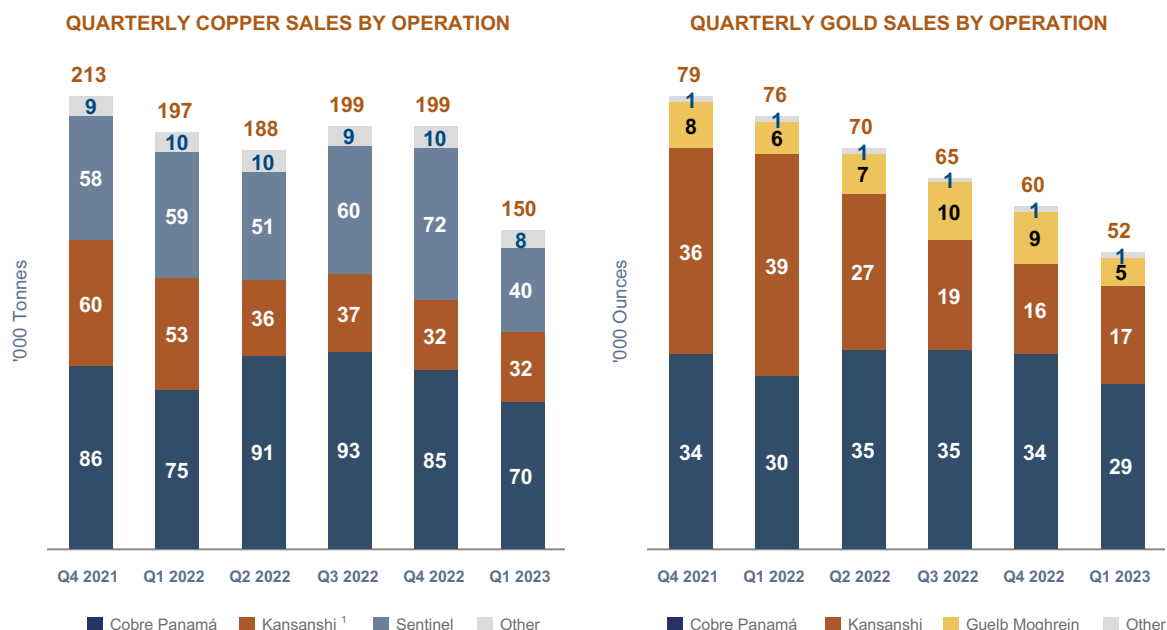
Kansanshi's copper production was 28,683 tonnes for the quarter, 32% lower than the same quarter of 2022 due to lower feed grades from narrow-veined regions and variability of grades in ore stockpiles.

Gold production was 32% lower than the same quarter of 2022.

Ravensthorpe produced 5,917 contained tonnes of nickel, a 16% increase from the comparable quarter of 2022.

Sales Volumes

FIRST QUARTER



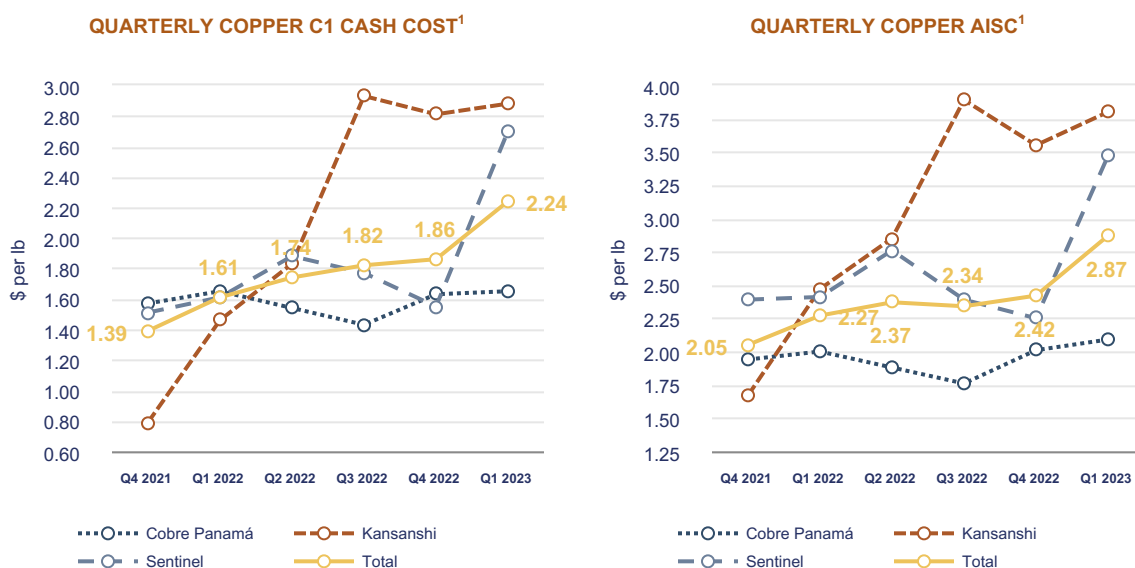
¹ Copper sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Trident). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 9,120 tonnes for the three months ended March 31, 2023, (nil tonnes for the three months ended March 31, 2022).

Total copper sales volumes of 150,287 tonnes for the first quarter of 2023 were 24% lower than the same quarter of 2022, while gold sales volumes of 51,941 ounces for the first quarter of 2023 were 32% lower than the same quarter of 2022, principally due to lower production. Copper sales volumes were 11kt higher than production in the current quarter with lower closing inventory levels.

Nickel sales volumes were 5,846 contained tonnes at Ravensthorpe, a 34% increase from the same quarter of 2022, attributable to higher production.

Cash Costs¹

FIRST QUARTER



Total copper C1 cash cost¹ of \$2.24 per lb for the first quarter of 2023 was \$0.63 per lb higher than the same quarter of 2022 attributable to lower production and elevated cost levels resulting from global inflationary pressures in 2022 on key consumables such as fuel, steel and explosives as well as wage inflation.

Copper C1 cash costs¹ at Sentinel and Kansanshi were higher than the first quarter of 2022 due to lower production at each operation as well as elevated costs following the global inflationary pressures in 2022.

Market rates for fuel and freight were on average lower in the first quarter of 2023 than the fourth quarter of 2022. Input and operational costs for other consumables have largely stabilized over the past six months, albeit at elevated levels, following inflationary pressures in 2022. Unit cash costs¹ at the Zambian operations are benefiting from a more favourable ZMW exchange rate compared to both the previous quarter as well as first quarter of 2022.

Total copper AISC¹ of \$2.87 per lb was \$0.60 per lb higher than the same quarter of 2022, 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".

OPERATIONS REVIEW

Cobre Panamá

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Waste mined (000's tonnes)	18,371	18,495	13,105
Ore mined (000's tonnes)	18,990	24,733	25,050
Copper ore milled (000's tonnes) ¹	18,543	21,887	20,655
Copper ore grade processed (%)	0.40	0.46	0.42
Copper recovery (%)	89	89	91
Concentrate grade (%)	25.7	26.2	27.0
Copper production (tonnes)	65,427	89,652	78,337
Copper sales (tonnes)	70,028	85,330	74,885
Gold production (ounces)	23,878	38,302	29,947
Gold sales (ounces) ²	28,853	34,208	30,168
Silver production (ounces)	568,075	757,655	630,628
Silver sales (ounces) ²	606,931	723,955	609,193
Copper all-in sustaining cost (AISC) (per lb) ³	\$2.09	\$2.01	\$2.00
Copper cash cost (C1) (per lb) ³	\$1.65	\$1.63	\$1.65
Total copper cost (C3) (per lb) ³	\$2.66	\$2.54	\$2.66
Financial results (\$ millions)			
Copper in concentrates	562	626	697
Gold – precious metal stream ongoing cash payments	10	13	11
Gold – other cash	7	1	4
Silver – precious metal stream ongoing cash payments	3	2	2
Silver – other cash	5	7	5
Gold and silver - non cash amortization	19	25	22
Total sales revenues	606	674	741
Gross profit	181	189	301
EBITDA ⁴	314	337	441

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.

First Quarter

Copper production during the first quarter was suspended on February 23, 2023 for 15 days as a result of export restrictions imposed by the AMP. Concentrate loading commenced again on March 9, 2023 with a record number of vessels loaded in March. Throughput returned to full capacity on March 10, 2023, two days after the restart of operations. The commissioning of the CP 100 Expansion continued during the temporary suspension of operations in the first quarter and the expansion to 100 Mtpa remains on schedule for the end of 2023.

During the quarter, 18.5 million tonnes of ore with an average head grade of 0.40% were processed, achieving recoveries of 89% and copper production of 65,427 tonnes, a 16% lower than the same quarter of 2022. Ore milled was 10% below that of the same quarter of 2022, due to the 15-day interruption to operations.

Total ex-pit mining of 37.4 million tonnes for the quarter was 2% lower than the same quarter of 2022. The waste mining benefited from the new production capacity of an extra shovel and eight haul trucks. Both waste and ore mined were impacted by the 15-day suspension of processing operations, restricting the ore mined for the quarter. New pit development in Colina contributed 10 million tonnes of waste mining in the quarter.

Copper C1 cash cost¹ of \$1.65 per lb was comparable to the same quarter of 2022. The lower copper production has been offset by the lower electricity costs in the quarter compared to the same quarter of 2022, where electricity was purchased from the national grid at spot prices during the January 2022 plant shutdown. Copper AISC¹ of \$2.09 per lb was \$0.09 per lb higher than the same quarter of 2022, primarily due to lower production and higher sustaining capital expenditures².

The power plant continued to benefit from the protection of price collars in its coal supply contract. A collar structure for coal purchases is currently in place with the ceiling price exercised from July 2021 onwards, thereby limiting exposure to further increases in the coal price until the end of 2023.

Sales revenues for the first quarter of 2023 were \$606 million, 18% lower than the same quarter of 2022 as a result of lower production due to the 15-day temporary suspension of processing operations and lower realized copper prices³. Gross profit of \$181 million for the quarter was \$120 million lower than the same quarter of 2022, reflecting lower sales revenues.

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 regardless of the increased processing throughput, with some fluctuation from quarter to quarter.

Alongside the continuing operational improvements and mine-to-mill initiatives, Cobre Panamá continues to focus on productivity improvements and cost saving initiatives. Construction work for the CP100 Expansion project was completed seven weeks ahead of schedule and commissioning was completed in the first quarter. Ramp-up of the new facilities have commenced. The mine's fifth rope shovel was commissioned in November of 2022 at the Colina pit to continue advancing the crusher box cut and pre-strip. Construction of the molybdenum plant is progressing well with completion of construction and commencement of commissioning expected by the end of 2023, with first production expected in the first quarter of 2024.

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 and capitalized stripping are non-GAAP financial measures, which do not have standardized meanings prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

³ Realized metal price is non-GAAP ratio 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".

Kansanshi

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Waste mined (000's tonnes)	17,262	20,028	16,592
Ore mined (000's tonnes)	5,624	6,984	8,009
Sulphide ore milled (000's tonnes) ¹	3,087	3,207	3,423
Sulphide ore grade processed (%)	0.45	0.65	0.85
Sulphide copper recovery (%)	89	89	91
Sulphide concentrate grade (%)	19.5	21.9	22.7
Mixed ore milled (000's tonnes) ¹	2,037	2,017	1,649
Mixed ore grade processed (%)	0.58	0.63	0.67
Mixed copper recovery (%)	72	73	79
Mixed ore concentrate grade (%)	18.5	18.6	19.9
Oxide ore milled (000's tonnes) ¹	1,958	2,011	1,852
Oxide ore grade processed (%)	0.60	0.60	0.61
Oxide copper recovery (%)	67	60	66
Oxide concentrate grade (%)	14.2	10.3	13.9
Copper production (tonnes) ²	28,683	34,802	41,899
Copper smelter			
Concentrate processed ³	306,773	322,984	337,352
Copper anodes produced (tonnes) ³	73,112	80,279	77,314
Smelter copper recovery (%)	97	98	96
Acid tonnes produced (000's)	277	301	328
Copper sales (tonnes) ⁴	31,538	32,496	53,240
Gold production (ounces)	15,960	24,479	32,640
Gold sales (ounces)	17,244	16,156	38,828
Copper all-in sustaining cost (AISC) (per lb) ^{5,6}	\$3.80	\$3.55	\$2.47
Copper cash cost (C1) (per lb) ^{5,6}	\$2.88	\$2.81	\$1.46
Total copper cost (C3) (per lb) ^{5,6}	\$4.08	\$3.96	\$2.55
Financial results (\$ millions)			
Copper	355	324	524
Gold	31	26	71
Other	2	6	1
Total sales revenues	388	356	596
Gross profit	23	(17)	278
EBITDA ⁵	74	39	334

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 9,120 tonnes for the three months ended March 31, 2023, (nil tonnes for the three months ended March 31, 2022).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.

First Quarter

Kansanshi produced 28,683 tonnes of copper during the first quarter of 2023, 32% lower than the same quarter of 2022 due to lower feed grades across all three circuits, particularly from the M11 area at lower elevations in the main pit. Lower grades from narrow-veined regions and variability of grades in ore stockpiles were the main drivers behind the lower grades. Gold production of 15,960 ounces for the first quarter of 2023 was 51% lower than the same quarter of 2022 due to the reduction of ore mined from high-vein areas where higher grade gold is contained.

Copper C1 cash cost¹ of \$2.88 per lb was \$1.42 per lb higher than the comparable quarter in 2022, due to lower production and higher fuel and consumables costs. Copper AISC¹ of \$3.80 per lb was \$1.33 per lb higher than the comparable quarter in 2022 due to higher copper C1 cash costs¹ and higher sustaining capital expenditures² in the quarter, reduced by lower royalties and lower capitalized stripping².

Sales revenues of \$388 million were 35% lower than the same quarter of 2022, reflecting a decrease in copper sales volumes and lower realized metal prices¹. Gross profit of \$23 million was \$255 million lower than the same quarter of 2022, reflecting lower sales revenues and higher operating costs.

Kansanshi Copper Smelter

First Quarter

The smelter treated 306,773 DMT of concentrate during the quarter and produced 73,112 tonnes of copper anode and 277,000 tonnes of sulphuric acid. The concentrate grade treated in the quarter was 25%.

Outlook

Production in 2023 is expected to be 130,000 – 150,000 tonnes of copper and 95,000 – 105,000 ounces of gold. Mining fleet deployment changes over the past six months have enabled the operation to open up mining areas, placing less reliance on variable grade ore stockpiles, as well as mining cutbacks M15 and M17 at upper elevations in the main pit with historically higher grades, which will benefit production through the rest of 2023. An extensive drilling campaign is ongoing in areas associated with vein mineralization prior to mining. Production is expected to be within the guidance range.

The majority of the capital expenditures 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 as at the end of the quarter.

Trident

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Waste mined (000's tonnes)	18,455	23,485	23,571
Ore mined (000's tonnes)	8,890	14,721	13,893
Copper ore milled (000's tonnes) ¹	11,967	15,456	13,620
Copper ore grade processed (%)	0.34	0.52	0.43
Copper recovery (%)	89	90	90
Copper production (tonnes)	36,232	73,409	52,475
Concentrate grade (%)	27.1	27.8	28.4
Copper sales (tonnes)	40,313	71,642	58,550
Copper all-in sustaining cost (AISC) (per lb) ²	\$3.47	\$2.25	\$2.41
Copper cash cost (C1) (per lb) ²	\$2.70	\$1.55	\$1.61
Total copper cost (C3) (per lb) ²	\$3.82	\$2.42	\$2.67
Financial results (\$ millions)			
Sales revenues – Copper	349	535	555
Gross profit	86	169	241
EBITDA ²	143	258	315

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.

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".

First Quarter

Copper production of 36,232 tonnes for the first quarter of 2023 was 31% lower than the same quarter of 2022 mainly due to lower throughput and lower grade. There was excessive rainfall throughout the quarter, the highest total rainfall in 25 years with record peak rainfalls. This resulted in the accumulation of water in the high grade Stage 1 pit. Saturated ground conditions significantly impacted mining rates due to poor road conditions and water in the pit prevented access to working faces, particularly in the lower benches of Stage 1. The focus was on deploying additional dewatering capacity in Stage 1 to regain access to the high-grade ore.

C1 cash cost¹ of \$2.70 per lb for the first quarter of 2023 was \$1.09 per lb higher than the same quarter of 2022, reflecting lower copper production and higher fuel, explosives, spare parts, employee and contractor costs. Copper AISC¹ for the first quarter of 2023 of \$3.47 per lb was \$1.06 per lb higher than the same quarter of 2022 mainly due to the higher C1 cash cost¹.

Sales revenues of \$349 million were \$206 million lower than the same quarter of 2022, reflecting lower copper sales volumes and lower realized copper prices¹. Sales revenues comprise of both concentrate and anode sales, with a higher proportion of revenue realized from copper anodes.

Gross profit of \$86 million was \$155 million lower than the same quarter of 2022, reflecting lower revenues.

Outlook

Despite the challenges encountered during the first quarter, copper production for 2023 remains unchanged at 260,000 – 280,000 tonnes. The mine plan has been rephased and higher feed grades are expected for the second half of the year. Grades have improved in April and production for the year is expected to remain within the current guidance range.

The current focus on deploying additional dewatering capacity in Stage 1 to regain access to the high-grade ore is already yielding results. The mine plan has been rescheduled, and even if total volumes remain substantively the same, the higher-grade zones will be dispatched across the remainder of the year. This is to be complemented by a change in location of the in-pit ramps to liberate high-grade ore by mining the saddle zones between Stage 1 and Stage 2. There will also be a redistribution of loading equipment to better suit working areas and truck fleet capacity is planned to increase in the second quarter with the commissioning of an additional Liebherr T284, followed by two more in the second half of the year.

2023 production guidance for Enterprise is 5,000 – 10,000 contained tonnes of nickel. First ore was achieved on schedule in February 2023, and first production of nickel is expected during the second quarter of 2023. Ramp-up to commercial production is expected to continue over 2023, with ramp-up to full plant throughput in 2024. As a result of recent changes to IFRS, sales proceeds and related costs associated with nickel sold during the pre-commercial ramp-up phase are required to be recognized through earnings rather than being capitalized.

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.

Ravensthorpe

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Beneficiated ore tonnes processed (000's)	709	696	635
Beneficiated ore grade processed (%)	1.14	1.16	1.15
Nickel recovery (%)	83	81	77
Nickel production (contained tonnes)	5,917	5,705	5,122
Nickel sales (contained tonnes)	5,846	6,840	4,350
Nickel production (payable tonnes)	4,344	4,450	4,743
Nickel sales (payable tonnes)	4,322	5,216	4,037
Nickel all-in sustaining cost (AISC) (per lb) ¹	\$10.97	\$11.10	\$8.55
Nickel cash cost (C1) (per lb) ¹	\$9.34	\$9.32	\$6.78
Total nickel cost (C3) (per lb) ¹	\$11.54	\$11.70	\$8.45
Financial results (\$ millions)			
Sales revenues	100	164	132
Gross profit (loss)	(14)	24	53
EBITDA ¹	–	40	61

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.

First Quarter

Nickel production for the first quarter of 2023 was 5,917 contained tonnes of nickel, a 16% increase from the same quarter of 2022. Production has been showing improvement since the first quarter of 2022.

A planned two-week High Pressure Acid Leach ("HPAL") train shutdown was performed and completed in February. The rebuilding of two of the atmospheric leach tanks is on schedule. One tank is expected to return to service in the beginning of the second quarter and the second by the end of the second quarter.

Nickel C1 cash cost¹ for the first quarter of 2023 was \$9.34 per lb, a 38% increase from the same quarter of 2022, reflecting lower payable nickel produced and lower cobalt credits, as well as higher processing costs. AISC¹ of \$10.97 per lb for the first quarter of 2023 is 28% higher than the same quarter of 2022, driven by higher nickel C1 cash costs¹ and higher royalties, offset by lower sustaining capital expenditure² and deferred stripping².

Sales revenues in the first quarter of 2023 were \$100 million. Despite an increase in sales volumes, the decrease in sales revenues compared to the same quarter of 2022 was due to lower net realized nickel prices¹. The net realized nickel price¹ was \$10.25 per lb for the first quarter of 2023, a 24% decrease from \$13.52 per lb in the same quarter of 2022. Nickel payabilities were adversely impacted by a disconnect between benchmark nickel quotations and the broader nickel market. The LME nickel price decreased marginally compared to the same quarter of 2022.

Gross loss of \$14 million in the first quarter of 2023 reflected lower net realized nickel price¹ and higher costs.

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 and stockpile management. The focus for the plant remains on improving availability and operating efficiencies. Major HPAL train descale shutdowns in 2023 are scheduled for August and November. 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.

An additional tank repair plan is being refined to further improve recoveries and plant stability with additional two tanks scheduled to begin overhaul in second half of 2023.

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 and capitalized stripping are non-GAAP financial measures, which do not have standardized meanings prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

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 continue to be impacted by discontinuities in the benchmark quotations for nickel.

Guelb Moghrein

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Waste mined (000's tonnes)	1,340	1,526	1,888
Ore mined (000's tonnes)	182	128	27
Sulphide ore milled (000's tonnes) ¹	761	849	714
Sulphide ore grade processed (%)	0.57	0.45	0.50
Sulphide copper recovery (%)	79	91	91
Copper production (tonnes)	3,415	3,481	3,232
Copper sales (tonnes)	3,468	3,765	2,158
Gold production (ounces)	7,585	7,434	6,912
Gold sales (ounces)	5,482	8,601	5,523
Magnetite concentrate production (WMT) ²	120,305	148,502	152,993
Magnetite concentrate sales (WMT) ²	230,053	140,055	141,519
Copper all-in sustaining cost (AISC) (per lb) ³	\$2.62	\$3.19	\$1.58
Copper cash cost (C1) (per lb) ³	\$2.20	\$2.57	\$1.13
Financial results (\$ millions)			
Sales revenues	63	56	46
Gross profit	7	3	10
EBITDA ³	10	6	11

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.

First Quarter

Copper production first quarter of 2023 was 6% higher than the same quarter of 2022. The higher copper production was due to higher throughput and higher feed grade as a result of the nature of the material fed from the ore stockpile. Gold production was 10% higher than the first quarter of 2022, due to higher throughput. The magnetite plant produced 120,305 WMT in the quarter, a 21% decrease from the same quarter of 2022, due to lower feed grade.

C1 copper cash cost¹ was \$1.07 per lb higher than the first quarter of 2022, attributable to higher fuel and employee costs, as well as lower by-product credits. AISC¹ for the first quarter of 2023 was \$1.04 per lb higher than the same quarter of 2022, mainly due to higher C1 cash costs¹ and higher sustaining capital expenditures².

Sales revenues were 37% higher than the first quarter of 2022, as a result of higher sales volumes despite lower realized metal prices¹. Gross profit of \$7 million was \$3 million lower than the same quarter of 2022, attributable to higher costs in the quarter.

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. Scheduled maintenance for the remainder of the year includes a partial relining of the SAG mill in the fourth quarter of 2023.

The stripping of Cutback 4 in the main pit continues to progress and is expected to extend mining operations to the end of 2025. The Cutback 2 project was completed during the first quarter of 2023. Orders for the recommissioning of the carbon-in-leach ("CIL") plant, together with the construction of a re-pulping and scrubbing plant as well as additional CIL tailings ponds has been placed and commissioning is expected in the fourth quarter of 2023.

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.

Las Cruces

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Copper cathode production (tonnes)	2,093	2,229	2,278
Copper cathode sales (tonnes)	2,180	2,236	1,921
Financial results (\$ millions)			
Sales revenues	20	18	19
Gross loss	(4)	(6)	(5)
EBITDA ¹	(5)	(6)	(6)

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.

First Quarter

Copper production decreased marginally compared with the same quarter of 2022, due to lower grade and recoveries as the operation nears completion of re-processing of high grade tailings.

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 is expected to continue, with all permits required for approval of the project now granted, including the water concession license granted in March 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.

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.

Çayeli

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Copper production (tonnes)	2,903	2,434	3,169
Copper sales (tonnes)	2,760	2,918	5,284
Zinc production (tonnes)	829	303	834
Zinc sales (tonnes)	–	–	2,192
Financial results (\$ millions)			
Sales revenues	22	19	53
Gross profit	5	4	31
EBITDA ¹	7	7	37

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.

First Quarter

Despite higher throughput, copper production for the first quarter of 2023 was 8% lower than the same quarter of 2022 due to lower grades. Zinc production for the first quarter of 2023 was in line with the same quarter of 2022.

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.

SUMMARY FINANCIAL RESULTS

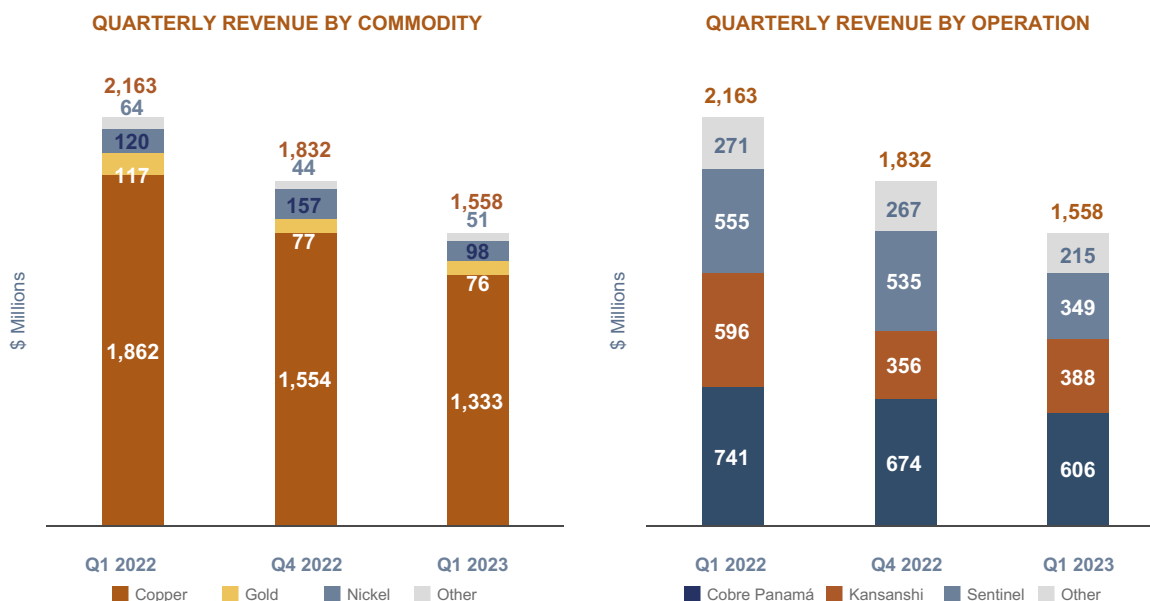
	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Sales revenues	1,558	1,832	2,163
Gross profit (loss)			
Cobre Panamá	181	189	301
Kansanshi	23	(17)	278
Trident	86	169	241
Ravensthorpe	(14)	24	53
Corporate & other	4	(4)	35
Total gross profit	280	361	908
Exploration	(6)	(9)	(4)
General and administrative	(33)	(40)	(32)
Other income (expense)	(16)	2	(90)
Net finance expense ¹	(149)	(147)	(153)
Adjustment for expected phasing of Zambian VAT	23	(56)	(22)
Income tax recovery (expense)	(25)	6	(155)
Net earnings	74	117	452
Net earnings attributable to:			
Non-controlling interests	(1)	–	67
Shareholders of the Company	75	117	385
Adjusted earnings ²	76	151	480
Earnings per share			
Basic	\$0.11	\$0.17	\$0.56
Diluted	\$0.11	\$0.17	\$0.56
Adjusted ²	\$0.11	\$0.22	\$0.70
Basic weighted average number of shares (in 000's)	690,457	691,053	690,130

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. See "Regulatory Disclosures".

Sales Revenues

FIRST QUARTER



Sales revenues for the first quarter of 2023 of \$1,558 million were 28%, or \$605 million, lower than the same quarter of 2022, reflecting the decrease in copper, gold and nickel sales.

Copper sales revenues for the first quarter of 2023 of \$1,333 million were 28%, or \$529 million, lower than the same quarter of 2022 reflecting the 12% lower net realized copper price¹ and lower copper sales volumes. Total copper sales volumes for the first quarter of 2023 were 24% lower than the same quarter of 2022, attributable to reduced sales volumes at Kansanshi, Sentinel and Cobre Panamá as a result of lower production. Cobre Panamá production was interrupted for 15 days as a result of export restrictions imposed by the AMP.

The net realized price¹ for copper of \$3.79 per lb for the first quarter of 2023 was 12% lower than the same quarter of 2022. This compares to a decrease of 11% in the average LME price of copper for the same period to \$4.05 per lb.

Nickel sales revenues of \$98 million for the first quarter of 2023 were 18%, or \$22 million, lower than the same quarter of 2022, reflecting lower net realized metal prices¹ partially offset by higher sales volumes.

The net realized price¹ for nickel of \$10.25 per lb for the first quarter of 2023 was 24% lower than that for the same quarter of 2022.

Gold sales revenues for the first quarter of 2023 of \$76 million were 35%, or \$41 million, lower than the same quarter of 2022, arising from lower gold sales volumes and comparable net realized metal prices¹. The lower gold sales revenues were primarily attributable to reduced sales volumes from Kansanshi than the comparative quarter of 2022. The cost for the purchase of refinery-backed gold and silver credits recognized within Cobre Panamá sales revenues was \$50 million.

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.

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Copper selling price (per lb)			
Average LME cash price	\$4.05	\$3.63	\$4.53
Realized copper price ¹	\$3.95	\$3.56	\$4.45
Treatment/refining charges ("TC/RC") (per lb)	(\$0.14)	(\$0.12)	(\$0.12)
Freight charges (per lb)	(\$0.02)	(\$0.04)	(\$0.04)
Net realized copper price ¹	\$3.79	\$3.40	\$4.29

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Gold selling price (per oz)			
Average LBMA cash price	\$1,890	\$1,728	\$1,877
Net realized gold price ^{1,2}	\$1,766	\$1,574	\$1,772

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Nickel selling price (per payable lb)			
Average LME cash price	\$11.79	\$11.47	\$11.97
Net realized nickel price ^{1,3}	\$10.25	\$13.67	\$13.52

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 32.

Gross Profit

First Quarter

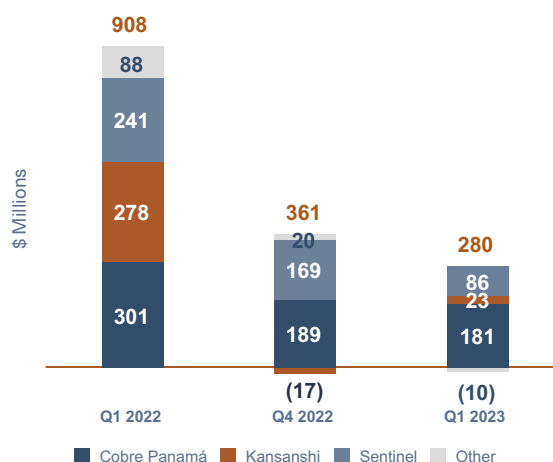
Gross profit for the quarter of \$280 million was \$628 million lower than the first quarter of 2022, due to lower net realized metal prices¹ and sales volumes combined with higher cash costs.

Gross profit in Q1 2022	908
Lower net realized prices ¹	(237)
Lower sales volumes and change in sales mix	(346)
Lower by-product contribution	(46)
Higher cash costs	(105)
Lower royalty expense	68
Lower depreciation	24
Positive impact of foreign exchange on operating costs	14
Gross profit in Q1 2023 ²	280

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 \$6 million, general and administrative costs of \$33 million, share of profit in joint venture of \$3 million, and adding back depreciation of \$271 million and other expense of \$3 million (a reconciliation of EBITDA is included in "Regulatory Disclosures").

QUARTERLY GROSS PROFIT BY OPERATION



Gross profit for the first quarter of 2023 was \$280 million, a decrease of \$628 million, or 69%, from the same period in 2022, attributable to lower sales revenues due to lower sales volumes and net realized metal prices¹ combined with increased operating costs. The increased costs arose due to higher prices for fuel, explosives, consumables and reagents compared to the first quarter of 2022, following global inflationary pressures in the second and third quarters of 2022.

Net Earnings

First Quarter

Net earnings attributable to shareholders of the Company for the first quarter of 2023 were \$75 million, \$310 million lower than the same quarter of 2022. The net earnings reduction was attributable to lower gross profit, partially offset by lower tax expense and other expenses and a credit for the expected phasing of Zambian VAT. Basic earnings per share was \$0.11 during the quarter compared to \$0.56 earnings per share in the same quarter of 2022. Net finance expense of \$149 million was \$4 million lower than the first quarter of 2022. Net finance expense principally consists of interest on debt of \$137 million, related party interest of \$27 million, accretion of deferred revenue \$15 million, offset by interest capitalized of \$8 million and finance income of \$31 million.

Other expense of \$16 million is \$74 million lower than other expense of \$90 million incurred in the same quarter of 2022. Foreign exchange loss of \$16 million compared to a \$56 million foreign exchange loss in the same quarter of 2022. Other expense in the comparable period included a charge of \$40 million for non-recurring costs in connection with previously sold assets. A \$3 million share of profit in Korea Panamá Mining Corporation ("KPMC") was recognized in the quarter, compared to \$14 million recognized in the same quarter of 2022.

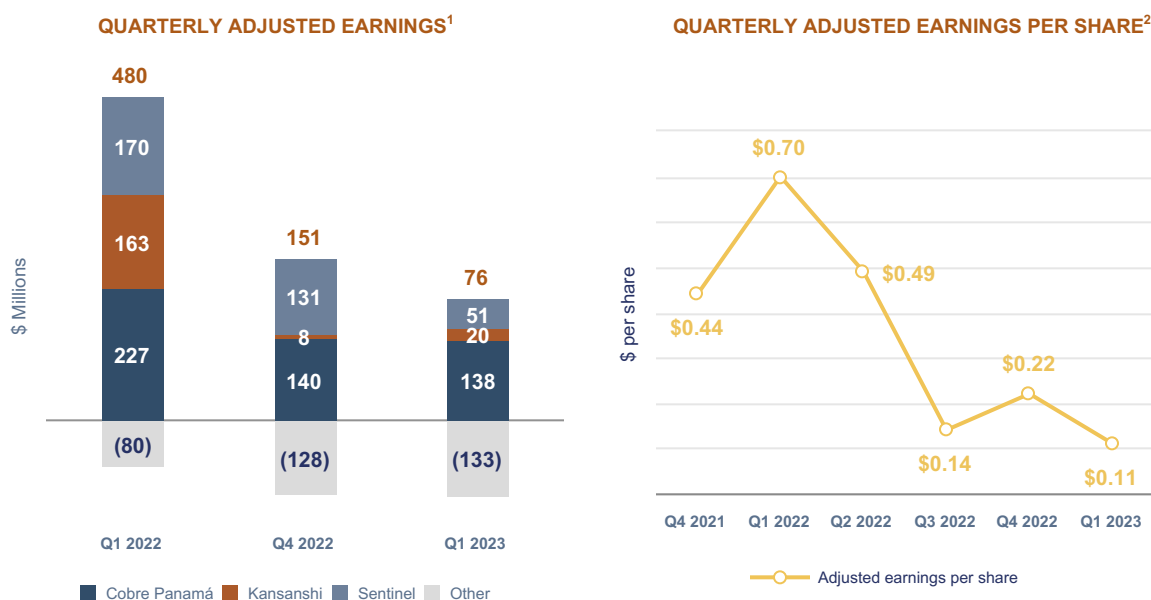
A credit of \$23 million reflecting the expected phasing of the Zambian VAT was recognized in the quarter, compared with an expense of \$22 million recognized in the comparable quarter of 2022.

An income tax expense of \$25 million was recognized in the first quarter of 2023, compared with a \$155 million income tax expense recognized in the same quarter of 2022, reflecting applicable statutory tax rates that range from 20% to 30% for the Company's operations. The effective tax rate for the quarter was 25%, which included the current Law 9 legislation.

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.

Adjusted Earnings¹

FIRST QUARTER



Adjusted earnings¹ for the quarter ended March 31, 2023 of \$76 million is a decrease of \$404 million from the comparative period in 2022. Adjusted earnings per share² of \$0.11 in the first quarter compares to adjusted earnings per share² of \$0.70 in the same quarter of 2022. The principal items not included in adjusted earnings¹ in the quarter are foreign exchange gains of \$16 million, and the adjustment for expected phasing of Zambian VAT of \$23 million. The effective tax rate, on an adjusted basis, for the quarter ended March 31, 2023 was 23%, which is based on Law 9 legislation. Once the Refreshed Concession Contract agreement has been signed and passed into law, at current consensus pricing, the adjusted effective tax rate for the full year 2023 is expected to be between 35% and 40%. 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.

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		
	Q1 2023	Q4 2022	Q1 2022
Cash flows from operating activities	299	237	666
Cash flows used by investing activities	(256)	(312)	(283)
Cash flows used by financing activities ¹	(632)	(26)	(294)
Exchange losses on cash and cash equivalents	(1)	–	–
Net cash inflow (outflow)	(590)	(101)	89
Cash and cash equivalents and bank overdrafts	1,098	1,688	1,948
Total assets	24,495	25,080	25,544
Total current liabilities	1,662	1,738	1,836
Total long-term liabilities	10,617	11,105	11,787
Net debt ²	5,780	5,692	5,815
Cash flows from operating activities per share ³	\$0.43	\$0.34	\$0.97

¹ Interest paid excludes \$8 million capitalized to property, plant and equipment for the three months ended March 31, 2023 presented in cash flows used by investing activities (three months ended March 31, 2022: \$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".

FIRST QUARTER

Cash Flows from Operating Activities

Cash flows from operating activities for the first quarter were \$367 million lower than the same quarter of 2022, attributable to lower EBITDA¹ and partially offset by favourable movements on working capital attributable to a lower receivables balance.

Cash Flows Used by Investing Activities

Investing activities mostly comprise capital expenditures of \$265 million which were \$14 million lower than the same quarter of 2022.

Cash Flows Used by Financing Activities

Cash flows used by financing activities of \$632 million for the first quarter of 2023 included a net outflow of \$507 million on total debt. Included within this, was the redemption of \$850 million principal amount of the senior notes due in 2024, and movements on the revolving credit facility and trading facilities.

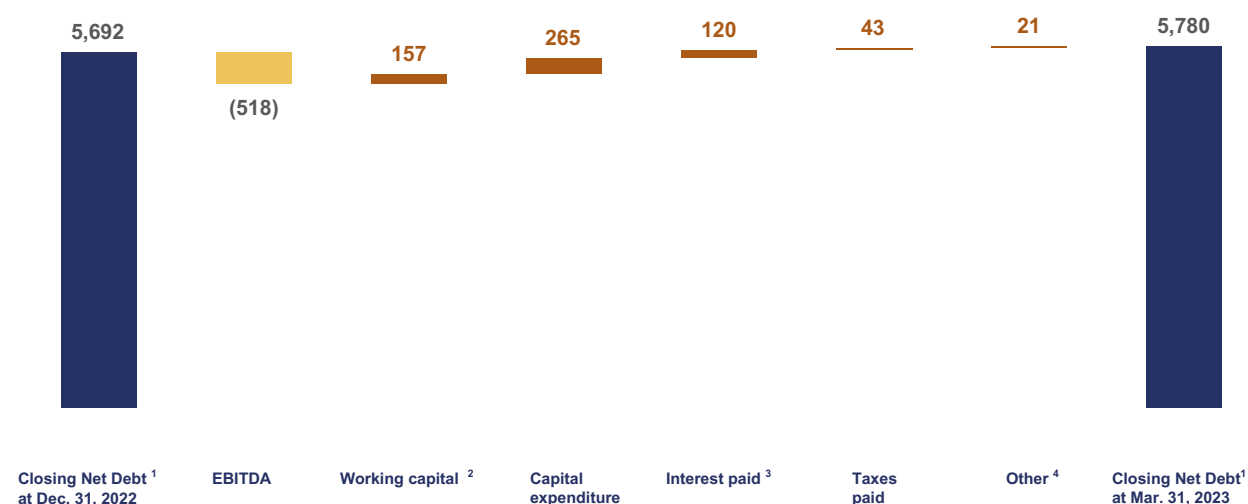
Interest paid of \$112 million is included within cash flows used by financing activities which excludes \$8 million of capitalized interest, and is \$41 million lower than the \$153 million paid in the first quarter of 2022, reflecting a lower total debt position, partially offset by rising interest rates on the Company's floating rate debt. Net payments of \$10 million were paid to KPMC, a 50:50 joint venture between the Company and Korea Mine Rehabilitation and Mineral Resources Corporation ("KOMIR").

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".

Liquidity

FIRST 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 \$41 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 interest received of \$17 million, net payments to joint venture of \$10 million offset by non-cash adjustments relating to amortization of gold and silver revenue of \$19 million and share of profit in joint venture of \$3 million.

Net debt¹ increased by \$88 million during the quarter, attributable to the timing of working capital cash flow and continued investment in the business. This brings the net debt¹ level to \$5,780 million at March 31, 2023 with total debt at \$6,878 million.

During the quarter the Company redeemed at par an aggregate of \$850 million principal amount of the senior notes due in 2024. \$450 million was redeemed on February 25, 2023, and \$400m on March 28, 2023. No senior notes due in 2024 remain outstanding post the redemptions.

The medium to long-term outlook for copper 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 may from time to time enter into derivative contracts to ensure that the exposure to the price of copper on future sales are managed to ensure stability of cash flows. At April 25, 2023, the Company had no outstanding copper or nickel derivatives designated as hedged instruments.

Based on the expected future cash flows, this supports the Company's belief in its ability to meet current obligations as they become due and to have sufficient liquidity through the next 12 months to carry out its operating and capital expenditure plans. The Company was in full compliance with all its financial covenants at March 31, 2023, and expects to remain in compliance throughout the next 12 months. The Company continues to take action to manage operational and price risks and further strengthen the balance sheet, including through strategic initiatives.

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".

At March 31, 2023, the Company had total commitments of \$413 million, principally related to major expansionary projects, all of which is related to the 12 months following the period end.

Contractual and other obligations as at March 31, 2023 are as follows:

	Carrying Value	Contractual Cash flows	< 1 year	1 – 3 years	3 – 5 years	Thereafter
Debt – principal repayments	6,840	6,868	540	4,828	1,500	–
Debt – finance charges	–	1,288	484	598	206	–
Trading facilities	38	38	38	–	–	–
Trade and other payables	693	693	693	–	–	–
Derivative instruments	40	40	40	–	–	–
Liability to joint venture ¹	1,263	1,984	–	–	–	1,984
Other loans owed to non-controlling interest ²	192	251	28	–	–	223
Current taxes payable	29	29	29	–	–	–
Deferred payments	39	39	4	8	8	19
Leases	27	23	9	10	4	–
Commitments	–	413	413	–	–	–
Restoration provisions	557	1,073	3	22	33	1,015
	9,718	12,739	2,281	5,466	1,751	3,241

¹ Refers to distributions to KPMC, a joint venture that holds a 20% non-controlling interest in 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 March 31, 2023, 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 March 31, 2023, the Company held no derivatives designated as hedged instruments. During the quarter ended March 31, 2023, no gain or loss was realized through sales revenues.

COMMODITY CONTRACTS

	March 31, 2023	December 31, 2022
Asset position	39	15
Liability position	(40)	(117)

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 March 31, 2023, 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	142,940	\$4.05/lb	\$4.05/lb	July 2023
Gold	41,478	\$1,859/oz	\$1,980/oz	May 2023
Nickel	726	\$10.59/lb	\$10.74/lb	April 2023
Commodity contracts:				
Copper	142,950	\$4.05/lb	\$4.05/lb	July 2023
Gold	41,480	\$1,859/oz	\$1,980/oz	May 2023
Nickel	726	\$10.59/lb	\$10.74/lb	April 2023

As at March 31, 2023, 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

In 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. This commenced July 1, 2022.

The total VAT receivable accrued by the Company's Zambian operations at March 31, 2023, was \$647 million, of which \$305 million relates to Kansanshi, \$300 million relates to FQM Trident, with the balance of \$42 million attributable to other Zambian subsidiaries providing support services.

Offsets of \$64 million against other taxes due have been granted during the quarter March 31, 2023. In the quarter ended March 31, 2022, offsets of \$20 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 March 31, 2023, amounts totalling \$125 million are presented as current.

A \$23 million credit adjustment for Zambian VAT receipts has been recognized in net earnings in the quarter ended March 31, 2023, representing the expected phasing of recoverability of the receivable amount. An expense of \$22 million had previously been recognized in the quarter ended March 31, 2022.

VAT receivable by the Company's Zambian operations

	March 31, 2023
Balance at beginning of the year	639
Movement in claims, net of foreign exchange movements	(15)
Adjustment for expected phasing for non-current portion	23
At March 31, 2023	647

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	91	364	261	56	185	957
Adjustment for expected phasing	(3)	(161)	(80)	(16)	(50)	(310)
Total VAT receivable from Zambian operations	88	203	181	40	135	647

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 \$666 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 quarter ended March 31, 2023, the profit attributable to KPMC was \$6 million (March 31, 2022: \$28 million). The profit in KPMC relates to the 20% equity accounted share of profit reported by MPSA, a subsidiary of the Company. The material assets and liabilities of KPMC are an investment in MPSA of \$514 million, shareholder loans receivable of \$1,263 million from the Company and shareholder loans payable of \$1,263 million due to the Company and its joint venture partner KOMIR.

At March 31, 2023, the Company's subsidiary, MPSA, owed to KPMC \$1,263 million (December 31, 2022: \$1,256 million and December 31, 2021: \$1,310 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. 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.

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".

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Gold and silver revenue – ongoing cash payments	13	15	13
Gold and silver revenue – non cash amortization	19	25	22
Total gold and silver revenues - precious metal stream	32	40	35
Cost of refinery-backed credits for precious metal stream included in revenue	(50)	(58)	(54)

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”), approving the terms of the Concession Contract. Law 9 was published in the Official Gazette on February 28, 1997. Approval through Law 9 was required given the special benefits granted in the concession contract for the development of the Cobre Panamá project. On December 30, 2016, the GOP 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 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 and Industries 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, namely that the GOP should receive \$375 million in benefits per year from Cobre Panamá and that the existing revenue royalty would be replaced by a gross profit royalty. The Company indicated to the GOP that it was prepared to accept GOP’s proposed terms, subject to receiving downside protections. In the second quarter of 2022, the Minister of Commerce and Industries was replaced and discussions continued in order, including the installation of a bilateral contractual drafting committee in early September 2022, with First Quantum remaining committed to a timely conclusion of the Law 9 issue. On November 14, 2022, the GOP established a 30-day period to conclude negotiations on a potential refreshed Concession Contract. However, said period expired without the Company and the GOP being able to agree on all key economic and legal terms for a refreshed Concession Contract. Nevertheless, and having commenced an arbitration proceeding pursuant to certain administrative proceedings commenced by GOP in relation to the foregoing, good faith discussions continued thereafter and on March 8, 2023, MPSA and the Republic of Panamá announced they had finalized negotiations on the terms and conditions of a refreshed concession contract that will govern the relationship of the parties once it enters into effect, for which purposes the approval from the National Assembly of Panamá is required (“Refreshed Concession Contract”). The Refreshed Concession Contract is expected to be presented before the National Assembly of Panamá in the legislative term that commences on July 1, 2023, after having gone through a public consultation process and receipt of all required prior governmental approvals.

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 legal filings 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 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 MICI to issue a request for proposals before awarding mining concessions in the Petaquilla area.
- Two Attorney Generals (*Procuradores Generales de la Nación*, in Spanish) provided 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, staying the legal effects of the ruling in relation to the constitutionality of Law 9. 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/104491573020922657). 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, upholding its ruling that Law 9 is unconstitutional. The unconstitutionality ruling came into legal effect upon its publication in the Official Gazette on December 22, 2021.

Later, the current administration of the GOP 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, however, understands that the ruling's effects are non-retrospective, pursuant to article 2573 of the Judicial Code, which means that the enactment of the Concession Contract in 1997 and its extension (from 2017 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.; 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 and, 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 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 "constitutional 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 is challenging these motions which remain 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

In November 2022, the State began to claim that the Concession Contract was invalid based on the Supreme Court ruling, and mandated negotiations for a refreshed Concession Contract.

Also in 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 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". MPSA filed legal motions to stay

the effects of Resolution No. 144, which remain pending resolution. However, complying with said instruction in Resolution No. 144, 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. Furthermore, and notwithstanding the aforementioned and other legal motions, on March 15, 2023, MPSA filed a request that the administrative proceedings resulting from Resolution No. 144 and Resolution No. 2022-234, respectively, be acknowledged and declared to be moot, due to the fact that, as it was made public by a joint press release, on March 8, 2023, MPSA and the GOP had reached agreement on the terms and conditions for a Refreshed Concession Contract (which, as mentioned above, is subject to approval by law). The foregoing requests are pending resolution.

The GOP has not pursued any further actions in this administrative proceeding and has confirmed to the Company that it is focused on the processes relating to the execution of the Refreshed concession contract and its subsequent approval by the National Assembly. Once the new contract is approved by the National Assembly, it is expected that the aforementioned administrative proceeding is declared moot and definitively archived.

On January 26, 2023, the AMP issued a resolution (Resolution No. 007-2023) that ordered the suspension of concentrate loading operations at the Cobre Panamá port, Punta Rincón, until evidence was provided, to the satisfaction of AMP, that the process of certification of the calibration of the scales by an accredited company had been initiated. As a consequence of AMP’s measures, on February 23, 2023, it became necessary for MPSA to shut down the Cobre Panamá mine, due to limited storage capacity on site. On March 8, 2023, AMP issued a new resolution, which revoked the prior resolution ordering the suspension of concentrate loading operations. Mining and port operations resumed shortly after this, with mining operations ramping up to full production levels within two days and five shipments of copper sailing during the rest of March.

Notwithstanding the foregoing, the Company continued to engage in good faith discussions with the GOP and, on March 8, 2023, the Company and the GOP issued a press release announcing that they had reached agreement on the terms and conditions for a Refreshed Concession Contract, which, as mentioned above, is subject to approval by law. The Refreshed Concession Contract is expected to be presented before the National Assembly of Panamá in the legislative term that commences on July 1, 2023, after having gone through a public consultation process and receipt of all required prior governmental approvals.

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.
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 had begun. In light of having reached agreement on the terms and conditions of the Refreshed Concession Agreement, the parties executed a standstill agreement on March 10, 2023 to toll any applicable time periods and deadlines relating to the arbitration proceeding to allow time for the Refreshed Concession Contract to undergo public consultation, receive government approvals and approval from Panamá’s National Assembly.

Kansanshi Development Agreement

In May 2020, KMP filed a Request for Arbitration against the GRZ with the International Centre for Settlement of International Disputes. This arbitration is confidential. KMP's claims concern breaches of certain contractual provisions of a development agreement between GRZ and KMP and international law. 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 and are working towards formal closure of the proceedings.

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.

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

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 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		
	Q1 2023	Q4 2022	Q1 2022
Purchase and deposits on property, plant and equipment	265	317	279
Sustaining capital expenditure and deferred stripping	107	134	116
Project capital expenditure	158	183	163
Total capital expenditure	265	317	279



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

Non-GAAP Reconciliations

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

For the three months ended March 31, 2023	Cobre Panamá	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
Cost of sales¹	(425)	(365)	(263)	(56)	(24)	(17)	(6)	(1,156)	(8)	(114)	(1,278)
Adjustments:											
Depreciation	133	54	60	3	–	4	1	255	1	15	271
By-product credits	44	33	–	33	–	2	4	116	–	3	119
Royalties	12	21	23	2	–	2	–	60	–	5	65
Treatment and refining charges	(36)	(6)	(8)	(2)	–	(1)	–	(53)	–	–	(53)
Freight costs	–	–	(2)	–	–	(1)	–	(3)	–	–	(3)
Finished goods	10	4	(26)	3	–	–	–	(9)	–	1	(8)
Other ⁴	27	81	4	1	5	(1)	–	117	7	1	125
Cash cost (C1)^{2,4}	(235)	(178)	(212)	(16)	(19)	(12)	(1)	(673)	–	(89)	(762)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(129)	(52)	(64)	(2)	–	(4)	(1)	(252)	–	(14)	(266)
Royalties	(12)	(21)	(23)	(2)	–	(2)	–	(60)	–	(5)	(65)
Other	(3)	(3)	(2)	(1)	–	–	–	(9)	–	(2)	(11)
Total cost (C3)^{2,4}	(379)	(254)	(301)	(21)	(19)	(18)	(2)	(994)	–	(110)	(1,104)
Cash cost (C1) ^{2,4}	(235)	(178)	(212)	(16)	(19)	(12)	(1)	(673)	–	(89)	(762)
Adjustments:											
General and administrative expenses	(11)	(7)	(9)	–	(1)	(1)	–	(29)	–	(4)	(33)
Sustaining capital expenditure and deferred stripping ³	(39)	(30)	(30)	(1)	–	(1)	–	(101)	–	(6)	(107)
Royalties	(12)	(21)	(23)	(2)	–	(2)	–	(60)	–	(5)	(65)
Lease payments	(1)	–	–	–	–	–	–	(1)	–	–	(1)
AISC^{2,4}	(298)	(236)	(274)	(19)	(20)	(16)	(1)	(864)	–	(104)	(968)
AISC (per lb) ^{2,4}	\$2.09	\$3.80	\$3.47	\$2.62	\$4.42	\$2.55	\$–	\$2.87	–	\$10.97	
Cash cost – (C1) (per lb) ^{2,4}	\$1.65	\$2.88	\$2.70	\$2.20	\$4.09	\$1.92	\$–	\$2.24	–	\$9.34	
Total cost – (C3) (per lb) ^{2,4}	\$2.66	\$4.08	\$3.82	\$2.88	\$4.19	\$2.96	\$–	\$3.30	–	\$11.54	

¹ Total cost of sales per the Consolidated Statement of Earnings in the Company's unaudited condensed interim 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 March 31, 2022	Cobre Panamá	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
Cost of sales¹	(440)	(318)	(314)	(36)	(24)	(22)	(7)	(1,161)	(15)	(79)	(1,255)
Adjustments:											
Depreciation	142	59	77	2	–	6	1	287	–	8	295
By-product credits	44	72	–	26	–	10	6	158	–	10	168
Royalties	15	54	56	1	–	2	–	128	–	5	133
Treatment and refining charges	(28)	(7)	(13)	(1)	–	(3)	(1)	(53)	–	–	(53)
Freight costs	–	(1)	(10)	–	–	(4)	–	(15)	–	–	(15)
Finished goods	(10)	14	15	(8)	(3)	5	(1)	12	–	(16)	(4)
Other	6	3	4	2	5	1	–	21	15	–	36
Cash cost (C1)²	(271)	(124)	(185)	(14)	(22)	(5)	(2)	(623)	–	(72)	(695)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(146)	(54)	(67)	(3)	–	(5)	(1)	(276)	–	(11)	(287)
Royalties	(15)	(54)	(56)	(1)	–	(2)	–	(128)	–	(5)	(133)
Other	(4)	(2)	(2)	–	(1)	–	–	(9)	–	(1)	(10)
Total cost (C3)²	(436)	(234)	(310)	(18)	(23)	(12)	(3)	(1,036)	–	(89)	(1,125)
Cash cost (C1) ²	(271)	(124)	(185)	(14)	(22)	(5)	(2)	(623)	–	(72)	(695)
Adjustments:											
General and administrative expenses	(12)	(6)	(8)	(1)	(1)	–	–	(28)	–	(4)	(32)
Sustaining capital expenditure and deferred stripping ³	(30)	(43)	(32)	(1)	–	(1)	–	(107)	–	(9)	(116)
Royalties	(15)	(54)	(56)	(1)	–	(2)	–	(128)	–	(5)	(133)
Lease payments	(1)	–	–	–	(1)	–	–	(2)	–	–	(2)
AISC²	(329)	(227)	(281)	(17)	(24)	(8)	(2)	(888)	–	(90)	(978)
AISC (per lb) ²	\$2.00	\$2.47	\$2.41	\$1.58	\$4.73	\$1.40	\$0.68	\$2.27	–	\$8.55	
Cash cost – (C1) (per lb) ²	\$1.65	\$1.46	\$1.61	\$1.13	\$4.38	\$0.99	\$0.54	\$1.61	–	\$6.78	
Total cost – (C3) (per lb) ²	\$2.66	\$2.55	\$2.67	\$1.85	\$4.49	\$1.92	\$1.07	\$2.65	–	\$8.45	

¹ Total cost of sales per the Consolidated Statement of Earnings in the Company's unaudited condensed interim 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

	Q1 2023	Q4 2022	Q1 2022
Cash and cash equivalents	1,133	1,688	1,948
Bank overdraft	35	–	–
Current debt	578	575	491
Non-current debt	6,300	6,805	7,272
Net debt	5,780	5,692	5,815

EBITDA

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Operating profit	225	314	782
Depreciation	271	327	295
Other adjustments:			
Foreign exchange loss	16	25	56
Other expense (income) ¹	6	(5)	46
Revisions in estimates of restoration provisions at closed sites	–	(14)	1
Total adjustments excluding depreciation	22	6	103
EBITDA	518	647	1,180

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

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Net earnings attributable to shareholders of the Company	75	117	385
Adjustments attributable to shareholders of the Company:			
Adjustment for expected phasing of Zambian VAT	(23)	56	22
Total adjustments to EBITDA excluding depreciation	22	6	103
Tax and minority interest adjustments	2	(28)	(30)
Adjusted earnings	76	151	480
Basic earnings per share as reported	\$0.11	\$0.17	\$0.56
Diluted earnings per share	\$0.11	\$0.17	\$0.56
Adjusted earnings per share	\$0.11	\$0.22	\$0.70

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. The significant judgements, estimates and assumptions applied in the preparation of the Company's interim financial statements are consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2022.

Financial instruments risk exposure

The Company's activities expose it to a variety of risks arising from financial instruments. These risks, and management's objectives, policies and procedures for managing these risks in the interim period are consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2022.

Market risks

The Company is subject to commodity price risk from fluctuations in the market prices of copper, gold, nickel, zinc and other elements, interest rate risk and foreign exchange risk. These market risks are consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2022.

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.

The Company's controls and procedures remain consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2022.

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.

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.

The Company's transactions with its related parties are disclosed in note 16 of the Company's annual financial statements for the year ended December 31, 2022.

There were no changes in the Company's business activities during the interim period ended March 31, 2023, that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

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.



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

SUMMARY QUARTERLY INFORMATION

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

Consolidated operations	Q2 21	Q3 21	Q4 21	2021	Q1 22	Q2 22	Q3 22	Q4 22	2022	Q1 23
Sales revenues										
Copper	1,525	1,513	1,849	6,332	1,862	1,670	1,469	1,554	6,555	1,333
Gold	123	120	114	470	117	101	87	77	382	76
Nickel	99	64	62	254	120	55	109	157	441	98
Other	35	50	36	156	64	78	62	44	248	51
Total sales revenues	1,782	1,747	2,061	7,212	2,163	1,904	1,727	1,832	7,626	1,558
Cobre Panamá	838	777	821	3,160	741	837	707	674	2,959	606
Kansanshi	458	505	633	2,014	596	395	359	356	1,706	388
Sentinel	525	449	527	2,032	555	453	437	535	1,980	349
Guelb Moghrein	112	69	55	313	46	58	54	56	214	63
Ravensthorpe	107	71	69	286	132	63	117	164	476	100
Sales hedge program loss	(338)	(204)	(103)	(902)	(3)	(2)	–	–	(5)	–
Other	80	80	59	309	96	100	53	47	296	52
Total sales revenues	1,782	1,747	2,061	7,212	2,163	1,904	1,727	1,832	7,626	1,558
Gross profit	625	613	784	2,562	908	629	302	361	2,200	280
EBITDA ³	902	886	1,085	3,684	1,180	906	583	647	3,316	518
Net earnings attributable to shareholders of the Company	140	303	247	832	385	419	113	117	1,034	75
Adjusted earnings ³	173	197	306	826	480	337	96	151	1,064	76
Net debt ³	6,751	6,302	6,053	6,053	5,815	5,339	5,329	5,692	5,692	5,780
Basic earnings per share	\$0.20	\$0.44	\$0.36	\$1.21	\$0.56	\$0.61	\$0.16	\$0.17	\$1.50	\$0.11
Adjusted earnings per share ⁴	\$0.25	\$0.29	\$0.44	\$1.20	\$0.70	\$0.49	\$0.14	\$0.22	\$1.54	\$0.11
Diluted earnings per share	\$0.20	\$0.44	\$0.36	\$1.20	\$0.56	\$0.60	\$0.16	\$0.17	\$1.49	\$0.11
Dividends declared per common share (CDN\$ per share)	\$–	\$0.005	\$–	\$0.010	\$0.005	\$–	\$0.160	\$–	\$0.165	\$0.130
Cash flows per share from operating activities ⁴	\$0.99	\$1.02	\$1.10	\$4.19	\$0.97	\$1.31	\$0.76	\$0.34	\$3.38	\$0.43
Basic weighted average shares ('000's) ²	688,457	688,852	688,691	688,674	690,130	690,237	690,726	691,053	690,516	690,457
Copper statistics										
Total copper production (tonnes)	199,689	209,859	201,823	816,435	182,210	192,668	194,974	206,007	775,859	138,753
Total copper sales (tonnes) ⁶	203,790	194,278	213,087	821,889	196,702	187,642	198,980	198,912	782,236	150,287
Realized copper price (per lb) ⁴	\$3.55	\$3.68	\$4.08	\$3.64	\$4.45	\$4.19	\$3.43	\$3.56	\$3.90	\$3.95
TC/RC (per lb)	(0.12)	(0.11)	(0.11)	(0.12)	(0.12)	(0.14)	(0.12)	(0.12)	(0.13)	(0.14)
Freight charges (per lb)	(0.04)	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)	(0.02)
Net realized copper price (per lb) ⁴	\$3.39	\$3.53	\$3.94	\$3.49	\$4.29	\$4.02	\$3.28	\$3.40	\$3.74	\$3.79
Cash cost – copper (C1) (per lb) ^{4,5}	\$1.29	\$1.26	\$1.39	\$1.30	\$1.61	\$1.74	\$1.82	\$1.86	\$1.76	\$2.24
All-in sustaining cost (AISC) (per lb) ^{4,5}	\$1.91	\$1.87	\$2.05	\$1.88	\$2.27	\$2.37	\$2.34	\$2.42	\$2.35	\$2.87
Total cost – copper (C3) (per lb) ^{4,5}	\$2.21	\$2.22	\$2.39	\$2.23	\$2.65	\$2.73	\$2.75	\$2.79	\$2.73	\$3.30
Gold statistics										
Total gold production (ounces)	81,375	78,124	74,945	312,492	70,357	74,959	67,417	70,493	283,226	47,874
Total gold sales (ounces) ¹	85,291	79,773	79,403	321,858	76,195	69,998	65,014	59,568	270,775	51,941
Net realized gold price (per ounce) ⁴	\$1,670	\$1,683	\$1,677	\$1,673	\$1,772	\$1,736	\$1,546	\$1,574	\$1,665	\$1,766
Nickel statistics										
Nickel produced (contained tonnes)	4,543	4,248	3,385	16,818	5,122	4,853	5,849	5,705	21,529	5,917
Nickel produced (payable tonnes)	3,789	3,531	2,855	14,018	4,743	4,348	4,960	4,450	18,501	4,344
Nickel sales (contained tonnes)	6,910	4,055	3,756	17,078	4,350	2,892	5,992	6,840	20,074	5,846
Nickel sales (payable tonnes)	5,777	3,392	3,175	14,313	4,037	2,443	5,072	5,216	16,768	4,322
Net realized price (per payable lb) ⁴	\$7.79	\$8.50	\$8.88	\$8.05	\$13.52	\$10.09	\$9.76	\$13.67	\$11.93	\$10.25

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. 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		
	Q1 2023	Q4 2022	Q1 2022
Copper production (tonnes) ¹			
Cobre Panamá	65,427	89,652	78,337
<i>Kansanshi cathode</i>	5,457	5,001	8,643
<i>Kansanshi concentrate</i>	23,226	29,801	33,256
Kansanshi total	28,683	34,802	41,899
Sentinel	36,232	73,409	52,475
Guelb Moghrein	3,415	3,481	3,232
Las Cruces	2,093	2,229	2,278
Çayeli	2,903	2,434	3,169
Pyhäsalmi	–	–	820
Total copper production (tonnes)	138,753	206,007	182,210
Gold production (ounces)			
Cobre Panamá	23,878	38,302	29,947
Kansanshi	15,960	24,479	32,640
Guelb Moghrein	7,585	7,434	6,912
Other sites ²	451	278	858
Total gold production (ounces)	47,874	70,493	70,357
Nickel production (contained tonnes) – Ravensthorpe	5,917	5,705	5,122

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		
	Q1 2023	Q4 2022	Q1 2022
Copper sales volume (tonnes)			
Cobre Panamá	70,028	85,330	74,885
Kansanshi cathode	4,252	5,781	10,640
Kansanshi anode ³	27,286	26,715	42,600
Kansanshi total ³	31,538	32,496	53,240
Sentinel anode	37,353	47,703	43,140
Sentinel concentrate	2,960	23,939	15,410
Sentinel total	40,313	71,642	58,550
Guelb Moghrein	3,468	3,765	2,158
Las Cruces	2,180	2,236	1,921
Çayeli	2,760	2,918	5,284
Pyhäsalmi	–	525	664
Total copper sales (tonnes)	150,287	198,912	196,702
Gold sales volume (ounces)			
Cobre Panamá	28,853	34,208	30,168
Kansanshi	17,244	16,156	38,828
Guelb Moghrein	5,482	8,601	5,523
Other sites ¹	362	603	1,676
Total gold sales (ounces) ²	51,941	59,568	76,195
Nickel sales volume (contained tonnes) – Ravensthorpe	5,846	6,840	4,350

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 9,120 tonnes for the three months ended March 31, 2023, (nil for the three months ended March 31, 2022).

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

SALES REVENUES

		QUARTERLY		
		Q1 2023	Q4 2022	Q1 2022
Cobre Panamá	- copper	562	626	697
	- gold	34	36	34
	- silver	10	12	10
Kansanshi	- copper cathode	37	46	106
	- copper anode	318	278	418
	- gold	31	26	71
	- other	2	6	1
Sentinel	- copper anode	327	375	422
	- copper concentrate	22	160	133
Guelb Moghrein	- copper	27	27	20
	- gold	10	15	10
	- magnetite	26	14	16
Las Cruces	- copper	20	18	19
Çayeli	- copper	20	19	42
	- zinc, gold and silver	2	–	11
Pyhäsalmi	- copper	–	5	6
	- zinc, pyrite, gold and silver	4	4	6
Ravensthorpe	-nickel	98	157	122
	-cobalt	2	7	10
Corporate ¹		6	1	9
Sales revenues		1,558	1,832	2,163
	Copper	1,333	1,554	1,862
	Gold	76	77	117
	Nickel	98	157	120
	Silver	10	12	13
	Other	41	32	51
		1,558	1,832	2,163

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

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

	QUARTERLY		
	Q1 2023	Q4 2022	Q1 2022
Cobre Panamá			
Mining	\$0.39	\$0.43	\$0.43
Processing	1.04	1.02	1.06
Site administration	0.11	0.08	0.07
TC/RC and freight charges	0.39	0.35	0.35
By-product credits	(0.28)	(0.25)	(0.26)
Copper cash cost (C1) (per lb)	\$1.65	\$1.63	\$1.65
Copper all-in sustaining cost (AISC) (per lb)	\$2.09	\$2.01	\$2.00
Total copper cost (C3) (per lb)	\$2.66	\$2.54	\$2.66
Kansanshi			
Mining	\$1.61	\$1.48	\$0.82
Processing	1.08	1.10	0.83
Site administration	0.25	0.20	0.10
TC/RC and freight charges	0.19	0.20	0.16
By-product credits	(0.46)	(0.42)	(0.61)
Total smelter costs	0.21	0.25	0.16
Copper cash cost (C1) (per lb)	\$2.88	\$2.81	\$1.46
Copper all-in sustaining cost (AISC) (per lb)	\$3.80	\$3.55	\$2.47
Total copper cost (C3) (per lb)	\$4.08	\$3.96	\$2.55
Sentinel			
Mining	\$1.12	\$0.54	\$0.52
Processing	1.06	0.52	0.64
Site administration	0.18	0.15	0.12
TC/RC and freight charges	0.20	0.27	0.25
Total smelter costs	0.14	0.07	0.08
Copper cash cost (C1) (per lb)	\$2.70	\$1.55	\$1.61
Copper all-in sustaining cost (AISC) (per lb)	\$3.47	\$2.25	\$2.41
Total copper cost (C3) (per lb)	\$3.82	\$2.42	\$2.67
Ravensthorpe			
Mining	\$1.67	\$1.54	\$1.49
Processing	6.77	7.19	5.47
Site administration	0.79	0.77	0.64
TC/RC and freight charges	0.40	0.48	0.26
By-product credits	(0.29)	(0.66)	(1.08)
Nickel cash cost (C1) (per lb)	\$9.34	\$9.32	\$6.78
Nickel all-in sustaining cost (AISC) (per lb)	\$10.97	\$11.10	\$8.55
Total nickel cost (C3) (per lb)	\$11.54	\$11.70	\$8.45
Guelb Moghrein			
Copper cash cost (C1) (per lb)	\$2.20	\$2.57	\$1.13
Copper all-in sustaining cost (AISC) (per lb)	\$2.62	\$3.19	\$1.58
Total copper cost (C3) (per lb)	\$2.88	\$3.35	\$1.85
Las Cruces			
Copper cash cost (C1) (per lb)	\$4.09	\$4.02	\$4.38
Çayeli			
Copper cash cost (C1) (per lb)	\$1.92	\$2.46	\$0.99
Pyhäsalmi			
Copper cash cost (C1) (per lb)	\$—	\$—	\$0.54

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 public consultation process with respect to the Company's agreement with the Government of Panamá regarding the long term future of Cobre Panamá and approval of the same by the National Assembly of Panamá, 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.