



FIRST QUANTUM
MINERALS LTD.



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TSX: FM; LSE: FQM

APRIL 2016

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENT

Some of the statements contained in the following material are forward-looking statements and not statement of facts. Such statements are based on the current beliefs of management, as well as assumptions based on management information currently available.

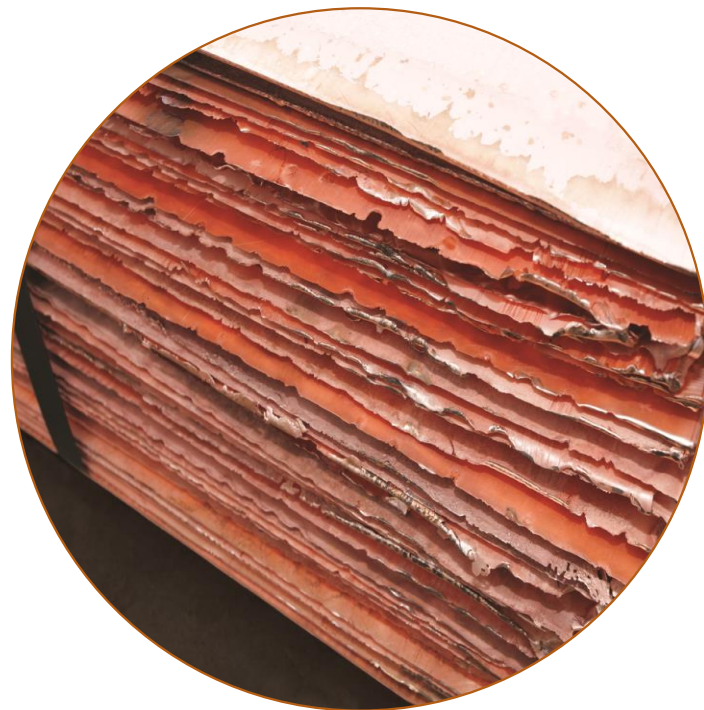
Forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Readers must rely on their own evaluation of these uncertainties.

Note: all dollar amounts in US dollars unless otherwise indicated

OUR ACTION PLAN AMID VOLATILE MARKET CONDITIONS

- Operate safe and efficient facilities
- Strengthen and protect the balance sheet
- Ensure profitability and cash flow from operations are maximized and protected
- Limit cash outflows to essential and economically attractive projects



EXECUTING OUR PLAN

ACTIONS TAKEN

Completed an equity issue for ~ Cdn\$1.4B	Q2'15
Re-phased and lowered the 2015 capital program by ~ \$700M	Q1'15
Renegotiated the ENRC Promissory Note for ~\$300M	Q3'15
Reduced workforce company-wide ~ 440 positions	Q1'15
Lowered salaries by up to 20%	Q1'15
Reduced dividend payout ratio	Q1'15
Launched a dividend re-investment and share purchase plan	Q1'15

EXECUTING OUR PLAN

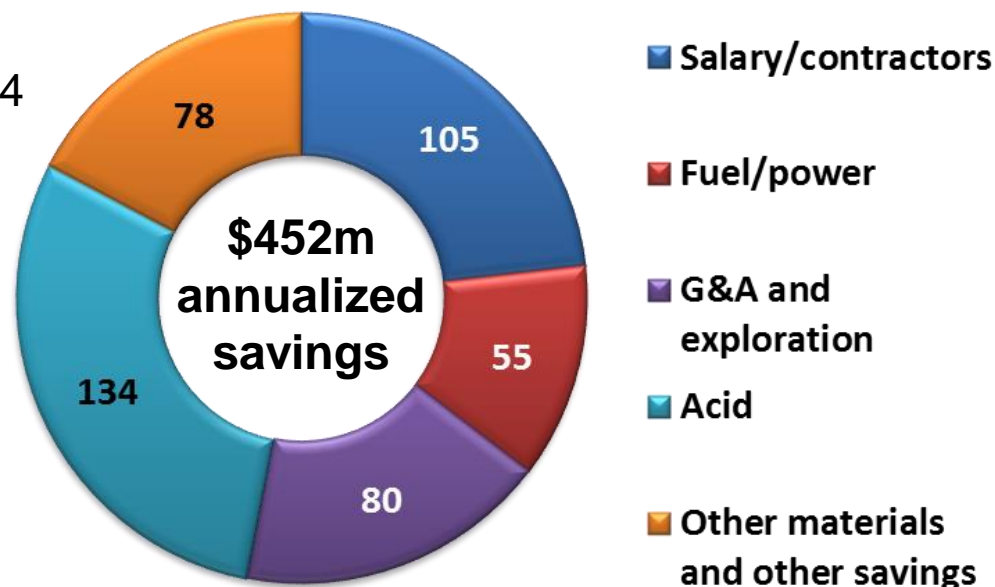
ADDITIONAL DEVELOPMENTS

Signed the revised precious metals stream agreement – \$1B	Q3'15
Reduced Cobre Panama capital estimate by 15% – ~\$940M	Q4'15
Reduced remaining three-year capital program – \$800M	Q3'15
Started a copper hedge program	Q3'15
Committed to reduce net debt through asset sales & other strategic initiatives	Q3'15
<ul style="list-style-type: none"> – Sale agreement to sell the Kevitsa mine – \$712M* – Advancing other strategic initiatives 	Q1'16
* Expected to close in mid-2016	

OUR PLAN IS WORKING

- Q4'15 average realized price of \$2.28/lb. exceeded market
- Lowered operating cost:
 - Q4'15 copper C1 = \$1.07/lb.; AISC* = \$1.54
 - Q4'15 nickel C1 = \$4.31/lb.; AISC* = \$4.98
- \$452M annualized cost savings, excl. effects of foreign currency
- Strengthened financial position; lending group remains supportive

** Defined as C1 plus general and administrative expenses, capitalized stripping, sustaining capital expenditures and royalties.*



LONG-TERM DEBT PROFILE

Debt Maturity Profile (\$m)

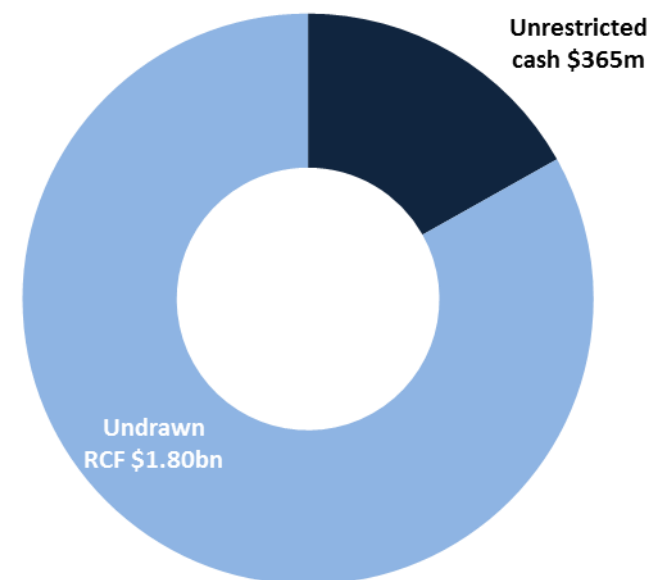
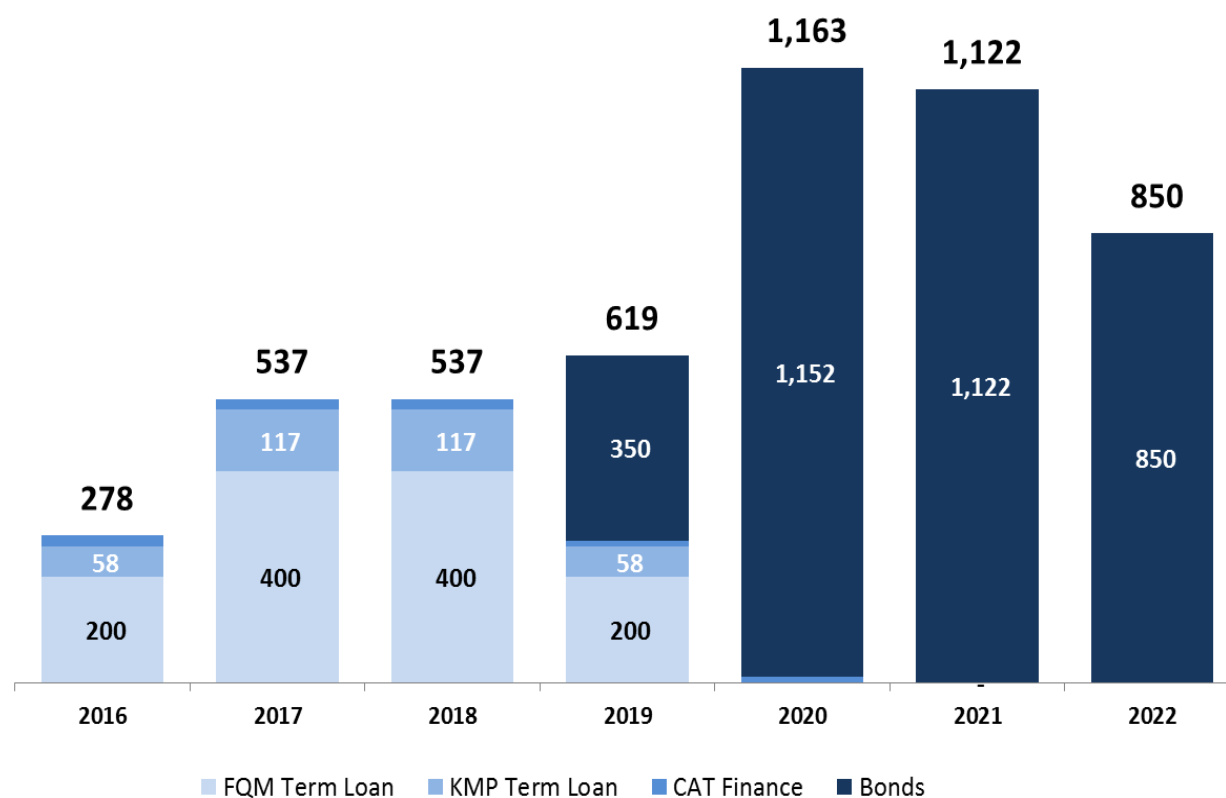
No Bond Principle due until 2019

Covenant ratio

Net debt/EBITDA covenant ratio of 5.8x - within bank covenant of 7.5x

Q4 2015 Liquidity

Q4 2015 Liquidity:
\$365m unrestricted cash
\$1.80bn undrawn RCF (expires 2019)



NEW COPPER SMELTER MAKING A DIFFERENCE

- Declared commercial production July 1, 2015
- Achieved 100% nameplate capacity within three months of start-up
- Benefits to Kansanshi mine:
 - Now able to operate without the constraints of limited availability and widely-fluctuating sulphuric acid prices and the lack of smelter capacity in Zambia
 - Average Q4 2015 C1 cost of \$1.09/lb. compared to \$1.68/lb. in Q4 2014



COPPER SMELTER



DEVELOPMENTS IN ZAMBIA PERTINENT TO THE INDUSTRY

- **Power situation in Zambia has stabilized**

- Operations being consistently provided a total of approx. 285MW which allows for normal operations at the Kansanshi mine and smelter complex and for Sentinel to operate at above nameplate capacity throughput for periods
- State-run power company importing power from neighbouring countries
- Annual replenishment of Kariba dam occurring with rainy season which runs through April
- Approx. 400MW of new power generation capacity expected online in 2016 (300MW thermal + 100MW hydro)
- First Quantum is evaluating a number of options to independently secure power for its operations both in the near and long term.

- **Change proposed to royalty regime:**

- Currently 9% royalty, 30% corporate tax, up to 15% variable profits tax
- Government proposing to change current 9% royalty for open pit mines to between 4% - 6%, depending on the copper price

- **Kansanshi VAT refunds outstanding**

- 2015 = \$46M (net of \$18M refund received)
- Prior to 2015 = \$158M

SENTINEL AWAITING 2ND POWER LINE TO BE ENERGIZED

- Commissioning continuing within the constraints of less than full power requirements
- Delay in energizing the 2nd power line has allowed for identification and implementation of solution to issue of fines present in the ore
- With all areas of the facility now tested, ramp up to full operations expected to be smooth once full power is provided



RAMPING UP SENTINEL



RAMPING UP SENTINEL



COBRE PANAMA – DEVELOPMENT CAPITAL REDUCED

- Capital reduced 15% to \$5.48B
- Mainly from efficiencies achieved to date in the critical aspects of the project and better pricing for materials and equipment
- Expenditures being managed to suit market conditions

Project	Timetable
US\$5.48 billion total capex \$2.77 billion remaining FQM share \$1.67 billion	<div>2016</div> <ul style="list-style-type: none"> • \$650m capex • FQM \$390m
39% construction complete	<div>2017</div> <ul style="list-style-type: none"> • \$800m capex • FQM \$480m
Plant ramp-up from 2018	<div>2018</div> <ul style="list-style-type: none"> • \$800m capex • FQM \$480m
	<div>2019</div> <ul style="list-style-type: none"> • \$520m capex* • FQM \$318m

* Includes contingency of \$300m



COBRE PANAMA – 2016 OBJECTIVES

1. Control capital cost and manage cash outlay
2. Power station
 - Ready for boiler 1 pressure test
3. Concrete and structural steel works
 - Provide access for other disciplines into 2017 for low \$ spend
4. Install mills (already owned)
 - 6 out of 7 mill shells and 3 gearless motor drives
5. Steady progress on tailings management facility
6. Complete permanent access road and put into use



COBRE PANAMA – CURRENT STATUS: POWER STATION

- Overall 70% complete
- 95% delivered
- Installation ~20% complete end Jan16
- 230kV powerline underway



POWER PLANT UNIT 1 & 2 OVERVIEW 01-FEB-2016



COBRE PANAMA – CURRENT STATUS: PORT

- Port construction ~67% complete
- Inauguration of shipping operations in August 2015
- Six ships berthed in 2015



PORT OVERVIEW 01-FEB-2016



COBRE PANAMA – CURRENT STATUS: PROCESS PLANT

- Overall 50% complete
- Focus on installation of what we already own
- Critical earthworks complete
- Camps complete
- Installation ~19% complete



PROCESS PLANT OVERVIEW 01-FEB-2016



COBRE PANAMA – CURRENT STATUS: MILL BUILDING

- First mill shells installed
Feb 10 2016



FIRST MILL SHELL INSTALLATION 10-FEB-2016



COBRE PANAMA – CURRENT STATUS: TMF

- Tailings management facility volumes ~47% complete
- Decant tunnel ~11% complete



TAILINGS MANAGEMENT FACILITY DECANT OUTLET CHANNEL 01-FEB-2016



BUILDING A LEADING GLOBAL COPPER-FOCUSED COMPANY

**Exercising prudence
in cash outlays
and alert to
optimization opportunities
to ensure
First Quantum
is well-positioned
to benefit fully
in stronger markets**





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