



NEWS RELEASE

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FIRST QUANTUM MINERALS ANNOUNCES 2021 PRELIMINARY PRODUCTION, 2022-2024 GUIDANCE, CLIMATE CHANGE TARGETS AND FINANCIAL POLICY

(In United States dollars, except where noted otherwise)

Toronto, Ontario (January 17, 2022) - First Quantum Minerals Ltd. ("First Quantum" or the "Company") (TSX: FM) today announced preliminary production for the three months ("Q4") and year ended December 31, 2021, and guidance for production, capital expenditures and costs for the years 2022 to 2024. In addition, the Company has released its targets for reductions in greenhouse gas emissions ("GHG") and a financial policy that includes a new performance-based dividend payout policy. The Company has released an updated National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") resource for the Las Cruces Underground Project.

"First Quantum continues to be focussed on delivering disciplined and responsible growth, which is reflected in the strong increase in our copper and nickel production through the guidance period," commented Philip Pascall, Chairman and CEO. "We remain committed to reducing our debt levels, whilst at the same time cautiously increasing capital returns to reflect the robust financial outlook. At First Quantum, we are committed to extracting resources responsibly and the importance that we place on sustainability is an intrinsic part of everything we do. We are pleased to have identified tangible solutions to significantly reduce our greenhouse gas emissions and to contribute to the global energy transition by delivering the critical metals required."

HIGHLIGHTS

- **Q4 and 2021 Production:** First Quantum achieved its highest ever annual copper production of 816 thousand tonnes ("kt"), a 5% increase from 2020, attributable to record production at Cobre Panama and the resilience of our other operations. Copper production in Q4 2021 was 201kt.
- **Three-year guidance:** Copper and nickel production are forecast to grow to 850-910kt and 40-50kt, respectively, by 2024. Capital cost guidance has increased to \$1,250 million in 2023 and 2024 and \$1,375 million in 2024, principally due to inflationary pressures.
- **Inaugural Climate Change Report:** First Quantum has set tangible targets with an identified realistic path to reduce our GHG emissions by 50% by 2030. The achievement of these targets is not expected to result in significant increases in capital expenditures or operating costs from previous forecasts.
- **Financial Policy:** With the company on track to meet the previously announced \$2 billion debt reduction in H1 2022, the target for debt reduction in the short to medium term has increased by \$1 billion. A dividend policy has been adopted that will comprise of a Performance Dividend so that 15% of available cash flows generated after planned capital spending and distributions to non-controlling interests are allocated to shareholder returns. Within the Performance Dividend there is expected to be a minimum Annual Base Dividend of C\$0.10 per share, comprising of biannual dividends of C\$0.05 per share.
- **Updated Las Cruces NI 43-101 Resource:** Following extensive drilling, test work and pilot plant studies, the NI 43-101 upgrades the previous Polymetallic Primary Sulfide ("PPS") Inferred Mineral Resources to 41.2 million tonnes of PPS 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.

2021 PRELIMINARY PRODUCTION AND 2022-2024 GUIDANCE

2021 Preliminary Production

First Quantum achieved its highest ever annual copper production of 816kt, a 5% increase from 2020, attributable to record production at Cobre Panama and the resilience of our other operations in dealing with the ongoing challenges brought about by COVID-19 over the last two years. Copper production in Q4 2021 was 201kt, 2kt below Q4 2020. Copper production was within January 2021 guidance of 785-850kt.

Cobre Panama achieved record copper production of 331kt for the full year, 125kt more than 2020. Copper production in Q4 2021 of 80kt was an increase of 14kt from Q4 2020. Despite facing COVID-19 preventative restrictions for over three quarters of the year, Cobre Panama's performance was strong, exceeding initial 2021 guidance announced in January 2021 and delivering its first full year of uninterrupted production since announcing commercial production on September 1, 2019.

Sentinel achieved copper production of 233kt for the full year and 61kt in Q4 2021, 18kt and 2kt lower than 2020 levels, respectively. 2021 performance was impacted by the Train 1 Ball Mill Trunnion failure in the first quarter and a lower grade profile, however, record quarterly throughput was achieved in Q4 2021.

Kansanshi achieved copper production of 202kt for the full year, 19kt lower than 2020, reflecting the depleting oxide ore in the maturing mine. Copper production in Q4 2021 was 52kt, a reduction of 1kt from Q4 2020 resulting from the lower grades and oxide recoveries.

Other sites achieved consolidated copper production of 50kt for the full year, a 51kt reduction from 2020, resulting from the cessation of opening pit mining at Las Cruces and Guelb Moghrein in late 2020 and early 2021, respectively. Las Cruces is now reprocessing high-grade tailings while Guelb Moghrein is processing stockpiled ore until cutback ore is available, which is expected in 2023.

Total copper sales volumes, in particular for product from Zambian sites, were impacted by several port availability and operational issues, as well as the general and widespread constraints that the global container freight sector experienced over the majority of 2021. Although the bulk shipping sector was less affected by the global supply chain and freight related constraints, vessel freight costs were higher than the average over recent years. Concentrates from Panama and Cayeli are shipped bulk.

The production and sales figures provided herein are preliminary and subject to final adjustment. The final production and sales figures will be confirmed in the Company's financial results for the fourth quarter and year ended December 31, 2021.

000's	Q4 2021	Q4 2020	Year 2021	Year 2020
Copper production (tonnes)	201	203	816	779
Gold production (ounces)	74	69	312	265
Nickel production (tonnes)	3	6	17	13

Copper (000's tonnes)	Q4 2021	Q4 2020	Year 2021	Year 2020
Cobre Panama	80	66	331	206
Kansanshi	52	53	202	221
Sentinel	61	63	233	251
Other	8	21	50	101
Production	201	203	816	779

Gold (000's ounces)	Q4 2021	Q4 2020	Year 2021	Year 2020
Cobre Panama	33	25	142	85
Kansanshi	34	30	128	128
Other	7	14	42	52
Production	74	69	312	265

Nickel production (000's tonnes)	Q4 2021	Q4 2020	Year 2021	Year 2020
Ravensthorpe	3	6	17	13

Copper sales (000's tonnes)	Q4 2021	Q4 2020	Year 2021	Year 2020
Total copper	213	217	822	764

COVID-19

The Company continues to maintain proactive health and sanitary protocols and remains committed to support the government health authorities in each jurisdiction according to the needs across all of its sites, operations and host communities to combat the spread of COVID-19, including new variants as they emerge.

2022 – 2024 Guidance

Guidance is based on a number of assumptions and estimates as of December 31, 2021, including among other things, assumptions about metal prices and anticipated costs and expenditures. The unprecedented challenges presented by COVID-19 pose some additional risk to the accuracy of forward looking information. Production guidance and cost guidance includes current assumptions on the impact of COVID-19 on operations. Guidance involves estimates of known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different.

Production guidance

000's	2022	2023	2024
Copper (tonnes)	810 - 880	840 - 910	850 - 910
Gold (ounces)	285 - 310	275 - 300	295 - 320
Nickel (tonnes)	25 - 30	30 - 40	40 - 50

Production guidance by operation**Copper**

000's tonnes	2022	2023	2024
Cobre Panama	330 - 360	350 - 380	370 - 400
Kansanshi	190 - 210	190 - 210	205 - 220
Sentinel	260 - 280	270 - 290	255 - 270
Other sites	30	30	20

Gold

000's ounces	2022	2023	2024
Cobre Panama	135 - 150	140 - 155	155 - 170
Kansanshi	120 - 130	105 - 115	110 - 120
Other sites	30	30	30

Nickel

000's tonnes	2022	2023	2024
Ravensthorpe	25 - 30	25 - 30	25 - 30
Enterprise	-	5-10	15 - 20

Guidance for Cobre Panama includes expected commissioning of the 6th ball mill in Q1 2023 with a ramp-up over the course of the year to achieve a throughput rate of 100 million tonnes per annum ("Mtpa") by the end of 2023.

Kansanshi copper and gold production in 2024 includes some limited production from the proposed S3 expansion, with the approval and timing still subject to Board approval.

2023 copper production for Other sites has increased from previous guidance due to the tailings reprocessing at Las Cruces. Processing of cutback 4 ore at Guelb Moghrein is expected to commence in 2023.

Guidance on nickel production at Enterprise has been included for the first time, with first production assumed during 2023. The development timeline for Enterprise is expected to be approximately twelve months. The development of the project is still subject to Board approval.

Cash cost and all-in sustaining cost

Total Copper (\$/lb)	2022	2023	2024
C1	1.30 - 1.50	1.30 - 1.50	1.25 - 1.45
AISC	1.90 - 2.05	1.90 - 2.05	1.85 - 2.00
Ravensthorpe Nickel (\$/lb)	2022	2023	2024
C1	5.75 - 6.50	5.75 - 6.50	5.50 - 6.25
AISC	7.00 - 7.75	7.00 - 7.75	6.75 - 7.25

C1 cost guidance for both copper and nickel reflects recent inflationary and commodity price pressures as well as movement in foreign exchange rates, particularly in Zambia. AISC guidance also reflects higher royalties in Zambia related to copper prices as well as an increase in sustaining capital expenditures. At this stage, guidance assumes no change in royalties in Panama. C1 and AISC guidance for 2024 includes contribution from the S3 expansion at Kansanshi.

Nickel unit cost guidance does not include Enterprise. By 2024, C1 costs at Enterprise is expected to range between \$4.25-5.25/lb.

Capital expenditure

\$ million	2022	2023	2024
Capitalized stripping	250	250	275
Sustaining capital	310	290	290
Project capital	690	710	810
Total capital expenditure	1,250	1,250	1,375

The Company has been experiencing cost increases and delays on most current capital project works associated with shipping, steel price, fuel costs, and labour with the latter often an impact of COVID-19 constraints.

Guidance on 2022 and 2023 capital expenditures has been increased to reflect these inflationary and logistical pressures, in particular on project expenditures, as well as the inclusion of new projects.

Across the three years of guidance, approximately \$700 million will be spent on the Kansanshi S3 project development with the majority of the spend to occur over 2023 and 2024. Project capital over the guidance period now includes the South East Dome pit pre-stripping mining activities for a further \$100 million.

The total Kansanshi S3 development capital expenditure over the full life of the project is expected to be approximately \$900 million. The commencement of the S3 project will bring forward pre-strip mining activities of the South East Dome Pit, which is expected to be a further approximately \$350 million over five years to 2026. Pre-strip mining is classified as project capital. Kansanshi S3 development includes the development and construction of the S3 process plant circuit and mining fleet acquisitions.

Approximately \$450 million has been included for the 100 Mtpa expansion at Cobre Panama ("CP100"), including development of the Colina pit. The CP100 expansion includes ball mill 6, secondary screening, process water upgrades, overland conveyors, port modifications and the concentrate shed expansion.

In addition, approximately \$60 million is included in guidance for the development of the Enterprise nickel project.

New projects not previously included in guidance are: 1) the Enterprise nickel project; 2) Guelb Moghrein's cutback 4 in 2022 that extends the mine life by two years; as well as 3) upgrades to accommodation and camp facilities at Cobre Panama over the three years. Expenditure over the three years has also been increased for the acquisition of a fifth rope shovel, eight additional ultra-class haul trucks and port modifications at Cobre Panama. The Las Cruces underground project has not been included in capital expenditure guidance.

Sustaining capital expenditure is expected to range between \$290-310 million over the three years and reflects recent inflation, an increase in TSF costs, as well as timing of fleet component replacement programmes.

CLIMATE CHANGE REPORT AND GHG REDUCTION TARGETS

First Quantum today released the Company's inaugural Climate Change Report ("The Report"). This report, in keeping with our commitment to the ongoing development of our Environmental, Social and Governance reporting, demonstrates our continued commitment to communicate consistently and transparently. The Report is aligned with the Task Force on Climate-related Financial Disclosures and sets out the Company's climate strategy and resilience to the impacts of climate changes as well as outlining our targets to reduce GHG emissions while delivering responsible production growth in the metals that are essential to the global transition to a low carbon economy.

In The Report, First Quantum has set tangible targets and identified a realistic path to reduce our GHG emissions. The achievement of these targets is not expected to result in significant capital expenditures over the lives of mine or significant increases in operating costs based on the current cost of electricity at each location. The Report is consistent with our Climate Change Position Statement that can be found on our website.

The reduction of our carbon footprint includes, but is not limited to, the following actions:

- The expansion to 100 Mtpa at Cobre Panama is expected to be powered by renewable energy by 2023, saving approximately 70,000 tonnes of CO₂e per year.
- By 2025, First Quantum expects to be able to source alternative supply options of up to 50% of the energy currently provided by the Panama power station with renewable energy. This will contribute to a 30% reduction in the Company's absolute GHG emissions.
- By 2030, First Quantum expects to reduce its absolute GHG emissions and GHG intensity of our copper production by 50% as it aims to increase the use of alternative power and further reduce reliance on coal at Cobre Panama while maintaining our production through the Kansanshi S3 expansion and the Cobre Panama CP100 expansion.
- As we remain focused on responsible growth in copper production, we have implemented a carbon price for the evaluation of new projects to incentivize the use of lower carbon technologies and renewable sources of power as we seek to lower the GHG intensity of our production.
- First Quantum will continue to embrace innovation and the development of new technologies for optimising productivity, profitability and environmental impact through, for example, the expansion of our trolley assist infrastructure, expansion of in-pit crushing and conveying systems and increased use of electrical mining equipment.

The Company's GHG emissions reduction targets have an identified pathway to achievement and are based on commercially available solutions. For this reason, we have not made a net zero commitment at this time. We will continue to monitor the development of new technologies for implementation at our operations as they become commercially viable and we will update our GHG emissions reduction targets accordingly.

UPDATED FINANCIAL POLICY

First Quantum has updated its corporate Financial Policy, reflecting continued higher commodity prices, continued strong operational performance and an accelerated reduction of Group debt since the second quarter of 2020. First Quantum's Financial Policy underlines its confidence in the future of the business whilst still enabling the Company to advance its strong portfolio of growth projects.

In the near term, First Quantum's focus remains:

1. **Debt reduction:** Our commitment is to reduce total debt to levels appropriate for our business. The targeted debt reduction programme of \$2 billion is expected to be completed by H1 2022. This debt reduction target has been extended by a further \$1 billion in the short to medium term.

Our longer-term policy objective is a through-the-commodity-cycle Net debt/EBITDA ratio of less than 2 times.

2. **Investment in the business:** Disciplined business and growth investments will be considered in line with the Financial Policy leverage limits. This will include investment in brownfield projects to add incremental value at our existing mines. Capital investment in greenfield projects towards creating a third major production centre will remain limited whilst we first deliver on debt reduction and advance our brownfield projects.
3. **Increasing cash returns to shareholders:** Given the outlook for strong ongoing earnings from the business, the Board intends to commence a cautious increase in shareholder dividends.

The Board has adopted a new dividend policy comprising:

- A Performance Dividend so that an aggregate of 15% of available cash flows generated after planned capital spending and distributions to non-controlling interests are allocated to shareholder returns.
- Within the Performance Dividend there is expected to be a minimum Annual Base Dividend of C\$0.10 per share, comprising of biannual dividends of C\$0.05 per share.

The Board expects the Base Dividend to be sustainable in a range of market conditions whilst acknowledging the cyclical nature of the industry. Through the Performance Dividend, the Board will maintain an appropriate capital allocation between debt reduction, investment in the future of the business and cash returns to shareholders. The declaration of dividends remains at the discretion of the Board.

- **Interim dividend:** to be announced with second quarter and half year results, and paid in September
- **Final Dividend:** to be announced with fourth quarter and full year results, and paid in March

Available free cash flows for assessment of Performance Dividends will be reviewed at least annually.

The Company has established a Dividend Reinvestment and Share Purchase Plan (the "Plan") for its Canadian resident shareholders ("Eligible Shareholders"). The Plan enables Eligible Shareholders to reinvest the cash dividends paid on all or a portion of their Common Shares into additional Common Shares, which will be issued at 97% of the Average Market Price (as defined in the Plan) and provides the opportunity to make optional cash purchases of additional Common Shares on a semi-annual basis, on dividend payment dates.

To participate in the Plan, registered Eligible Shareholders must deliver a properly completed enrolment form to Computershare Trust Company of Canada ("Computershare") (in its capacity as "Plan Agent" under the Plan), as directed under the Plan, by no later than 4:00 p.m. Eastern time on the fifth business day immediately preceding a dividend record date in order for the cash dividend to which such record date relates to be reinvested under the Plan.

UPDATED NI 43-101 RESOURCE FOR THE LAS CRUCES UNDERGROUND PROJECT

First Quantum today announced the filing of an updated NI 43-101 Technical Report dated December 31, 2021 for the Las Cruces operations ("The Technical Report"). Las Cruces was an open-pit copper mine and hydrometallurgical plant operating in Sevilla Province, Southern Spain. The Technical Report documents an updated Mineral Resource estimate that upgrades the previous PPS Inferred Mineral Resources to 41.2 million tonnes of PPS 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.

Las Cruces successfully operated its open pit mine and hydrometallurgical plant over the last 12 years. Operations have depleted the remaining secondary sulfide resources and reserves, which was the subject of the previous NI 43-101 Technical Report dated June 2015. This previous NI 43-101 disclosed 35.8 million tonnes of Inferred PPS Mineral Resources. Since June 2015, Las Cruces has continued to extend and improve confidence in the PPS mineralisation. Extensive geological drilling, mine planning studies, metallurgical testwork and pilot plant studies have provided sufficient detail to support a confident PPS Mineral Resource estimate. The geological drilling involved the addition of 229 diamond core drilled holes for 44,875 added metres of core. The added data has improved overall understanding of the prevailing PPS geological and grade continuity.

The positive findings of these works form the basis to continue to conduct further detailed technical work for converting Mineral Resources to Mineral Reserves as part of the Las Cruces Underground Project.

The Technical Report was prepared for First Quantum's Cobre Las Cruces operation in Spain, Andalucia. The Technical Report was prepared by Mr. Juan Manuel Escobar Torres (European Federation of Geologists), Mr. David Gray (Fellow of the Australian Institute of Geoscientists) and Mr. Robert Stone (Chartered Engineer of the Institute of Materials, Minerals and Mining), all full time employees of First Quantum and each Qualified Persons (QP) as defined by the National Instrument 43-101's Rules and Policies. The QP's have reviewed this news release and declare its technical content to be a correct reflection of The Technical Report.

Cobre Las Cruces Mineral Resource statement as at December 31, 2021

Classification	Tonnes (Mt)	CuEq %*	Cu (%)	Pb (%)	Ag (g/t)	Zn (%)
Polymetallic Primary sulphide (1% CuEq cutoff grade*)						
Total Measured	18.32	2.81	1.27	1.37	33.39	3.11
Total Indicated	17.92	2.20	1.24	0.89	25.36	1.87
Sub Total Measured and Indicated	36.24	2.51	1.26	1.13	29.42	2.50
Indicated Stockpiles	5.02	2.46	1.19	1.63	29.40	2.21
Total Measured and Indicated	41.26	2.50	1.25	1.19	29.42	2.46
Total Inferred	7.09	1.93	1.23	0.73	29.47	1.12
<i>*Resource estimates for the polymetallic primary sulphide and stockwork material are based on a cut-off grade of 1.0 % copper equivalent (CuEq) based upon the following formula which accounts for metal price (\$3.37/lb copper, \$1.1/lb zinc, \$0.91/lb lead and \$21.23 silver) , metallurgical recoveries and amounts payable by the Smelter:</i>						
$CuEq = [Tcu\% + (Zn\% \times 0.339) + (Pb\% \times 0.227) + (Ag \text{ ppm} \times 0.005)]$						

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

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CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain statements and information herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. The forward-looking statements include estimates, forecasts and statements as to the Company's expectations of production and sales volumes, and expected timing of completion of project development at Enterprise and post-completion construction activity at Cobre Panama 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 (including but not limited to the temporary suspension of labour activities at Cobre Panama implemented in April 2020), 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", "believes", "targets" or "intends" 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 Panama, Zambia, Peru, Mauritania, Finland, Spain, Turkey, Argentina and Australia, adverse weather conditions in Panama, 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.