



FIRST QUANTUM
MINERALS

CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

THIRD QUARTER SEPTEMBER 30, 2024

(unaudited) (In U.S. dollars, tabular amounts in millions, except where indicated)



Interim Consolidated Statement of Earnings (Loss)

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



	Note	Three months ended September 30		Nine months ended September 30	
		2024	2023	2024	2023
Sales revenues	13	1,279	2,029	3,546	5,238
Cost of sales	14	(823)	(1,369)	(2,601)	(4,033)
Gross profit		456	660	945	1,205
Exploration		(4)	(6)	(15)	(17)
General and administrative		(39)	(39)	(112)	(105)
Impairment and related charges	4,5	(2)	–	(73)	–
Other expense	17	(82)	(30)	(279)	(21)
Operating profit		329	585	466	1,062
Finance income		24	22	68	78
Finance costs	15	(197)	(180)	(606)	(545)
Adjustment for expected phasing of Zambian VAT	3c	17	15	54	69
Loss on redemption of debt	8	–	–	(10)	–
Earnings (loss) before income taxes		173	442	(28)	664
Income tax expense	16	(120)	(67)	(270)	(115)
Net earnings (loss)		53	375	(298)	549
Net earnings (loss) attributable to:					
Non-controlling interests		(55)	50	(201)	56
Shareholders of the Company	12	108	325	(97)	493
Earnings (Loss) per share attributable to the shareholders of the Company					
Net earnings (loss) (\$ per share)					
Basic	12	0.13	0.47	(0.12)	0.71
Diluted	12	0.13	0.47	(0.12)	0.71
Weighted average shares outstanding (000's)					
Basic	12	832,474	691,137	805,403	690,607
Diluted	12	834,355	693,916	805,403	693,516
Total shares issued and outstanding (000's)	11a	834,206	693,599	834,206	693,599

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Comprehensive Income (Loss)

(unaudited)

(expressed in millions of U.S. dollars)



	Note	Three months ended September 30		Nine months ended September 30	
		2024	2023	2024	2023
Net earnings (loss)		53	375	(298)	549
Other comprehensive income (loss)					
Items that have been/may subsequently be reclassified to net earnings (loss):					
Movements on unrealized cash flow hedge positions ¹	19	(16)	–	24	–
Total comprehensive income (loss) for the period		37	375	(274)	549
Total comprehensive income (loss) for the period attributable to:					
Non-controlling interests		(55)	50	(201)	56
Shareholders of the Company		92	325	(73)	493
Total comprehensive income (loss) for the period		37	375	(274)	549

¹ The nine months ended September 30, 2024, includes a \$30 million gain recognized in other comprehensive income related to the time value of hedges (nine months ended September 30, 2023, nil).

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Cash Flows

(unaudited)

(expressed in millions of U.S. dollars)



		Three months ended September 30		Nine months ended September 30	
	Note	2024	2023	2024	2023
Cash flows from operating activities					
Net earnings (loss)		53	375	(298)	549
Adjustments for					
Depreciation	14	159	323	464	895
Income tax expense	16	120	67	270	115
Impairment and related charges	4,5	2	—	73	—
Share-based compensation expense		16	14	43	37
Net finance expense		173	158	538	467
Adjustment for expected phasing of Zambian VAT	3c	(17)	(15)	(54)	(69)
Foreign exchange		10	31	(4)	22
Loss on redemption of debt	8	—	—	10	—
Deferred revenue amortization	10	—	(27)	—	(76)
Share of loss (profit) in joint venture	7,17	22	(29)	76	(40)
Other		(41)	(10)	(61)	6
Taxes paid		(32)	(24)	(86)	(124)
Proceeds from Copper Prepayment		—	—	500	—
Movements in operating working capital					
Movements in trade and other receivables		(106)	(144)	(54)	68
Movements in inventories		(30)	(17)	8	(35)
Movements in trade and other payables		(66)	(56)	(346)	(72)
Long-term incentive plans		(3)	(52)	(11)	(131)
Net cash from operating activities		260	594	1,068	1,612
Cash flows used by investing activities					
Purchase and deposits on property, plant and equipment	5,18	(329)	(370)	(962)	(956)
Acquisition of La Granja	5	—	(105)	—	(105)
Interest paid and capitalized to property, plant and equipment	5	(14)	(7)	(33)	(20)
Interest received		10	8	27	36
Other		4	—	9	—
Net cash used by investing activities		(329)	(474)	(959)	(1,045)
Cash flows from (used by) financing activities					
Net movement in trading facility	8	54	60	(12)	63
Movement in restricted cash		—	—	(14)	(24)
Proceeds from debt	8	68	300	2,857	2,009
Repayments of debt	8	(160)	—	(3,963)	(2,573)
Proceeds on issuance of common shares	11	—	—	1,103	—
Net payments to joint venture (KPMC)	7,9b	—	(36)	—	(79)
Dividends paid to shareholders of the Company		—	(36)	—	(93)
Interest paid		(76)	(28)	(339)	(297)
Other		—	(1)	(6)	(6)
Net cash from (used by) financing activities		(114)	259	(374)	(1,000)
Increase (decrease) in cash and cash equivalents and bank overdrafts		(183)	379	(265)	(433)
Cash and cash equivalents and bank overdrafts – beginning of period		876	878	959	1,688
Exchange losses on cash and cash equivalents		—	(2)	(1)	—
Cash and cash equivalents and bank overdrafts – end of period		693	1,255	693	1,255
Cash and cash equivalents and bank overdrafts comprising:					
Cash and cash equivalents		783	1,265	783	1,265
Bank overdrafts		(90)	(10)	(90)	(10)

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Financial Position

(unaudited)

(expressed in millions of U.S. dollars)



		September 30, 2024	December 31, 2023
Assets			
Current assets			
Cash and cash equivalents		783	1,157
Trade and other receivables	3	615	586
Inventories	4	1,545	1,593
Current portion of other assets	6	246	123
		3,189	3,459
Non-current assets			
Cash and cash equivalents - restricted cash		48	34
Non-current VAT receivable	3b	499	521
Property, plant and equipment	5	19,056	18,583
Goodwill		237	237
Investment in joint venture	7	569	645
Deferred income tax assets		67	50
Other assets	6	277	229
Total assets		23,942	23,758
Liabilities			
Current liabilities			
Bank overdrafts		90	198
Trade and other payables		573	831
Current taxes payable		130	27
Current debt	8	685	769
Current portion of provisions, other liabilities and deferred revenue	9,10	295	182
		1,773	2,007
Non-current liabilities			
Debt	8	5,599	6,610
Provisions and other liabilities	9	2,175	2,069
Deferred revenue	10	1,810	1,420
Deferred income tax liabilities		945	874
Total liabilities		12,302	12,980
Equity			
Share capital		6,546	5,411
Retained earnings		4,788	4,895
Accumulated other comprehensive loss		(35)	(59)
Total equity attributable to shareholders of the Company		11,299	10,247
Non-controlling interests		341	531
Total equity		11,640	10,778
Total liabilities and equity		23,942	23,758

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Changes in Equity

(unaudited)

(expressed in millions of U.S. dollars)



	Share capital	Retained earnings	Accumulated other comprehensive loss	Total equity attributable to shareholders of the Company	Non-controlling interests	Total
Balance at December 31, 2023	5,411	4,895	(59)	10,247	531	10,778
Net loss	–	(97)	–	(97)	(201)	(298)
Other comprehensive income ¹	–	–	24	24	–	24
Total comprehensive income (loss)	–	(97)	24	(73)	(201)	(274)
Share-based compensation expense	43	–	–	43	–	43
Acquisition of treasury shares and cash from share awards	(11)	–	–	(11)	–	(11)
Share issue (Note 11)	1,103	–	–	1,103	–	1,103
Other	–	(10)	–	(10)	11	1
Balance at September 30, 2024	6,546	4,788	(35)	11,299	341	11,640

¹ For the nine months ended September 30, 2024 a fair value gain (loss) of \$24 million (nine months ended September 30, 2023, nil) has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The time value of hedges for the nine months ended September 30, 2024, of \$30 million (nine months ended September 30, 2023, nil) is also recognized in other comprehensive income.

	Share capital	Retained earnings	Accumulated other comprehensive loss	Total equity attributable to shareholders of the Company	Non-controlling interests	Total
Balance at December 31, 2022	5,492	5,468	(59)	10,901	1,336	12,237
Net earnings	–	493	–	493	56	549
Other comprehensive income	–	–	–	–	–	–
Total comprehensive income	–	493	–	493	56	549
Share-based compensation expense	37	–	–	37	–	37
Acquisition of treasury shares and cash from share awards	(131)	–	–	(131)	–	(131)
Dividends	14	(109)	–	(95)	–	(95)
Conversion of non-controlling interest rights	–	490	–	490	(516)	(26)
Balance at September 30, 2023	5,412	6,342	(59)	11,695	876	12,571

The accompanying notes are an integral part of these consolidated financial statements

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



1. NATURE OF OPERATIONS

First Quantum Minerals Ltd. ("First Quantum" or "the Company") is engaged in the production of copper, nickel and gold, and related activities including exploration and development. The Company has operating mines located in Zambia, Turkey and Mauritania. The Company's Cobre Panamá mine was placed into a phase of Preservation and Safe Management ("P&SM") in November 2023. The Company's Ravensthorpe mine was placed into a care and maintenance process in May 2024. The Company is progressing the Taca Taca copper-gold-molybdenum project in Argentina and is exploring La Granja and the Haquira copper deposits in Peru.

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

The Company is registered and domiciled in Canada, and its registered office is 1133 Melville Street, Suite 3500, The Stack, Vancouver, BC, Canada, V6E 4E5.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") have been condensed or omitted. The accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the preparation of, and disclosed in, the consolidated annual financial statements for the year ended December 31, 2023 except for the adoption of new IFRSs effective as of January 1, 2024. The IFRSs have had no significant impact on the condensed interim consolidated financial statements.

IFRSs effective as of January 1, 2024

- Amendments to IAS 1 – Non-current Liabilities with Covenants (Amendments to IAS 1)
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

These condensed interim consolidated financial statements have been prepared on a going concern basis. In making the assessment that the Company is a going concern, management has taken into account all available information about the future, which is at least, but is not limited to, twelve months from September 30, 2024. Expected credit losses on financial assets remain immaterial at September 30, 2024. Refer to note 19 for the Company's hedging program.

At September 30, 2024, the Company had \$830 million committed undrawn senior debt facilities and \$693 million of net unrestricted cash (inclusive of overdrafts), as well as future cash flows in order to meet all current obligations as they become due. The Company was in compliance with all existing financial covenants as at September 30, 2024, and current forecasts, including judgmental assumptions, do not indicate a breach of financial covenants.

3. TRADE RECEIVABLES

a) Trade and other receivables

	September 30, 2024	December 31, 2023
Trade receivables	252	272
VAT receivable (current)	262	153
Other receivables	101	161
	615	586

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



b) VAT receivable

	September 30, 2024	December 31, 2023
Kansanshi Mining Plc ("KMP")	370	314
FQM Trident Limited	341	302
First Quantum Mining and Operations Limited (Zambia)	28	36
VAT receivable from the Company's Zambian operations	739	652
Other	22	22
Total VAT receivable	761	674
Less: current portion, included within trade and other receivables	(262)	(153)
Non-current VAT receivable	499	521

c) VAT receivable by the Company's Zambian operations

	September 30, 2024
Balance at beginning of the year	652
Movement in claims, net of foreign exchange movements	29
Adjustment for expected phasing for non-current portion	58
Balance at September 30, 2024	739

During the nine months ended September 30, 2024, the Company was granted offsets of \$26 million and cash refunds of \$174 million with respect to VAT receivable balances. During the nine months ended September 30, 2023, offsets of \$136 million were granted and cash refunds of \$69 million were received.

In 2022, the Company reached agreement in respect of the outstanding Zambian value-added tax receivable sum including an approach for repayment based on offsets against future corporate income taxes and mineral royalties. The adjustment for expected phasing for the non-current portion, a credit of \$58 million for the nine months ended September 30, 2024, represents the application of an appropriate discount rate to the expected recovery of VAT. For the nine months ended September 30, 2023 a credit of \$69 million was recognized.

On April 4, 2023 the Company's subsidiary, KMP and ZCCM Investments Holdings Plc "ZCCM-IH" completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP. The transaction also provides for 20% of the KMP VAT refunds as at June 30, 2022 to be paid to ZCCM-IH, as and when these are received by KMP from the Zambia Revenue Authority ("ZRA"). As at September 30, 2024, a VAT payable to ZCCM-IH of \$54 million, net of adjustment for expected phasing of payments, an expense of \$4 million for the nine months ended September 30, 2024, has been recognized.

d) 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	137	95	369	199	165	965
Adjustment for expected phasing	–	(37)	(126)	(36)	(27)	(226)
Total VAT receivable from Zambian operations	137	58	243	163	138	739

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



4. INVENTORIES

	September 30, 2024	December 31, 2023
Ore in stockpiles	153	171
Work-in-progress	18	37
Finished product	432	410
Total product inventory	603	618
Consumable stores	942	975
	1,545	1,593

Approximately 121 thousand dry metric tonnes of copper concentrate, equivalent to a cost of \$128 million, remains unsold at Cobre Panamá following disruptions at the Punta Rincón port.

An impairment charge of \$53 million was recognized in respect of inventories at Ravensthorpe in the nine months ended September 30, 2024.

5. PROPERTY, PLANT AND EQUIPMENT

	Mineral properties and mine development costs				
	Plant and equipment	Capital work-in-progress	Operating mines	Exploration and development projects	Total
Net book value, as at December 31, 2023	9,449	1,465	6,273	1,396	18,583
Additions	–	949	–	–	949
Disposals	(14)	–	–	–	(14)
Transfers between categories	137	(550)	378	35	–
Impairments ¹	(14)	(3)	(2)	–	(19)
Capitalized interest (note 15)	–	33	–	–	33
Depreciation charge (note 14)	(280)	–	(196)	–	(476)
Net book value, as at September 30, 2024	9,278	1,894	6,453	1,431	19,056
Cost	16,488	1,894	10,285	1,431	30,098
Accumulated depreciation	(7,210)	–	(3,832)	–	(11,042)

¹ An impairment charge of \$18 million was recognized in respect of additions at Ravensthorpe in the nine months ended September 30, 2024.

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



	Plant and equipment	Capital work-in-progress	Mineral properties and mine development costs		Total
			Operating mines	Exploration and development projects	
Net book value, as at December 31, 2022	9,892	1,356	6,631	1,174	19,053
Additions	—	1,382	—	—	1,382
Acquisitions	—	—	—	201	201
Disposals	(44)	—	—	—	(44)
Transfers between categories	881	(1,295)	347	67	—
Conversion of non-controlling interest rights	—	—	(73)	—	(73)
Restoration provision	—	—	65	—	65
Impairments	(584)	(4)	(250)	(46)	(884)
Capitalized interest (note 15)	—	26	—	—	26
Depreciation charge (note 14)	(696)	—	(447)	—	(1,143)
Net book value, as at December 31, 2023	9,449	1,465	6,273	1,396	18,583
Cost	16,421	1,465	9,906	1,396	29,188
Accumulated depreciation	(6,972)	—	(3,633)	—	(10,605)

Included within capital work-in-progress and mineral properties – operating mines at September 30, 2024, is an amount of \$1,003 million related to capitalized deferred stripping costs (December 31, 2023: \$949 million). For the nine months September 30, 2024, \$33 million of interest was capitalized (nine months ended September 30, 2023: \$20 million). The amount of capitalized interest was determined by applying the weighted average cost of borrowings of 8.5% (December 31, 2023: 7.5%) to the accumulated qualifying expenditures.

6. OTHER ASSETS

	September 30, 2024	December 31, 2023
Prepaid expenses	146	133
KPMC shareholder loan	229	188
Other investments	17	17
Derivative instruments (note 19)	131	14
Total other assets	523	352
Less: current portion of other assets	(246)	(123)
	277	229

7. JOINT VENTURE

A \$569 million investment in the joint venture representing the discounted consideration value and the Company's proportionate share of the profit or loss in Korea Panama Mining Corporation ("KPMC") to date is recognized. For the nine months ended September 30, 2024, the loss attributable to KPMC was \$153 million (September 30, 2023: \$79 million profit). The profit or loss in KPMC relates to the 20% equity accounted share of profit or loss reported by Minera Panamá S.A. ("MPSA"), a subsidiary of the Company. The material assets and liabilities of KPMC are an investment in MPSA of \$344 million, shareholder loans receivable of \$1,253 million from the Company (note 9b) and shareholder loans payable of \$1,280 million due to the Company and its joint venture partner KOMIR.

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



8. DEBT

	September 30, 2024	December 31, 2023
Drawn debt		
Senior Notes:		
First Quantum Minerals Ltd. 7.50% due April 2025	–	1,049
First Quantum Minerals Ltd. 6.875% due March 2026	–	997
First Quantum Minerals Ltd. 6.875% due October 2027	1,495	1,493
First Quantum Minerals Ltd. 9.375% due March 2029	1,571	–
First Quantum Minerals Ltd. 8.625% due June 2031	1,287	1,285
First Quantum Minerals Ltd. senior debt facility	1,374	1,987
FQM Trident term loan	425	424
Trading facilities	132	144
Total debt	6,284	7,379
Less: current maturities and short term debt	(685)	(769)
	5,599	6,610
Undrawn debt		
First Quantum Minerals Ltd. senior debt facility	830	250
Trading facilities	344	446

First Quantum Minerals Ltd. 9.375% due March 2029

On February 21, 2024 the Company announced the offering of \$1,600 million of 9.375% Senior secured second lien notes due 2029 at an issue price of 100%. Settlement took place on February 29, 2024. The notes are part of the senior obligations of the Company and are guaranteed by certain subsidiaries of the Company. Interest is payable semi-annually. The Company and its subsidiaries are subject to certain restrictions on asset sales (other than those contemplated in note 2), payments, incurrence of indebtedness and issuance of preferred stock. The Company may redeem some or all of the notes at any time on or after March 1, 2026, at redemption prices ranging from 104.688% in the first year to 100.000% from March 1 2028, plus accrued interest. In addition, until March 1, 2026, the Company may redeem up to 35% of the principal amount of notes, in an amount not greater than the net proceeds of certain equity offerings, at a redemption price of 109.375% plus accrued interest.

First Quantum Minerals Ltd. senior debt facility

In February 2024, the Company signed an amendment and extension of the existing 2021 Term Loan and Revolving Credit Facility ("RCF"), replacing the 2021 Term Loan and RCF Facility. The 2024 Facility comprises a \$943 million Term Loan Facility and a \$1.3 billion RCF. Interest is charged at SOFR plus a margin. This margin can change relative to a certain financial ratio of the Company. The amendments to the Facility provide the Company with additional liquidity headroom and increases the net leverage covenant from 3.50x to 5.75x Net Debt/EBITDA until June 30, 2025. The net leverage covenant is then reduced to 5.00x between July 1, 2025 and December 31, 2025; 4.25x between January 1, 2026 and June 30, 2026; and 3.75x thereafter. The definitions of both Net Debt and EBITDA used in computing the ratio under the covenant are defined in the Financing Agreements. At September 30, 2024, \$470 million of the RCF had been drawn, leaving \$830 million available for the Company to draw.

Redemption of 2025 and 2026 Senior Notes

In March 2024, the Company completed the redemption in full of its \$1,050 million 7.50% senior notes due 2025 and \$1,000 million 6.875% senior notes due 2026. The Company redeemed the notes at a redemption price of 100.00% of the principal amount, plus accrued and unpaid interest, using the proceeds from its previously-announced comprehensive refinancing.

First Quantum Minerals Ltd. Trident term loan

On February 12, 2024, FQM Trident agreed with the lenders to its unsecured term loan facility to reschedule loan repayments due in 2024 to 2025. On October 15, 2024, FQM Trident signed a \$425 million unsecured term loan facility (the "FQM Trident Facility") with a maturity date of September 2028 to replace the previous Trident facility, scheduled to mature in

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



December 2025. Repayments on the FQM Trident Facility commence in March 2026 and are due every 6 months thereafter. Refer to Note 21. Post Balance Sheet Events.

Trading facilities

The Company's metal marketing division has six uncommitted borrowing facilities totaling \$476 million, which have been reduced while Cobre Panama remains on P&SM. The facilities are used to finance purchases and the short term hedging of copper, gold and other metals, undertaken by the metal marketing division. Interest on the facilities is calculated at the bank's benchmark rate plus a margin. The loans are collateralized by physical inventories.

9. PROVISIONS AND OTHER LIABILITIES

a) Provisions and other liabilities

	September 30, 2024	December 31, 2023
Amount owed to joint venture (note 9b) ¹	1,253	1,156
Restoration provisions	661	647
VAT payable to ZCCM-IH ²	54	52
Derivative instruments (note 19)	79	62
Other loans owed to non-controlling interests (note 9c)	212	202
Liabilities directly associated with assets held for sale	17	18
Leases	11	20
Retirement provisions	15	18
Copper Prepayment Agreement (note 10b)	156	–
Other	12	76
Total other liabilities	2,470	2,251
Less: current portion of provisions, other liabilities and deferred revenue	(295)	(182)
	2,175	2,069

¹ The shareholder loan is due from the Company's Cobre Panamá operation to KPMC, a 50:50 joint venture between the Company and KOMIR.

² On April 4, 2023 the Company's subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP. The transaction also provides for 20% of the KMP VAT refunds as at June 30, 2022 to be paid to ZCCM-IH, as and when these are received by KMP from the ZRA.

b) Amount owed to joint venture

	September 30, 2024	December 31, 2023
Balance at the beginning of the period	1,156	1,256
Related party finance cost (note 15)	97	92
Repayment	–	(192)
Balance at end of period due to KPMC	1,253	1,156

As at September 30, 2024, the accrual for interest payable is \$313 million (December 31, 2023: \$216 million) and is included in the carrying value of the amount owed to the joint venture, as this has been deferred under the loan agreement. Amounts due to KPMC are specifically excluded from the calculation of net debt as defined under the Company's banking covenant ratios.

c) Other loans owed to non-controlling interests

On September 30, 2021, the Company completed the sale of a 30% equity interest in Ravensthorpe. Consideration paid of \$240 million comprised cash for equity of \$90 million and loans acquired of \$150 million. Additional subsequent loans and accrued interest to date amounted to \$32 million and \$30 million respectively.

During the third quarter 2023, the Company's interest in Ravensthorpe increased from 70.0% to 75.5% following an equity raise which POSCO Holdings, the minority shareholder, elected not to participate in.

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



10. DEFERRED REVENUE

	September 30, 2024	December 31, 2023
Franco-Nevada Precious Metal Stream Arrangement (note 10a)	1,466	1,420
Copper Prepayment Agreement (note 10b)	500	–
Balance at the end of the period	1,966	1,420
Less: current portion (note 9)	(156)	–
Non-current portion	1,810	1,420

a) Franco-Nevada Precious Metal Stream Arrangement

The Company commenced the recognition of delivery obligations under the terms of the Franco Nevada precious metal stream arrangement in June 2019 following the first sale of copper concentrate by Cobre Panamá. The Company uses refinery-backed credits as the mechanism for satisfying its delivery obligations under the arrangement. The Company's Cobre Panamá mine was placed into a phase of P&SM in November 2023. In the nine months ended September 30, 2024, nil million was delivered under the stream the cost of which are presented net within sales revenues (nine months ended September 30, 2023: \$189 million).

	September 30, 2024	December 31, 2023
Balance at the beginning of the period	1,420	1,455
Accretion of finance costs (note 15)	46	61
Amortization of gold and silver revenue	–	(96)
Balance at the end of the period	1,466	1,420

b) Copper Prepayment Agreement

On February 15, 2024, the Company signed a \$500 million 3-year copper prepayment agreement with Jiangxi Copper ("Copper Prepayment Agreement"). The agreement provides for the delivery of 50kt of copper anode per annum from Kansanshi payable at market prices. The prepaid amount will reduce in line with deliveries over the second and third years of the Prepayment Agreement.

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(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



11. SHARE CAPITAL

a) Common shares

Authorized unlimited common shares without par value Issued

	Number of shares (000's)
Balance as at December 31, 2023	693,599
Shares issued through Equity issue	139,932
Shares issued through Share Option Plan	675
Balance as at September 30, 2024	834,206

On July 23, 2024, the Company entered into a shareholder rights agreement (the "Shareholder Rights Agreement" or "SRA") with Jiangxi Copper. The Shareholder Rights Agreement will formalize and provide structure to the relationship that exists between the two organizations. Further, the Shareholder Rights Agreement is also expected to support reasonable sharing of best practices between the parties across the copper value chain, including in smelting and refining, in which Jiangxi Copper is a world leader. The four key provisions of the SRA are:

- Nomination rights:** Jiangxi Copper will have the right to nominate one person for consideration by the Nominating and Governance Committee of the board of the Company, which will make a recommendation to the board regarding the appointment or election of the nominee;
- Standstill:** Jiangxi Copper has agreed to customary standstill restrictions which, subject to certain exceptions, prohibit Jiangxi Copper from taking certain actions, including, without the consent of the Company, acquiring shares of the Company during the term of the SRA and for a period of six months following the termination of the SRA;
- Restrictions on dispositions:** Jiangxi Copper has agreed to certain restrictions on the disposition of its shares of the Company which include, subject to certain exceptions (i) the right of the Company to designate one or more purchasers of such shares in the event that Jiangxi Copper proposes to sell a block of 5% or more of the shares of the Company, and (ii) not selling such shares to any person that owns, or would own, following completion of such sale, more than 9.9% of the issued and outstanding shares of the Company (allowing for certain ordinary secondary market transactions executed through the TSX or other stock exchanges on which the common shares are listed); and,
- Shareholder support:** Jiangxi Copper has agreed that it will not withhold its vote in respect of the director nominees proposed by management of the Company or the reappointment of auditors, nor will it vote against any other matters recommended by the Company's board of directors (other than matters relating to an acquisition of all the shares of the Company by a third party, a sale of a controlling interest in any material asset of the Company or an issuance of shares that would result in a person owning more than 10% of the issued and outstanding shares of the Company).

The SRA will terminate upon the earlier of July 23, 2027 and the date on which Jiangxi Copper's ownership percentage of the Company's shares falls below 10%. Jiangxi Copper and the Company may terminate the SRA at any time by mutual written agreement.

b) Dividends

On February 14, 2023, the Company declared a final dividend of CDN\$0.13 per share, in respect of the financial year ended December 31, 2022 paid on May 8, 2023 to shareholders of record on April 17, 2023.

On January 15, 2024, the Company announced that it had suspended its final dividend in respect of the financial year ended December 31, 2023 (February 14, 2023: CDN\$0.13 per share) as a result of Cobre Panamá being in a phase of Preservation and Safe Management.

c) Equity issue

On February 29, 2024, the Company completed the bought deal offering of common shares, inclusive of an overallotment option. A 139,932,000 shares were issued at a price of \$11.10 Canadian dollars ("CDN\$"). Gross proceeds were \$1,149 million (CDN\$1,553 million), with net proceeds after related fees of \$1,103 million (CDN\$1,492 million).

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12. EARNINGS (LOSS) PER SHARE

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Basic and diluted earnings (loss) attributable to shareholders of the Company	108	325	(97)	493
Basic weighted average number of shares outstanding (000's of shares)	832,474	691,137	805,403	690,607
Potential dilutive securities	1,881	2,779	–	2,909
Diluted weighted average number of shares outstanding (000's of shares)	834,355	693,916	805,403	693,516
Earnings (Loss) per common share – basic (expressed in \$ per share)	0.13	0.47	(0.12)	0.71
Earnings (Loss) per common share – diluted (expressed in \$ per share)	0.13	0.47	(0.12)	0.71

13. SALES REVENUES

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Copper	1,093	1,791	2,958	4,588
Gold	104	114	243	253
Nickel	58	84	269	271
Other	24	40	76	126
	1,279	2,029	3,546	5,238

14. COST OF SALES

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Costs of production	(670)	(1,025)	(2,033)	(3,109)
Depreciation	(165)	(325)	(476)	(885)
Movement in inventory	6	(21)	(104)	(29)
Movement in depreciation in inventory	6	2	12	(10)
	(823)	(1,369)	(2,601)	(4,033)

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(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



15. FINANCE COSTS

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Interest expense on debt	(147)	(136)	(441)	(412)
Interest expense on other financial liabilities	(4)	(4)	(14)	(13)
Interest expense on financial liabilities measured at amortized cost	(151)	(140)	(455)	(425)
Related party finance cost (note 9b)	(27)	(27)	(97)	(83)
Finance cost accretion on deferred revenue (note 10a)	(16)	(16)	(46)	(46)
Finance cost accretion on Copper Prepayment Agreement (note 10b)	(12)	–	(26)	–
Accretion on restoration provision	(5)	(4)	(15)	(11)
Total finance costs	(211)	(187)	(639)	(565)
Less: interest capitalized (note 5)	14	7	33	20
	(197)	(180)	(606)	(545)

16. INCOME TAX

A tax expense of \$270 million was recorded for nine months ended September 30, 2024, (nine months ended September 30, 2023: \$115 million tax expense) reflecting statutory tax rates. The statutory tax rates for the Company's operations range from 20% to 30%.

17. OTHER EXPENSE

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Care and maintenance ¹	(57)	–	(201)	–
Foreign exchange losses	(23)	(23)	(9)	(24)
Change in restoration provision for closed properties	–	1	1	(8)
Share in profit (loss) in joint venture (note 7)	(22)	29	(76)	40
Restructuring expense	(2)	(31)	(14)	(31)
Other income (expenses)	22	(6)	20	2
	(82)	(30)	(279)	(21)

¹ The Care and maintenance expense for the three and nine months ended September 30, 2024 includes \$37 million and \$152 million respectively for Cobre Panamá.

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18. SEGMENTED INFORMATION

The Company's reportable operating segments are Cobre Panamá, Kansanshi, Trident, and Ravensthorpe. Each of the reportable segments report information separately to the CEO, the chief operating decision maker.

The Corporate & other segment includes the Company's remaining operations, Guelb Moghrein, Las Cruces, Çayeli, Pyhäsalmi, the metal marketing division which purchases and sells third party material, and the exploration projects. The Corporate & other segment is responsible for the evaluation and acquisition of new mineral properties, regulatory reporting, treasury and finance and corporate administration.

The Company's operations 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.

Earnings (Loss) by segment

For the three months ended September 30, 2024, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue ¹	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ^{2,9}	Income tax expense
Cobre Panamá ³	—	—	(11)	(17)	(28)	—
Kansanshi ⁴	596	(324)	(68)	(18)	186	(52)
Trident ⁵	543	(264)	(75)	(5)	199	(46)
Ravensthorpe ⁶	(1)	—	—	(24)	(25)	—
Corporate & other ^{7,8}	141	(76)	(5)	(63)	(3)	(22)
Total	1,279	(664)	(159)	(127)	329	(120)

¹ Refinery-backed credits presented net within revenue – see note 10.

² Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss).

³ Cobre Panamá is 20% owned by KPMC, a joint venture.

⁴ On April 4, 2023 the Company's subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP.

⁵ Trident includes Sentinel copper mine and the Enterprise Nickel mine. The Enterprise Nickel mine was declared to be in Commercial production, effective June 1, 2024. \$19 million of Enterprise Nickel pre-commercial production revenues are included in the three months ended September 30, 2024.

⁶ Ravensthorpe is 24.3% owned by POSCO Holdings. See note 9c.

⁷ Corporate & other includes Guelb Moghrein, Las Cruces, Çayeli and Pyhäsalmi.

⁸ Corporate & other revenue includes hedge gains and losses recognized on zero cost collar options.

⁹ Finance costs of \$606 million, including interest expense on debt, are not included within operating profit. See note 15.

For the three months ended September 30, 2023, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue ¹	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ^{2,7}	Income tax (expense) credit
Cobre Panamá ³	930	(327)	(170)	(5)	428	—
Kansanshi	475	(304)	(58)	(55)	58	(18)
Trident ⁴	468	(237)	(73)	(6)	152	(49)
Ravensthorpe ⁵	85	(100)	(14)	1	(28)	13
Corporate & other ⁶	71	(78)	(8)	(10)	(25)	(13)
Total	2,029	(1,046)	(323)	(75)	585	(67)

¹ Refinery-backed credits presented net within revenue – see note 10.

² Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss).

³ Cobre Panamá is 20% owned by KPMC, a joint venture.

⁴ Trident includes Sentinel copper mine and the Enterprise Nickel project.

⁵ Ravensthorpe is 24.3% owned by POSCO Holdings. See note 9c.

⁶ Corporate & other includes Guelb Moghrein, Las Cruces, Çayeli and Pyhäsalmi.

⁷ Finance costs of \$545 million, including interest expense on debt, are not included within operating profit. See note 15.

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For the nine months ended September 30, 2024, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue ¹	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ²	Income tax (expense) credit
Cobre Panamá ³	(6)	–	(33)	(139)	(178)	–
Kansanshi ⁴	1,481	(955)	(184)	(24)	318	(93)
Trident ⁵	1,642	(842)	(226)	(19)	555	(142)
Ravensthorpe ⁶	89	(117)	(2)	(116)	(146)	1
Corporate & other ^{7,8}	340	(223)	(19)	(181)	(83)	(36)
Total	3,546	(2,137)	(464)	(479)	466	(270)

¹ Refinery-backed credits presented net within revenue – see note 10.

² Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss) .

³ Cobre Panamá is 20% owned by KPMC, a joint venture.

⁴ On April 4, 2023 the Company's subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP. Refer to note 20.

⁵ Trident includes Sentinel copper mine and the Enterprise Nickel mine. The Enterprise Nickel mine was declared to be in Commercial production, effective June 1, 2024. \$75 million of Enterprise Nickel pre-commercial production revenues are included in the nine months ended September 30, 2024.

⁶ Ravensthorpe is 24.3% owned by POSCO Holdings – see note 9c.

⁷ Corporate & other includes Guelb Moghrein, Las Cruces, Çayeli and Pyhäsalmi.

⁸ Corporate & other revenue includes hedge gains and losses recognized on zero cost collar options.

For the nine months ended September 30, 2023, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue ¹	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) ²	Income tax (expense) credit
Cobre Panamá ³	2,233	(940)	(451)	(11)	831	–
Kansanshi	1,221	(933)	(168)	(47)	73	(33)
Trident ⁴	1,227	(700)	(207)	(19)	301	(87)
Ravensthorpe ⁵	279	(304)	(44)	3	(66)	36
Corporate & other ⁶	278	(261)	(25)	(69)	(77)	(31)
Total	5,238	(3,138)	(895)	(143)	1,062	(115)

¹ Refinery-backed credits presented net within revenue – see note 10.

² Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss) .

³ Cobre Panamá is 20% owned by KPMC, a joint venture.

⁴ Trident includes Sentinel copper mine and the Enterprise Nickel project.

⁵ Ravensthorpe is 24.3% owned by POSCO Holdings – see note 9c.

⁶ Corporate & other includes Guelb Moghrein, Las Cruces, Çayeli and Pyhäsalmi, which were previously reported separately.

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Balance sheet by segment

Segmented information on balance sheet items is presented as follows:

	September 30, 2024			December 31, 2023		
	Non-current assets ¹	Total assets	Total liabilities	Non-current assets ¹	Total assets	Total liabilities
Cobre Panamá ²	11,515	12,335	2,891	11,533	12,322	2,923
Kansanshi ³	3,114	4,167	814	2,611	3,853	798
Trident ⁴	2,857	3,631	1,129	2,896	3,669	1,072
Ravensthorpe ⁵	20	42	442	20	128	465
Corporate & other ^{6,7}	1,809	3,767	7,026	1,737	3,786	7,722
Total	19,315	23,942	12,302	18,797	23,758	12,980

¹ Non-current assets include \$19,056 million of property plant and equipment (December 31, 2023: \$18,583 million) and exclude financial instruments, deferred tax assets, VAT receivable and goodwill.

² Cobre Panamá is 20% owned by KPMC, a joint venture.

³ On April 4, 2023 the Company's subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP. This transaction also provides for 20% of the KMP VAT refunds as at June 30, 2022 to be paid to ZCCM-IH, as and when they are received by KMP from the ZRA.

⁴ Trident includes Sentinel copper mine and the Enterprise Nickel mine.

⁵ Ravensthorpe is 24.3% owned by POSCO Holdings.

⁶ Included within the corporate segment are assets relating to the Haquira project, \$719 million (December 31, 2023: \$711 million), to the Taca Taca project, \$486 million (December 31, 2023: \$485 million), and to the La Granja project, \$247 million (December 31, 2023: \$207 million).

⁷ Corporate & other includes Guelb Moghrein, Las Cruces, Çayeli and Pyhäsalmi.

Purchase and deposits on property, plant and equipment by segment

Additions to non-current assets other than financial instruments, deferred tax assets and goodwill represent additions to property, plant and equipment, for which capital expenditure is presented as follows:

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Cobre Panamá	4	113	31	341
Kansanshi	232	137	656	276
Trident ¹	70	90	200	259
Ravensthorpe	2	8	18	21
Corporate & other	21	22	57	59
Total	329	370	962	956

¹ Trident includes Sentinel copper mine and the Enterprise nickel mine.

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19. FINANCIAL INSTRUMENTS

The Company classifies its financial assets as amortized cost, FVOCI or FVTPL. Financial liabilities are measured at amortized cost or FVTPL.

The following provides the classification of financial instruments by category at September 30, 2024:

	Amortized cost ⁵	Fair value through profit or loss	Fair value through OCI	Total
Financial assets				
Trade and other receivables ¹	101	252	–	353
Due from KPMC (note 6)	229	–	–	229
Derivative instruments in designated hedge relationships ²	–	–	24	24
Other derivative instruments ³	–	107	–	107
Investments ⁴	–	–	17	17
Financial liabilities				
Trade and other payables	573	–	–	573
Other derivative instruments ³	–	79	–	79
Leases	11	–	–	11
Liability to joint venture	1,253	–	–	1,253
Other loans owed to non-controlling interest	212	–	–	212
Debt ⁵	6,284	–	–	6,284

¹ Commodity products are sold under pricing arrangements where final prices are set at a specified future date based on market commodity prices. Changes between the prices recorded upon recognition of revenue and the final price due to fluctuations in commodity market prices give rise to an embedded derivative in the accounts receivable related to the provisionally priced sales contracts.

² For the nine months ended September 30, 2024 a fair value gain (loss) of \$24 million has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The time value of hedges for the nine months ended September 30, 2024, of \$30 million is also recognized in other comprehensive income.

³ Other derivative instruments related to provisionally priced sales contracts are classified as fair value through profit or loss and recorded at fair value, with changes in fair value recognized as a component of cost of sales.

⁴ Investments held by the Company are held at fair value through other comprehensive income.

⁵ The fair value of financial assets and liabilities measured at amortized cost is comparable to the carrying value due to the short term to maturities or due to the rates of interest approximating market rates.

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The following provides the classification of financial instruments by category at December 31, 2023:

	Amortized cost ⁴	Fair value through profit or loss	Fair value through OCI	Total
Financial assets				
Trade and other receivables ¹	161	272	–	433
Due from KPMC (note 6)	188	–	–	188
Other derivative instruments ²	–	14	–	14
Investments ³	–	–	17	17
Financial liabilities				
Trade and other payables	831	–	–	831
Other derivative instruments ²	–	62	–	62
Leases	20	–	–	20
Liability to joint venture	1,156	–	–	1,156
Other loans owed to non-controlling interest	202	–	–	202
Debt ⁴	7,379	–	–	7,379

¹ Commodity products are sold under pricing arrangements where final prices are set at a specified future date based on market commodity prices. Changes between the prices recorded upon recognition of revenue and the final price due to fluctuations in commodity market prices give rise to an embedded derivative in the accounts receivable related to the provisionally priced sales contracts.

² Other derivative instruments related to provisionally priced sales contracts are classified as fair value through profit or loss and recorded at fair value, with changes in fair value recognized as a component of cost of sales.

³ Investments held by the Company are held at fair value through other comprehensive income.

⁴ The fair value of financial assets and liabilities measured at amortized cost, with the exception of debt, is comparable to the carrying value due to the short term to maturities or due to the rates of interest approximating market rates. The fair value of debt is \$6,842 million as at December 31, 2023.

Fair values

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs for the asset or liability that are not based on observable market data.

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The following table sets forth the Company's assets and liabilities measured at fair value on the balance sheet at September 30, 2024:

	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Derivative instruments – LME contracts ¹	107	–	–	107
Derivative instruments – OTC contracts ²	–	–	–	–
Derivative instruments in designated hedge relationships ³	–	24	–	24
Investments ⁴	1	–	16	17
Financial liabilities				
Derivative instruments – LME contracts ¹	76	–	–	76
Derivative instruments – OTC contracts ²	–	3	–	3

¹ Futures for copper, nickel, gold and zinc were purchased on the London Metal Exchange ("LME") and London Bullion Market and have direct quoted prices, therefore these contracts are classified within Level 1 of the fair value hierarchy.

² The Company's derivative instruments are valued by the Company's brokers using pricing models based on active market prices. All forward swap contracts held by the Company are OTC and therefore the valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates using inputs which can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy. Derivative assets are included within other assets on the balance sheet and derivative liabilities are included within provisions and other liabilities on the balance sheet.

³ For the nine months ended September 30, 2024 a fair value gain (loss) of \$24 million has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The time value of hedges for the nine months ended September 30, 2024, of \$30 million is also recognized in other comprehensive income.

⁴ The Company's investments in marketable equity securities are classified within Level 1 and Level 3 of the fair value hierarchy. The investments classified within Level 1 of the fair value hierarchy are valued using quoted market prices in active markets. The fair value of the marketable equity securities is calculated as the quoted market price of the marketable security multiplied by the quantity of shares held by the Company. The investments in equity securities in non-public companies are classified within Level 3 of the fair value hierarchy as the valuation is based on unobservable inputs, supported by little or no market activity.

The following table sets forth the Company's assets and liabilities measured at fair value on the balance sheet at December 31, 2023, in the fair value hierarchy:

	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Derivative instruments – LME contracts ¹	14	–	–	14
Derivative instruments – OTC contracts ²	–	–	–	–
Investments ³	1	–	16	17
Financial liabilities				
Derivative instruments – LME contracts ¹	57	–	–	57
Derivative instruments – OTC contracts ²	–	5	–	5

¹ Futures for copper, nickel, gold and zinc were purchased on the London Metal Exchange ("LME") and London Bullion Market and have direct quoted prices, therefore these contracts are classified within Level 1 of the fair value hierarchy.

² The Company's derivative instruments are valued by the Company's brokers using pricing models based on active market prices. All forward swap contracts held by the Company are OTC and therefore the valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates using inputs which can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy. Derivative assets are included within other assets on the balance sheet and derivative liabilities are included within provisions and other liabilities on the balance sheet.

³ The Company's investments in marketable equity securities are classified within Level 1 and Level 3 of the fair value hierarchy. The investments classified within Level 1 of the fair value hierarchy are valued using quoted market prices in active markets. The fair value of the marketable equity securities is calculated as the quoted market price of the marketable security multiplied by the quantity of shares held by the Company. The investments in equity securities in non-public companies are classified within Level 3 of the fair value hierarchy as the valuation is based on unobservable inputs, supported by little or no market activity.

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Derivatives designated as hedged instruments

The Company has elected to apply hedge accounting with the following contracts expected to be highly effective in offsetting changes in the cash flows of designated future sales. Commodity contracts outstanding as at September 30, 2024, were as follows:

	Open Positions (tonnes)	Average Contract price	Closing Market price	Maturities Through
Commodity contracts:				
Copper zero cost collar	243,400	\$4.19/lb - \$5.01/lb	\$4.43/lb	Dec-25

For the nine months ended September 30, 2024 a fair value gain (loss) of \$24 million (nine months ended September 30, 2023, nil) has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The time value of hedges for the nine months ended September 30, 2024, of \$30 million (nine months ended September 30, 2023, nil) is also recognized in other comprehensive income.

As at December 31, 2023, the Company held no commodity contracts designated as hedged instruments.

Other derivatives

As at September 30, 2024, the Company had entered into the following derivative contracts for copper, gold and nickel in order to reduce the effects of fluctuations in metal prices between the time of the shipment of metal from the mine site when the sale is provisionally priced and the date agreed for pricing the final settlement.

Excluding the contracts noted above, as at September 30, 2024, the following derivative positions were outstanding:

	Open Positions (tonnes/oz)	Average Contract price	Closing Market price	Maturities Through
Embedded derivatives in provisionally priced sales contracts:				
Copper	86,125	\$4.32/lb	\$4.43/lb	Feb-25
Gold	22,850	\$2,530/oz	\$2,630/oz	Dec-24
Nickel	1,743	\$7.40/lb	\$7.71/lb	Dec-24
Commodity contracts:				
Copper	86,150	\$4.32/lb	\$4.43/lb	Feb-25
Gold	22,856	\$2,530/oz	\$2,630/oz	Dec-24
Nickel	1,746	\$7.40/lb	\$7.71/lb	Dec-24

As at December 31, 2023, the following derivative positions were outstanding:

	Open Positions (tonnes/oz)	Average Contract price	Closing Market price	Maturities Through
Embedded derivatives in provisionally priced sales contracts:				
Copper	109,097	\$3.75/lb	\$3.84/lb	April 2024
Gold	14,070	\$2,049/oz	\$2,078/oz	April 2024
Nickel	1,191	\$7.69/lb	\$7.39/lb	March 2024
Commodity contracts:				
Copper	109,175	\$3.75/lb	\$3.84/lb	April 2024
Gold	14,077	\$2,049/oz	\$2,078/oz	April 2024
Nickel	1,188	\$7.69/lb	\$7.39/lb	March 2024

Notes to the Consolidated Financial Statements

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)



A summary of the fair values of unsettled derivative financial instruments for commodity contracts recorded on the consolidated balance sheet.

	September 30, 2024	December 31, 2023
Commodity contracts:		
Asset position	131	14
Liability position	(79)	(62)

20. COMMITMENTS AND CONTINGENCIES

Capital commitments

The Company has committed to \$126 million (December 31, 2023: \$347 million) in capital expenditures, principally related to the S3 project at Kansanshi.

Other commitments & contingencies

Due to the size, complexity and nature of the Company's operations, various legal and tax matters are outstanding from time to time. The Company is routinely subject to audit by tax authorities in the countries in which it operates and has received a number of tax assessments in various locations, which are currently at various stages of progress with the relevant authorities. The outcome of these audits and assessments are uncertain however, the Company is confident of its position on the various matters under review.

Panama

Introduction

On March 8, 2023, MPSA and the Republic of Panama announced they had reached agreement on the terms and conditions of a refreshed concession contract ("Refreshed Concession Contract"). MPSA and the Government of Panama ("GOP") signed the Refreshed Concession Contract on June 26, 2023, and it was subsequently countersigned by the National Comptroller of Panama. The Refreshed Concession Contract was presented before the Commerce Committee of the National Assembly of Panama, who recommended the amendment of certain terms of the contract. The Company and GOP agreed to modifications to the agreement based on these recommendations after a brief period of negotiation. The GOP cabinet approved the amended terms of the Refreshed Concession Contract on October 10, 2023, and MPSA and the Republic entered into the agreement the next day. On October 20, 2023, the National Assembly in Panama approved Bill 1100, being the proposal for approval of the Refreshed Concession Contract for the Cobre Panamá mine. On the same day, President Laurentino Cortizo sanctioned Bill 1100 into Law 406 and this was subsequently published in the Official Gazette.

Panama Constitutional Proceedings and Mining Moratorium.

On October 26, 2023, a claim was lodged with the Supreme Court of Justice of Panama asserting that Law 406 was unconstitutional. MPSA was not a party to that proceeding. The petitioner argued that Law 406, which gave legal effect to the Refreshed Concession Contract, was unconstitutional.

On November 3, 2023, the National Assembly of Panama approved Bill 1110, which President Cortizo sanctioned into Law 407 and which was published the same day in the Official Gazette. Law 407 declares a mining moratorium for an indefinite duration within Panama, including preventing any new mining concession from being granted or any existing mining concessions from being renewed or extended.

On November 28, 2023, the Supreme Court issued a ruling declaring Law 406 unconstitutional and stating that the effect of the ruling is that the Refreshed Concession Contract no longer exists. The ruling was subsequently published in the Official Gazette on December 2, 2023. The Supreme Court did not order the closure of the Cobre Panamá mine.

On December 19, 2023, the (now former) Minister for Commerce and Industry announced plans for Cobre Panamá following the ruling of the Supreme Court. The validity of Panama's Mineral Resources Code which was established more than 50 years ago was reiterated by the Minister given the absence of retroactivity of the Supreme Court ruling. As part of these plans, a temporary phase of environmental Preservation and Safe Management would be established until June 2024, during which intervening period independent audits, review and planning activities would be undertaken. It was stated that Panama would be the first country in the world to implement a sudden mine closure of this magnitude, and therefore the

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planning is estimated by the GOP to take up to two years, and 10 years or more to implement. The Minister also announced plans to consider the economic impacts of the halt to operations of Cobre Panamá at both a national and local level. The Company is of the view, supported by the advice of legal counsel, that it has acquired rights with respect to the operation of the Cobre Panamá project, as well as rights under international law.

At the request of the Ministry of Commerce and Industries ("MICI"), Cobre Panamá delivered a draft plan for the first phase of the P&SM plan on January 16, 2024. Following a request for additional information and clarification from MICI, an updated and expanded plan was presented to government on March 26, 2024. On May 13, 2024, an Intergovernmental Commission that had been convened to inspect the site and review the P&SM plan issued its Inspection Report and recommendation for approval and implementation of the plan and its key activities; including export of copper concentrate that has been stored at site since operations were suspended, reactivation of the power plant, determining a means of dealing with the sulphur containing stockpiles and providing material to the tailings facility. However, prior to approval of the P&SM plan, there was an election and change of government. The incoming administration reviewed the P&SM plan upon taking office in July 2024 and requested additional information, which was submitted by the Company on August 27, 2024, along with a formal presentation to MICI on September 25, 2024. The plan is still pending government approval, and therefore not all aspects of the plan have been able to be implemented by the Company.

The general elections were held in Panama during May 2024, and a new government took office on July 1, 2024, under the leadership of President José Raúl Mulino. During the quarter, President Mulino made public statements to the effect that his government intends to address the Cobre Panamá mine in early 2025. The Government of Panama also announced that an integrated audit of Cobre Panamá would be conducted with international experts to establish a factual basis to aid in decision making for the future of the mine.

Arbitration Proceedings

Steps towards two arbitration proceedings have been taken by the Company. One under the Canada-Panama Free Trade Agreement (FTA), and another under the International Chamber of Commerce ("ICC") pursuant to the arbitration clause of the Refreshed Concession Contract.

1. On November 29, 2023, Minera Panamá S.A. ("MPSA") initiated arbitration before the ICC's International Court of Arbitration pursuant to the ICC's Rules of Arbitration and Clause 46 of the Refreshed Concession Contract, to protect its rights under Panamanian law and the Refreshed Concession Contract that the GOP agreed to in October 2023. The arbitration clause of the contract provides for arbitration in Miami, Florida. A final hearing for this matter is scheduled for September 2025.
2. On November 14, 2023, First Quantum submitted a notice of intent to the GOP initiating the consultation period required under the FTA. First Quantum submitted an updated notice of intent on February 7, 2024. First Quantum is entitled to seek any and all relief appropriate in arbitration, including but not limited to damages and reparation for Panama's breaches of the Canada-Panama FTA. These breaches include, among other things, the GOP's failure to permit MPSA to lawfully operate the Cobre Panamá mine prior to the Supreme Court's November 2023 decision, and the GOP's pronouncements and actions concerning closure plans and P&SM at Cobre Panamá. The Company has the right to file its arbitration claim under the FTA within three years of Panama's breaches of the FTA.

21. POST BALANCE SHEET EVENTS

First Quantum Minerals Ltd. Trident term loan

On October 15, 2024, FQM Trident signed a \$425 million unsecured term loan facility (the "FQM Trident Facility") with a maturity date of September 2028 to replace the previous Trident facility, scheduled to mature in December 2025. Repayments on the FQM Trident Facility commence in March 2026 and are due every 6 months thereafter.