
FIRST QUANTUM MINERALS ENTERS INTO A FRAMEWORK AGREEMENT WITH NORTHERN DYNASTY MINERALS

First Quantum Minerals Ltd. (“First Quantum” or the “Company”, TSX Symbol “FM”) today announced that it has entered into a framework agreement with Northern Dynasty Minerals Ltd. (“Northern Dynasty”) (TSX: NDM) which contemplates that an affiliate of the Company will subsequently execute an option agreement with Northern Dynasty (the “**Option Agreement**”). Within five business days of the execution of the framework agreement, the affiliate of the Company will make a payment of US\$37.5 million (“**Early Option Price Instalment**”) to Northern Dynasty. The Early Option Price Instalment will be applied solely for the purpose of progressing the permitting of the Pebble Project.

The term of the option granted by the Option Agreement will be for a period of four years from the date of satisfaction of certain conditions precedent, with a right to extend the term of the option for a further period of two years. The option price for the initial four years is US\$150 million (“**Option Price**”) payable in equal tranches of US\$37.5 million, with the Early Option Price Instalment being credited against the Option Price. All of the Option Price will be applied to advancing the permitting process for development of the Pebble Project. The Option Agreement will entitle the affiliate to earn a 50% interest in the Pebble Limited Partnership, which is the owner of the Pebble Project in Alaska by investing an additional total amount of US\$1.35 billion in the Pebble Limited Partnership. The entry by an affiliate of the Company into the Option Agreement is contingent upon due diligence being completed to the satisfaction of the Company, necessary regulatory approvals being obtained and the successful negotiation of the final form of the Option Agreement and associated commercial agreements. Finalization and execution of the Option Agreement and associated commercial agreements is expected to occur early in Q2 2018.

Philip Pascall, Chairman and CEO, commented: “The Option Agreement is an important opportunity to carry out a detailed assessment of the Pebble Project which is widely acknowledged to be one of the outstanding unmined copper projects in the world, estimated to contain some 26 million tonnes of copper, 70 million ounces of gold and 1.5 million tonnes of molybdenum in measured and indicated resources at a 0.3% copper equivalent cut off. We are very aware of the environmental and social sensitivity of this project and will utilize the lengthy option period to apply our extensive project development and operating experience to ensure that this project can be developed with the support of stakeholders.

“Concurrently, our main objectives remain the successful delivery of our Cobre Panama project, management of our balance sheet and the provision of a return to shareholders outside of share appreciation.

“We believe a successful outcome to the permitting process for Pebble would deliver the potential for further growth in copper for First Quantum well into the future.”

CONFERENCE CALL & WEBCAST

First Quantum will host a conference call and webcast to discuss the transaction as follows:

Date: December 18, 2017
Time: 8:00 am (Eastern); 1:00 pm (GMT); 5:00 am (Pacific)

Webcast: www.first-quantum.com

Dial in: North America: (toll free) (877) 291-4570
North America and international: 1 (647) 788-4919
United Kingdom: (toll free) 0-800-051-7107

Replay: Available from noon (Eastern) on December 18, until 11:59 pm (Eastern) on January 1, 2018
North America: (toll free) (800) 585-8367
North America and international: 1 (416) 621-4642

Passcode: 7967738

On Behalf of the Board of Directors of First Quantum Minerals Ltd.
G. Clive Newall
President

For further information, visit our website at www.first-quantum.com

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CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain statements and information herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. The forward-looking statements include estimates, forecasts and statements as to the Company's expectations regarding completion of due diligence, receipt of regulatory approvals, negotiation of and entering into the Option Agreement, payment of the Option Price, the process of permitting at the Pebble Project, future profitability of the Pebble Project, and expected timing relating to the foregoing. 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 the due diligence process, the Company's ability to negotiate the Option Agreement and other definitive agreements, the permitting process, and the ability of each of the Company and Northern Dynasty to achieve their goals, including with respect to the Option Agreement and the Pebble Project. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. These factors include, but are not limited to, the outcome of due diligence investigations, the permitting process, potential social and environmental challenges, 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, 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 the Company'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.