FIRST QUANTUM MINERALS LTD.

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TSX:FM

January 2018

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

DELIVERING ON OBJECTIVES





1. Disciplined Capital Management
2. Advancing Cobre Panama Project As Scheduled
3. Ramping Up Sentinel Mine
4. Continuing Focus On Margin Improvement
5. Maintaining Good Operations

DISCIPLINED CAPITAL MANAGEMENT & STRONG LIQUIDITY PROFILE

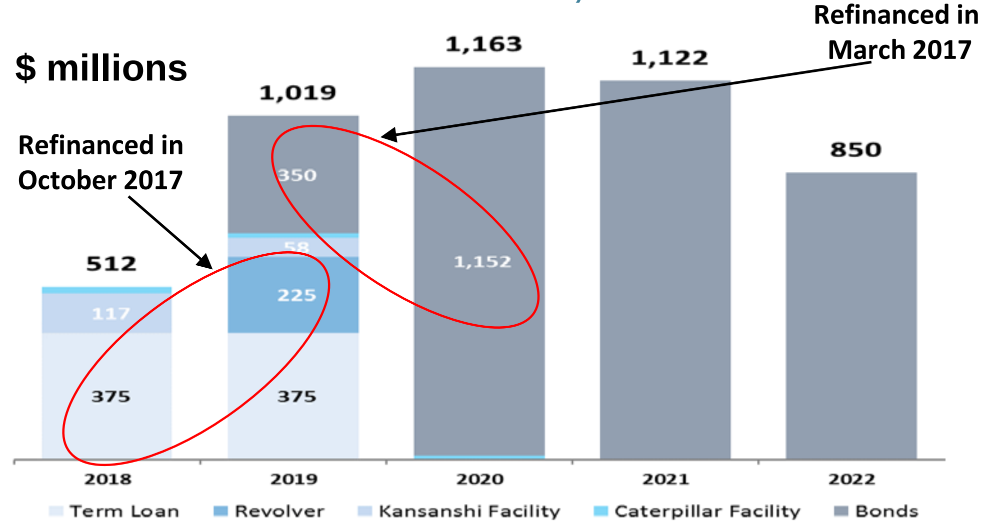
Active Balance Sheet Management

- October 2017, refinanced the corporate facilities with a new $2.2 billion Facility that has improvements to the interest rate, financial covenants and amortization schedule.
- March 2017, Issued $2.2 billion senior notes (two $1.1 billion senior notes maturing in 2023 and 2025) to refinance the $350 million and $1.1 billion senior notes respectively maturing in 2019 and 2020. $296 million was used to prepay a portion of the Term Loan (maturing in December 2019).
- $508 million of committed undrawn facilities, $476 million in net unrestricted cash as of September 30 2017.
- Progressing project financing for Cobre Panama.
- Initiated sales hedge program to ensure stability of cash[1] .
- June 2016, divested the non-core Kevitsa mine for a total of $712 million.
- In full compliance with all financial covenants.

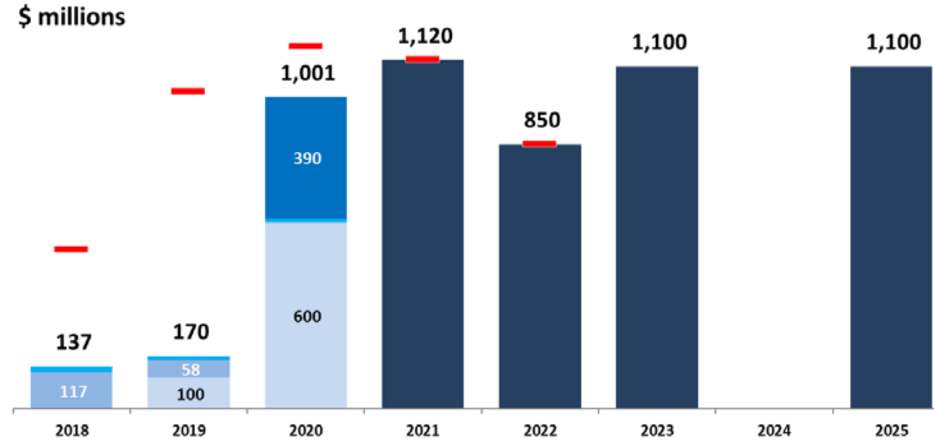
[1] To match the construction and commissioning of Cobre Panama

Debt Maturity Profile

As at December 31, 2016

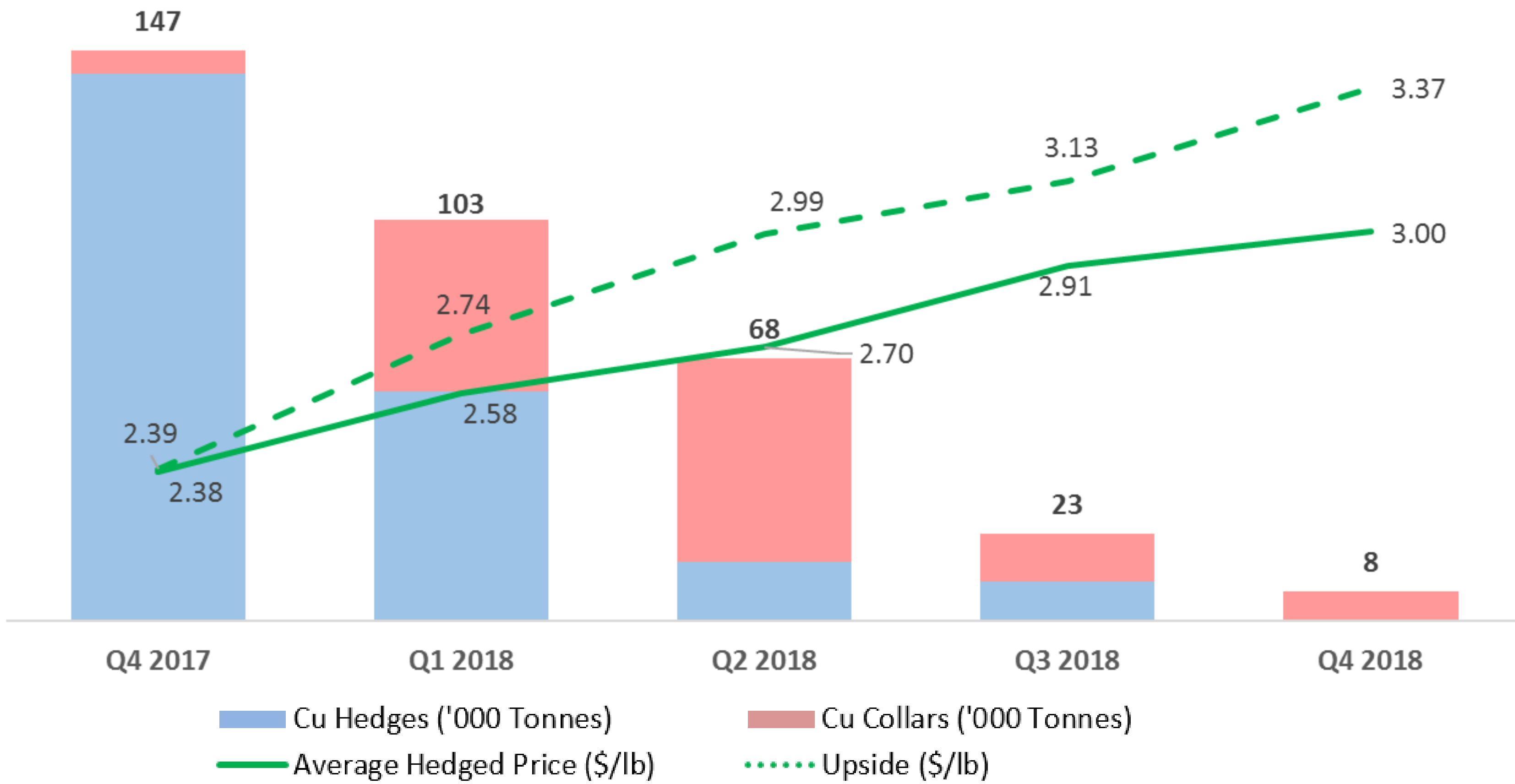


Pro Forma With Refinancing



DISCIPLINED CAPITAL MANAGEMENT & STRONG LIQUIDITY PROFILE

INCREASE IN HEDGE PRICES GOING FORWARD



- Copper price protection program continues, up to one year forward
- Increased use of zero cost collars in 2018 providing protection and potential upside

As at October 26, 2017

ADVANCING COBRE PANAMA PROJECT ON SCHEDULE

Timing	Deliverable		Status
2016	➢ Cost optimization and cash conservation ➢ Focus on priority construction areas		**Complete** ***$458 million capex spent[1]***
2017	➢ Export jetty completed ➢ Complete first 150MW unit of power plant		**Good progress**
2018	➢ Complete second 150MW unit and commission both 150MW units of power plant ➢ Complete and commission first train of process plant ➢ First production of concentrate ➢ Commence power sales		**On track**
2019	➢ Commercial production		**On track**

Milestones & focus

- Mining concession extended for a second 20-year term to February 2037
- High focus on port and power station
- Currently commissioning 1st 150MW generating set
- Connected to the Panamanian electricity grid
- Power generation into the Panamanian electricity grid expected in Q1 2018
- 2nd 150MW unit expected to follow into operation in mid 2018
- Mine site and process plant areas at peak construction
- 7th and final mill installation completed
- Phased commissioning to begin in 2018
- Ramp up to commercial production

[1] First Quantum's share of capital expenditure

PROJECT FINANCING PROCESS NEARS COMPLETION

- Completed the final term sheet phase for launch to the commercial banking market
- A key objective is to achieve long tenors to match the long-term cash flows of the asset
- Strong appetite for the transaction demonstrated during market sounding
- Targeting up to $2.5 billion
- Completion & drawdown expected by end of Q1 2018

INCREASED OWNERSHIP IN MINERA PANAMA TO 90%

- Minera Panama holds the concession for the Cobre Panama project
- $635 million purchase price to be paid in six tranches over five years
- Partially funded by proceeds, of $178M, from an additional precious metals stream agreement with a subsidiary of Franco-Nevada
- The additional stream, other than the on-going price, will mirror the existing stream:
  - Indexed gold and silver deliveries to copper-in-concentrate shipped
  - An on-going price equal to 20% of the spot price for gold and silver at the time of delivery until 302,000 ounces of refined gold and 4.8 million ounces of refined silver have been delivered. Thereafter, the on-going price will increase to 50% of the prevailing spot prices.

COBRE PANAMA DEVELOPMENT CAPITAL

$5.71 billion estimate includes enhancements from Sentinel & Kansanshi smelter

$ millions	YTD 2017	Full Years Guidance*		
	Actual	2017	2018	2019
Total Cobre Panama	865	1,250	868	110
First Quantum share @80%	515	750	520	(30)
First Quantum share + additional 10%	515	816	607	(19)

Funding

		First Quantum	+ Additional	3rd
$ billions	Total	@80%	10%	Parties
Spent to December 2015	2.72	1.86		0.86
Spent to December 2016	0.76	0.52		0.24
Spent to September 2017	0.87	0.52		0.35
Estimated 2017 spend*	0.39	0.24	0.07	0.08
Estimated 2018 to completion spend*	0.97	0.49	0.09	0.39
Total Cobre Panama*	**5.71**	**3.63**	**0.16**	**1.92**

* As at October 26, 2017

OTHER IMPROVEMENTS UNDER EVALUATION

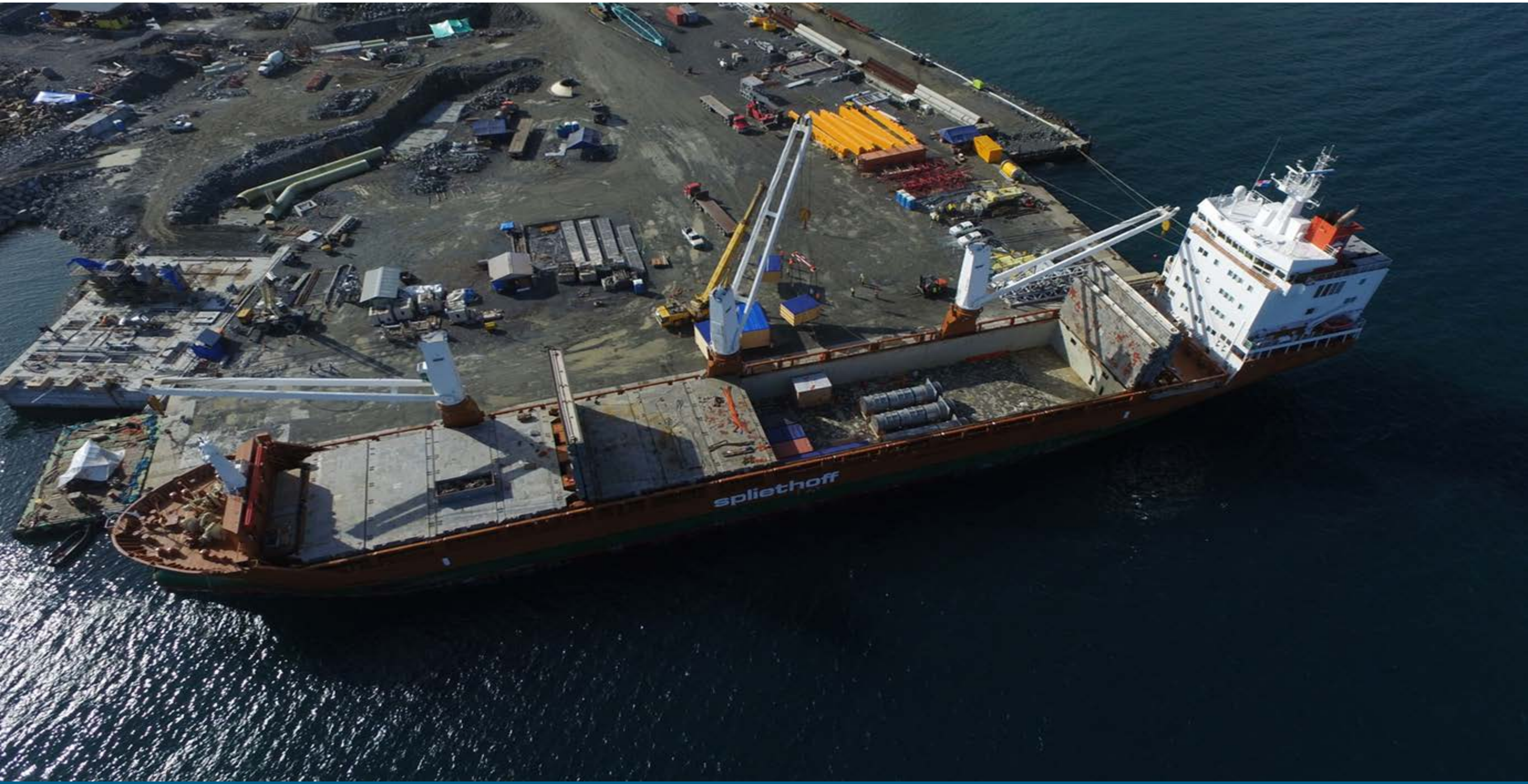
- Additional mine pre strip to help open up larger workface areas for the ultra-class fleet that will be used on the mining.

- A partial 1st raise of the Tailings Management Facility wall embankments, which would otherwise normally occur within two years of start-up, and could help with operability of the facility in the early years.

- The addition of an 8th mill which could boost throughput by ~15% per annum. Mill is already owned and available to be deployed to Cobre Panama.

COBRE PANAMA PROGRESS – PORT & POWER STATION OVERVIEW

COBRE PANAMA PROGRESS – PORT



COBRE PANAMA PROGRESS – POWER STATION

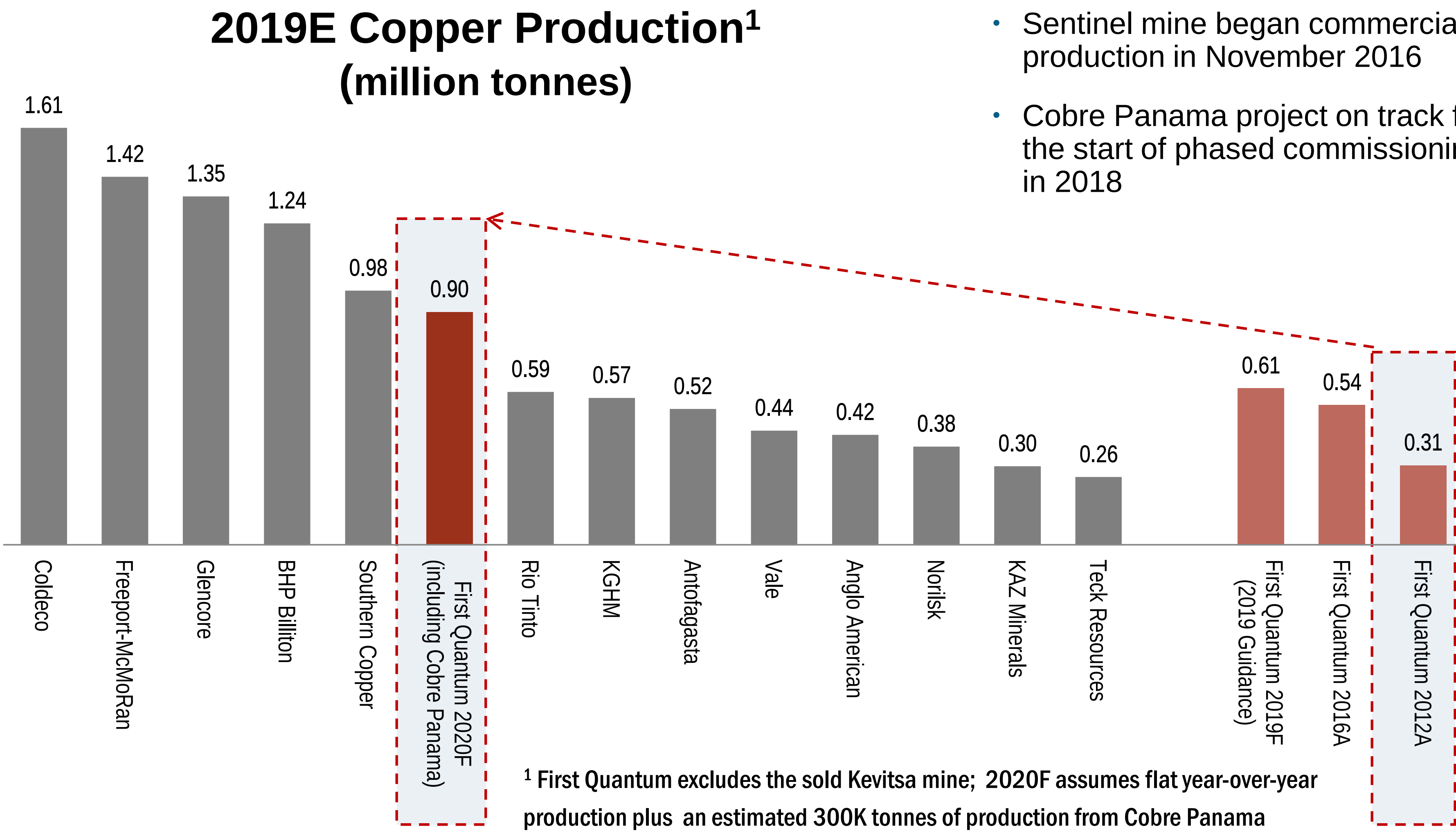
COBRE PANAMA PROGRESS – MINESITE OVERVIEW

COBRE PANAMA PROGRESS – MILLING AREA

COBRE PANAMA PROGRESS – SECONDARY CRUSHING

COBRE PANAMA PROGRESS – FLOTATION AREA

UNRIVALLED GROWTH IN COPPER PRODUCTION



- Sentinel mine began commercial production in November 2016
- Cobre Panama project on track for the start of phased commissioning in 2018

[1] First Quantum excludes the sold Kevitsa mine; 2020F assumes flat year-over-year production plus an estimated 300K tonnes of production from Cobre Panama

Source: Company releases

EARLY-STAGE DEVELOPMENT PROJECTS

TACA TACA PROJECT, ARGENTINA

- Acquired in August 2014
- Located in the Puna region of Salta Province
- An outstanding copper deposit
- Conducting environmental impact assessment studies; collection of baseline data for fauna, flora and other environmental attributes completed
- Commercial & logistics aspects being addressed

EARLY-STAGE DEVELOPMENT PROJECTS

HAQUIRA PROJECT, PERU

- Acquired in December 2010
- Located in the Apurimac Department of southern Peru
- One of the world's major undeveloped copper deposits
- Focused on the community and environmental aspects of the project

FRAMEWORK AGREEMENT ON THE PEBBLE PROJECT

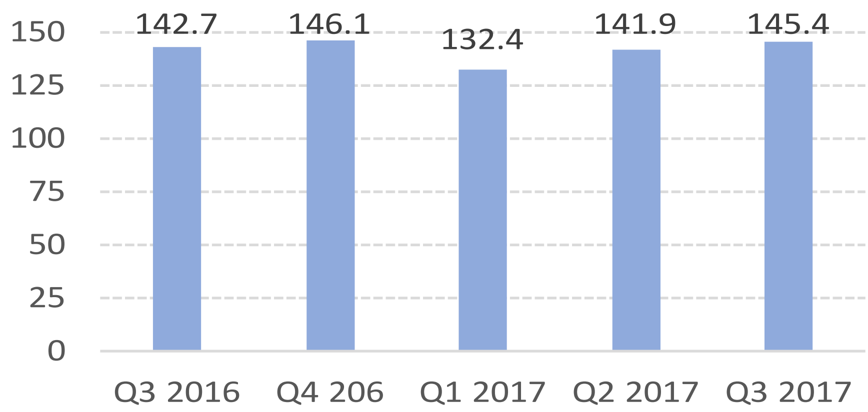
PEBBLE: THE LARGEST UNDEVELOPED COPPER AND THE LARGEST UNDEVELOPED GOLD DEPOSIT IN THE WORLD

- Option Agreement to be finalized in Q2 2018, subject to completion of due diligence and other matters:
  - The term of the option will be for a period of four years – can be extended for two 1-year terms
  - The option price for the initial four years is US$150 million payable in equal tranches of US$37.5 million
  - All of the option price will be applied to advancing the permitting process for development of the project
  - Will entitle First Quantum to earn a 50% interest in the Pebble Limited Partnership, the owner of the Pebble project, by investing an additional total amount of US$1.35 billion

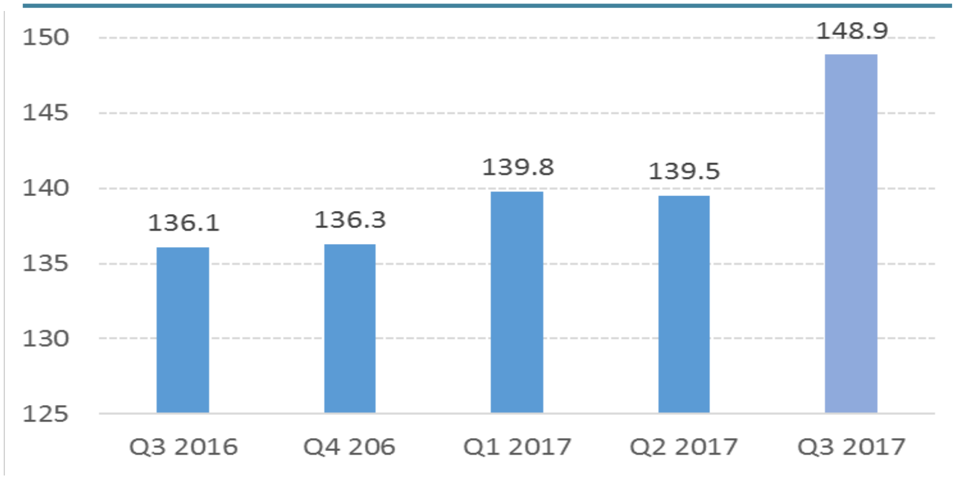
- January 2018 - US Army Corps of Engineers initiates the Environmental Impact Statement process:
  - This rigorous process is expected to be conducted in a three to four year period
  - There will be no construction, development or physical disturbances at site during this process

MAINTAINING GOOD OPERATIONS

Strong copper production – 000's tonnes



Record quarterly copper sales – 000's tonnes



Financial Highlights

$ millions	Q3 2016	Q2 2017	Q3 2017
Revenues	605	782	877
Gross Profit	80	66	83
Comparative EBITDA	220	267	304
Comparative Earnings (Loss)	37	(18)	(28)
Cash flows from Operations	263	205	267

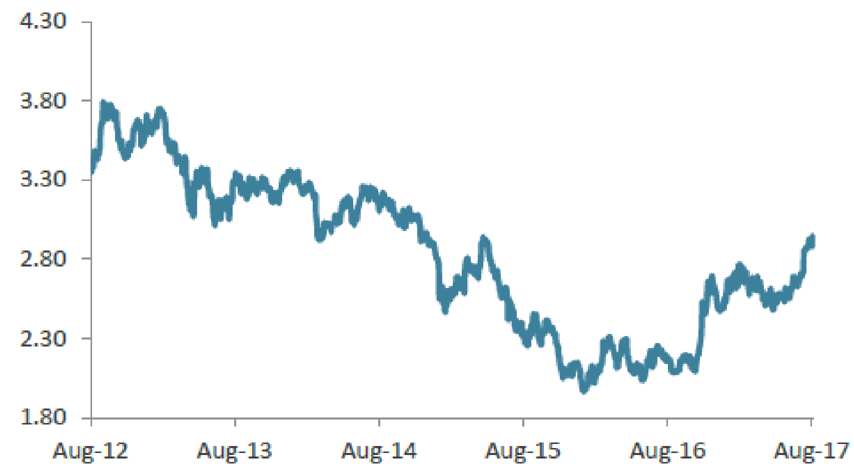
- New Sentinel mine turned in its strongest performance to date
- Maintained overall low unit copper production cost
- Gold production of 47,213 ounces
- Comparative loss incurred as no tax credit recognized on sales hedge program losses

ATTRACTIVE LONG-TERM INDUSTRY OUTLOOK

Copper Overview

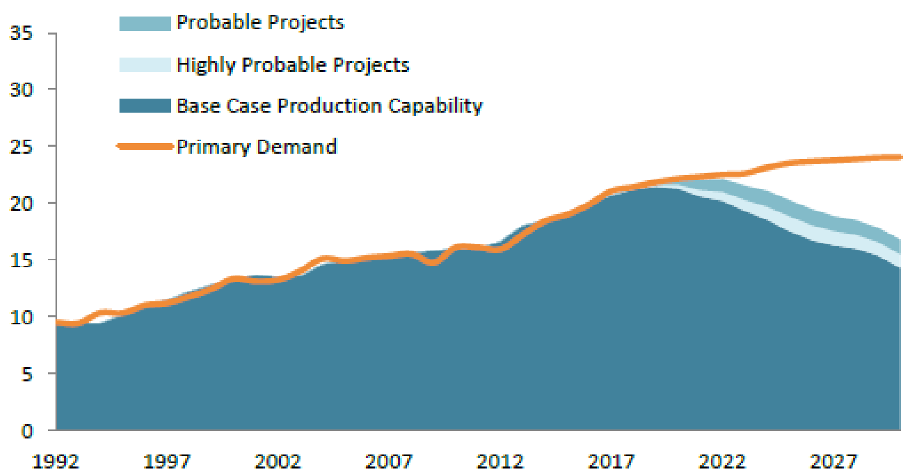
- Sentiment in the copper market improved at the end of 2016
  - Stronger Chinese demand
  - Increased infrastructure spending in the US
  - Declining inventories
- Fundamentals of copper support robust long term prices
  - Over the next few years supply is expected to fall as a result of producers curtailing capacity with consistent supply deficits between 2021 and 2023
  - Demand to continue expanding

Historical Copper Price Performance ($/lb)

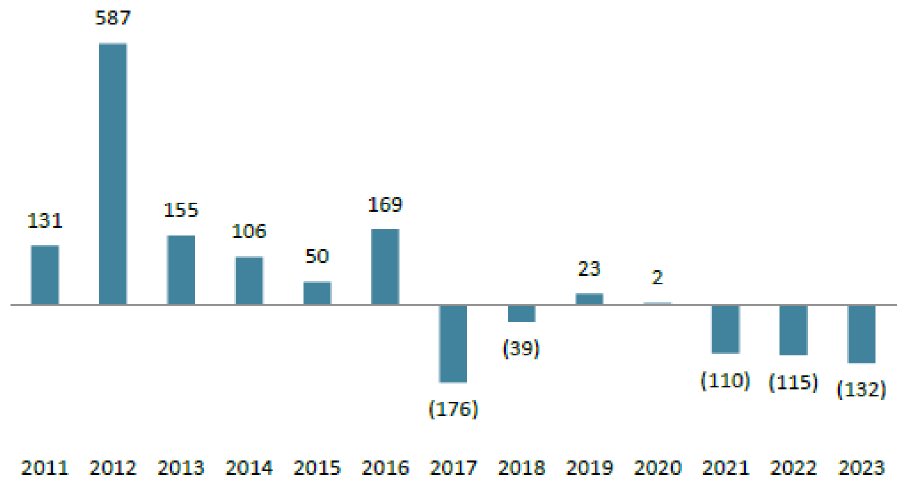


Sources: SNL. As of 17.08.2017

Copper Production and Primary Demand (mt)



Copper Supply Surplus / (deficit) (kt)



Sources: Wood Mackenzie Metals Markets Service – Copper Long-Term Outlook Document Tables, December 2016

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