

FIRST QUANTUM MINERALS



**FOURTH QUARTER & YEAR 2017
CONFERENCE CALL & WEBCAST**

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENT

Certain statements and information herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. The forward-looking statements include estimates, forecasts and statements as to the Company's expectations of production and sales volumes, and expected timing of completion of project development at Cobre Panama and Enterprise and are subject to the impact of ore grades on future production, the potential of production disruptions, capital expenditure and mine production costs, the outcome of mine permitting, other required permitting, the outcome of legal proceedings which involve the Company, information with respect to the future price of copper, gold, nickel, zinc, pyrite, cobalt and sulphuric acid, estimated mineral reserves and mineral resources, First Quantum's exploration and development program, estimated future expenses, exploration and development capital requirements, the Company's hedging policy, and goals and strategies. Often, but not always, forward-looking statements or information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

With respect to forward-looking statements and information contained herein, the Company has made numerous assumptions including among other things, assumptions about continuing production at all operating facilities, the price of copper, gold, nickel, zinc, pyrite, cobalt and sulphuric acid, anticipated costs and expenditures and the ability to achieve the Company's goals. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. These factors include, but are not limited to, future production volumes and costs, the temporary or permanent closure of uneconomic operations, costs for inputs such as oil, power and sulphur, political stability in Zambia, Peru, Mauritania, Finland, Spain, Turkey, Panama, Argentina, the United States and Australia, adverse weather conditions in Zambia, Finland, Spain, Turkey, Mauritania and Panama, labour disruptions, potential social and environmental challenges, power supply, mechanical failures, water supply, procurement and delivery of parts and supplies to the operations, and the production of off-spec material.

See the Company's Annual Information Form for additional information on risks, uncertainties and other factors relating to the forward-looking statements and information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of these factors are beyond First Quantum's control. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to reissue or update forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information made herein are qualified by this cautionary statement.



SENTINEL MINE – TERRACE MINING



SENTINEL MINE – IN-PIT CRUSHING



SENTINEL MINE – TROLLEY ASSIST HAULAGE



COBRE PANAMA PROGRESS – POWER STATION OVERVIEW



COBRE PANAMA PROGRESS – POWER STATION – DUCT LIFTING



COBRE PANAMA PROGRESS – JETTY PLATFORM & BREAKWATER



COBRE PANAMA PROGRESS – MILLING AREA



COBRE PANAMA PROGRESS – FLOTATION AREA



COBRE PANAMA PROGRESS – SECONDARY CRUSHING





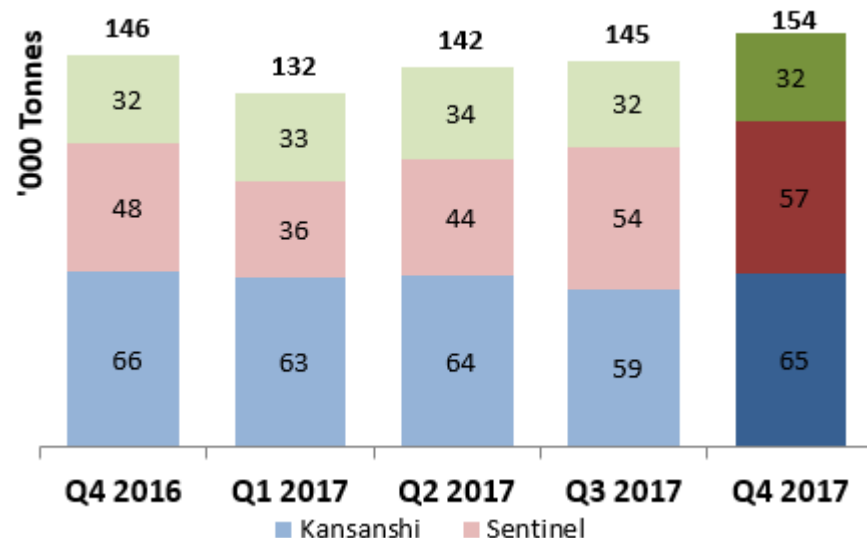
FINANCIAL REVIEW



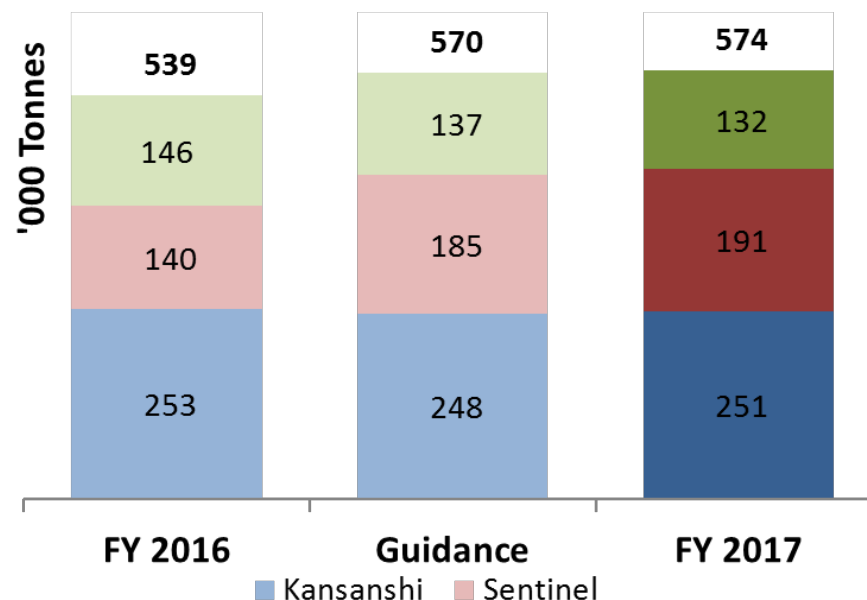
FIRST QUANTUM
MINERALS LTD.

QUARTERLY AND FULL YEAR PRODUCTION

Q4 2017 Copper production a new record



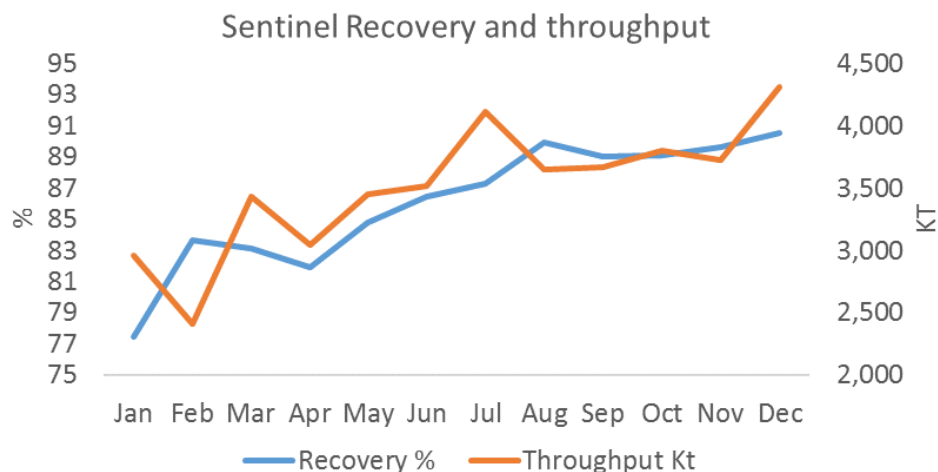
Copper production up 6% on FY 2016



- Record quarterly production due to strong Sentinel production
- Kansanshi smelter running at above design throughput capacity
- Las Cruces full year production of 73.7kt was a new record for the mine

CONTINUED OPTIMIZATION

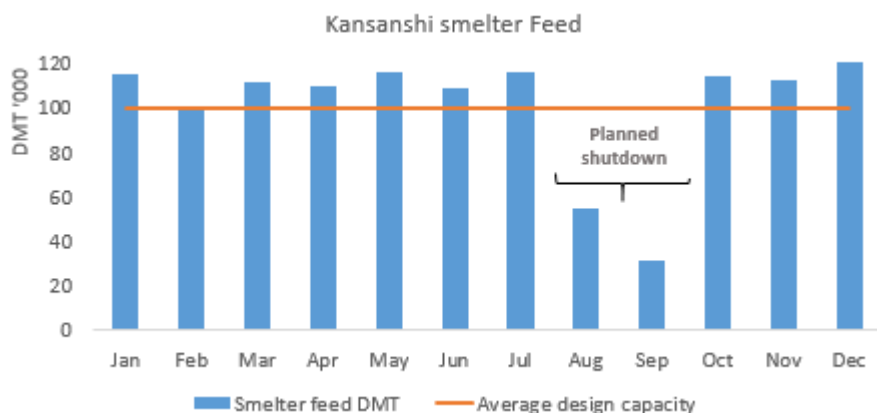
Sentinel recovery and throughput reaching new heights



Recovery up 13% - focus on optimization and reagents

Throughput up 46% - transition to terrace mining and plant stability

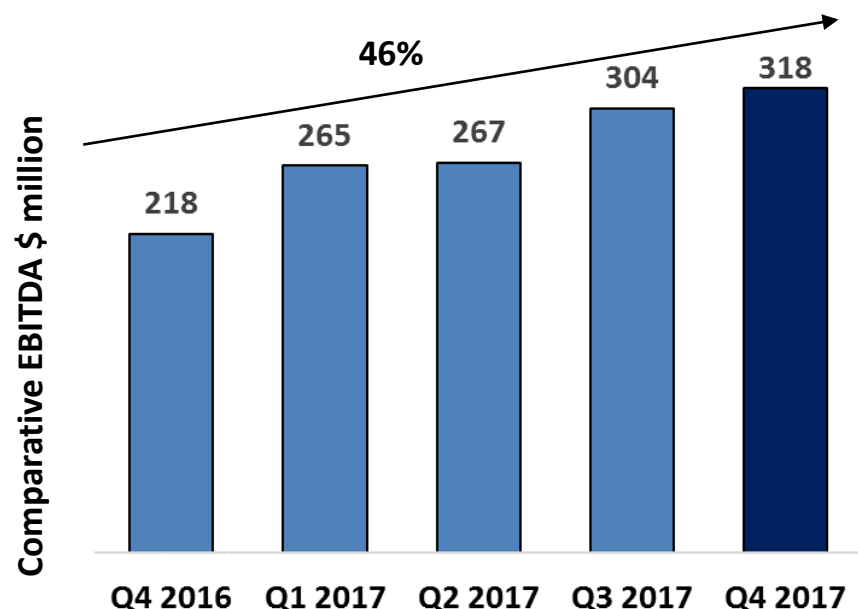
Kansanshi smelter above design capacity



Performing above design capacity due to operating efficiencies and acid plant debottlenecking implemented during the planned shutdown

Q4 2017 OVERVIEW

Comparative EBITDA up 46% and Gross profit up 125% on Q4 2016



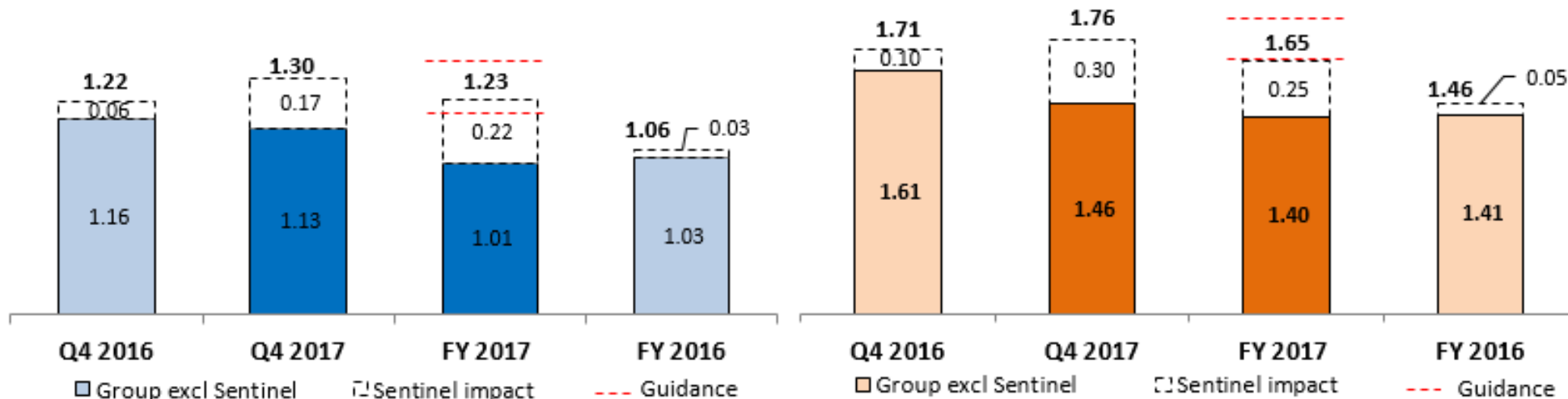
\$ million (except earning loss per share)	Q4 2016	Q3 2017	Q4 2017
Revenue	689	877	885
Gross Profit	52	83	117
Comparative EBITDA ¹	218	304	318
Comparative earnings (loss) ¹	27	(28)	(36)
Comparative earnings (loss) per share \$	0.04	(0.04)	(0.05)
Net Debt	(4,381)	(5,059)	(5,575)

- Comparative EBITDA and Gross profit continue upward trend due to higher net realized price (including impact of hedges) and increased sales volumes
- Net debt \$517m higher than September 2017 reflecting planned capital expenditure program, Pebble option agreement and acquisition of additional 10% interest in Cobre Panama acquisition. Franco-Nevada streaming payment and other working capital inflows expected in early 2018
- Earnings loss reflects the lack of tax relief on losses realized under the Company's sales hedge program

¹ Comparative EBITDA, comparative earnings and comparative earnings per share 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 gains and losses, fair value adjustments for the time value of options, gains and losses on disposal of assets, one-time costs related to acquisitions, dispositions, restructuring and other transactions, revisions in estimates of restoration provisions at closed sites, debt extinguishment loss and discounting of non-current VAT. These measures 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.

QUARTERLY UNIT CASH COSTS

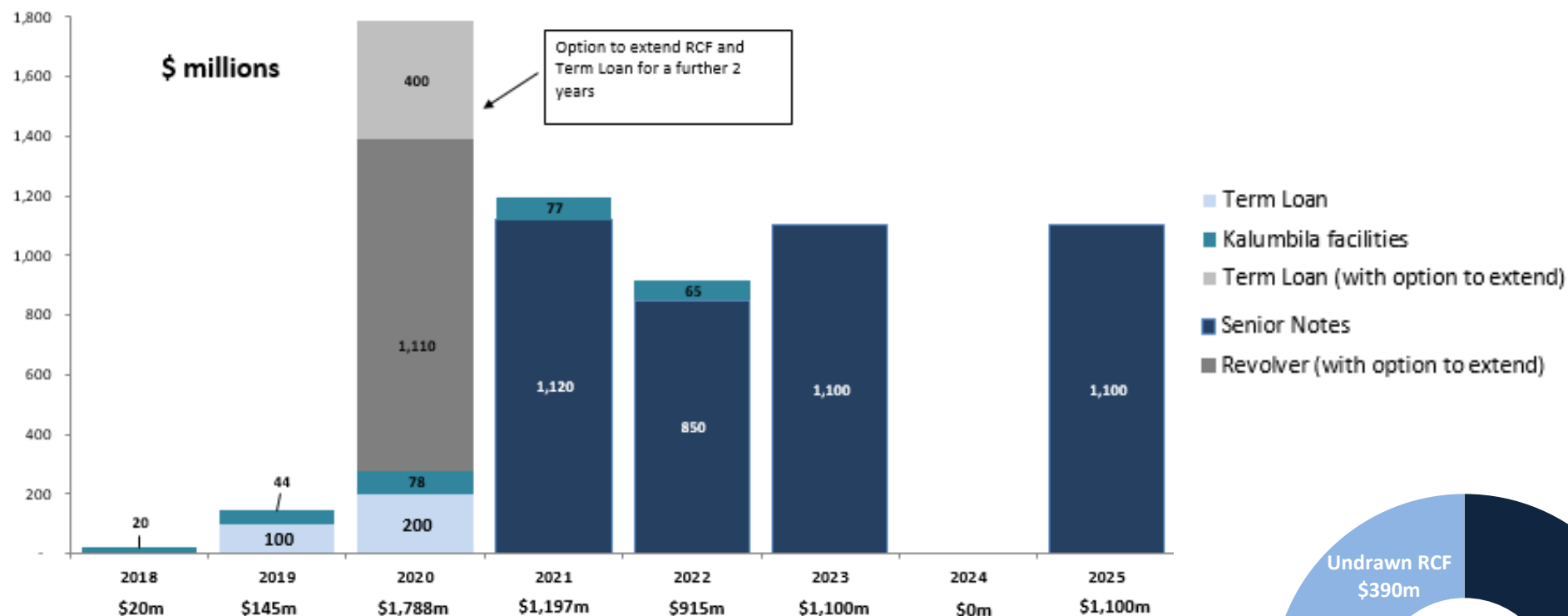
2017 C1 and AISC at lower end of guidance



- Full year C1 of \$1.23/lb is within guidance
- Full year AISC of \$1.65/lb at lower end of guidance
- Full year excluding Sentinel of \$1.01/lb lower than 2016
- Full year AISC excluding Sentinel of \$1.40/lb lower than 2016

STRENGTHENING THE BALANCE SHEET

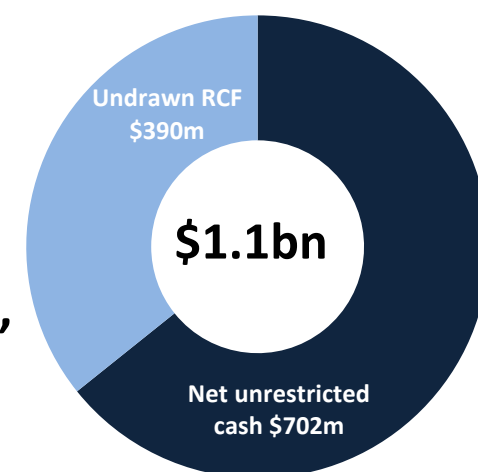
Debt maturity as at February 2018



Covenant Ratio

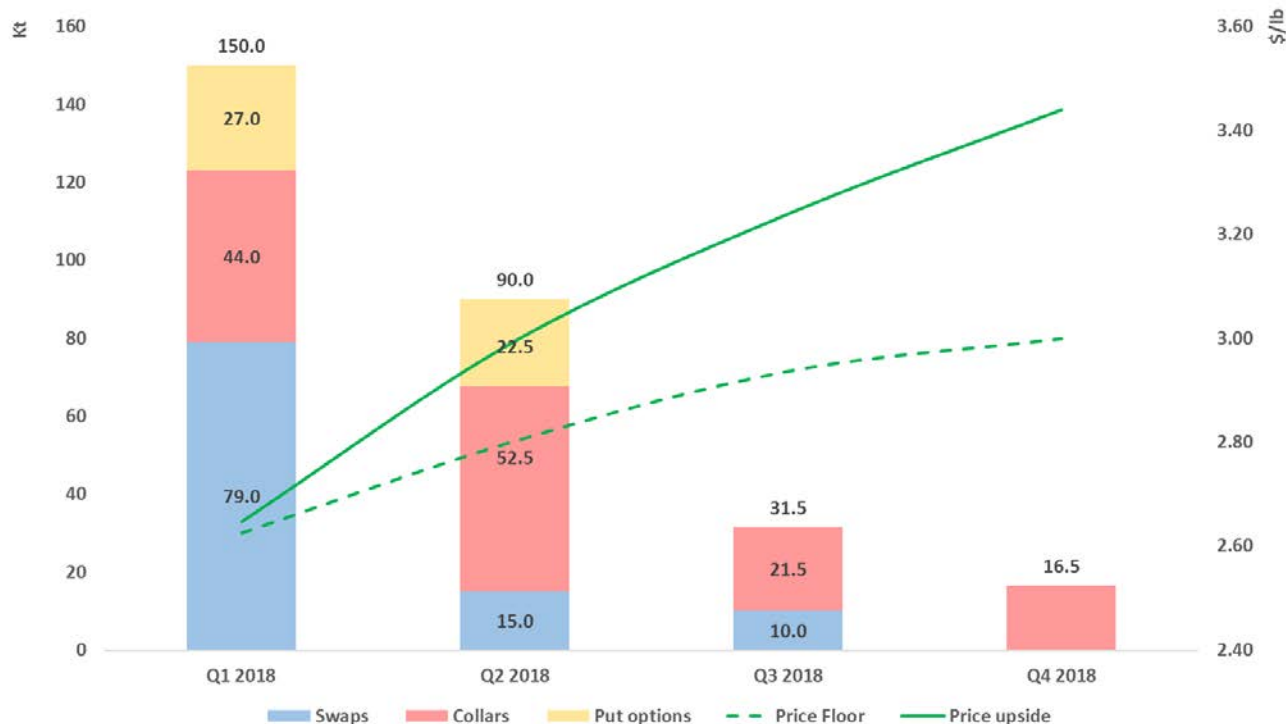
Net debt/EBITDA covenant ratio of 4.8x which is below covenant requirements

Liquidity December 31, 2017



HEDGING PROGRAM OUTLOOK

Increase in hedge prices going forward



- Copper price protection program for 2018
- Increased use of zero cost collars in 2018 providing protection and potential upside
- 49.5 kt of put option contracts entered into at strike price of \$3.10/lb

Hedging profile as at February 12, 2018 for full year 2018

COBRE PANAMA CAPITAL EXPENDITURE AND GUIDANCE

Capex revised to include 8th mill and upgrades to allow future throughput of 100 mtpa

2018

Power plant operational
First throughput in the mills

2019

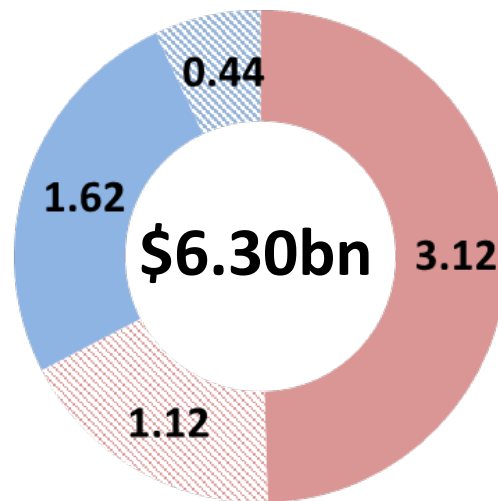
Existing mills ramped up
8th mill completion
Production at least 150kt

2020

Ramp-up completed
Production 270kt to 300kt
C1 \$1.50/lb

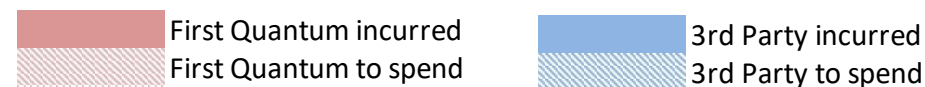
2021

First full year of ramped up production
Production 330kt to 350 kt
C1 \$1.20/lb **AISC** \$1.50/lb



Cobre Panama Funding (\$bn)

\$ billion	Total	Funded by	
		FQM	3rd Party
Cobre Panama project			
Capital spend to December 2016	3.48	2.30	1.18
Capital spend during 2017	1.26	0.82	0.44
<i>Estimated 2018 to completion capital spend</i>	<i>1.56</i>	<i>1.12</i>	<i>0.44</i>
Total Cobre Panama	6.30	4.25	2.05



MARKET GUIDANCE 2018 - 2020

Production and unit cost guidance

Production ¹ (000's)	2018 Guidance	2019 Guidance	2020 Guidance
Copper – tonnes	590	595	610
Gold – ounces	200	200	195
Zinc – tonnes	20	17	5
Copper costs (\$ per pound)	2018 Guidance	2019 Guidance	2020 Guidance
Cash operating costs ² (C1)	1.20 – 1.40	1.20 – 1.40	1.20 – 1.40
All-in sustaining cost ³ (AISC)	1.65 – 1.85	1.65 – 1.80	1.65 – 1.80

As a result of the increase in copper price, there is an increase in the royalty charge in the AISC calculation. This, coupled with the increased sustaining capex phasing in 2018, has resulted in an increase in the top end of the 2018 AISC guidance to \$1.85/lb.

Capex guidance

\$ million	2018 Guidance	2019 Guidance	2020 Guidance
<i>Total Cobre Panama</i>	<i>1,180</i>	<i>382</i>	
First Quantum share of Cobre Panama	826	293	
Capitalized stripping	200	200	200
Sustaining capex and other projects	360	400	400
Total First Quantum net capital spend	1,386	893	600

The increase in sustaining capex and other project is principally:

- additional small projects
- increase in fleet replacement and enhancement
- now includes spend relating to Cobre Panama
- expenditure on other development projects in 2019 and 2020

¹ Copper production excludes Cobre Panama

² C1 and AISC cost guidance excludes Cobre Panama

³ All-in sustaining cost includes C1, royalties, allocation of general and administrative expenses and sustaining capital expenditure including stripping costs

APPENDIX

QUARTERLY NET DEBT MOVEMENT

Opening Net Debt at September 30, 2017 (\$ million)	(5,059)
Adjusted EBITDA ¹	297
Working Capital	(134)
Capital expenditure	(498)
Net Interest	(61)
Franco-Nevada precious metal stream	89
50% KPMC acquisition (LS-Nikko)	(179)
Investment in Pebble project early option price instalment	(38)
Taxes paid	(49)
Related party debt movement	89
FQM portion of KPMC funding	(45)
Other	13
Closing Net Debt at December 31, 2017 (\$ million)	(5,575)
Net Debt comprised of:	
Net cash & cash equivalents ²	702
Total debt	(6,277)
Available committed undrawn debt facilities at December 31, 2017	390

¹ EBITDA adjusted for non-cash items

² Excludes \$90m restricted cash

ANNUAL NET DEBT MOVEMENT

Operational assets generated \$854 million inflow in 2017, with cash outflow of \$2,048 million relating to Cobre Panama (interest, capex and acquisition costs), Pebble option agreement and hedging.

Opening Net Debt at 1 January 2017 (\$ million)	(4,381)	
Adjusted EBITDA ¹		1,677
Working Capital		(274)
Capital expenditure (excluding Cobre Panama)		(396)
Taxes paid		(184)
Other		31
Operational cashflow	854	
Early redemption costs of senior notes		(54)
Hedge loss		(568)
Cobre Panama capital expenditure		(1,256)
Franco-Nevada funding		264
Net KPMC funding of Cobre Panama capex		219
50% KPMC acquisition (LS-Nikko)		(179)
Net Interest		(437)
Investment in Pebble project early option price instalment		(38)
Hedges and funding of Cobre Panama	(2,048)	
Closing Net Debt at December 31, 2017 (\$ million)	(5,575)	

¹ EBITDA adjusted for non-cash items and hedge loss in the year

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