



FIRST QUANTUM
MINERALS LTD.



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May 2015

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.

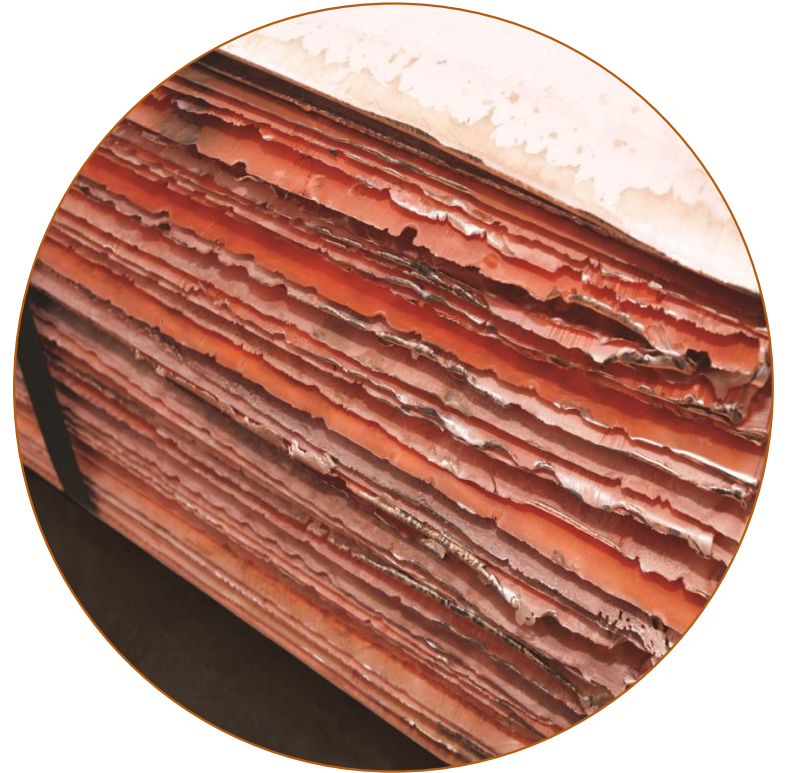
Forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Readers must rely on their own evaluation of these uncertainties.

Note: all dollar amounts in US dollars unless otherwise indicated

BUILDING A LEADING GLOBAL COPPER-FOCUSED COMPANY

- Delivering new production capacity
- Maintaining a healthy balance sheet
- Enhancing our growth pipeline
- Operating safe and efficient mines



DELIVERING NEW PRODUCTION CAPACITY

Smelter Ramping-up Ahead of Expectations

- Already operating at ~65% of capacity
- Releasing copper concentrate inventory
- Sulphuric acid by-product reducing 3rd party purchases
- Benefiting from:
 - Extensive planning & built-in contingencies
 - Focus on operator training
- A valuable addition to our asset base in Zambia



SMELTER RAMPING-UP AHEAD OF EXPECTATIONS



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SMELTER RAMPING-UP AHEAD OF EXPECTATIONS



DELIVERING NEW PRODUCTION CAPACITY

Sentinel Mine Making Steady Progress

- Pace of ramp-up improving with start of drier weather
- Train 1 achieving periods of above design throughput
- Train 2 being commissioned
- All required power on track to be connected by August 2015
- Commercial production expected in Q3 2015



SENTINEL MINE MAKING STEADY PROGRESS



SENTINEL MINE MAKING STEADY PROGRESS



SENTINEL MINE MAKING STEADY PROGRESS



DELIVERING NEW PRODUCTION CAPACITY

Cobre Panama Progressing Strongly & Under Good Control

- Engineering of all major areas ahead of site requirements

- **Port**

- Earthworks complete
- Concrete pouring for powerstation
- Material offloading facility complete
- Structural steel erection underway

- **Tailings dam**

- Constructing both the eastern and northern embankments

- **Process plant**

- Earthworks complete at the milling and stockpile areas
- Well-advanced on the flotation area earthworks
- Well-advanced in concrete pouring
- Structural steel erection starting shortly
- Commencing installation of 3 mills



COBRE PANAMA PROGRESSING STRONGLY & UNDER GOOD CONTROL



COBRE PANAMA PROGRESSING STRONGLY & UNDER GOOD CONTROL



COBRE PANAMA PROGRESSING STRONGLY & UNDER GOOD CONTROL



DELIVERING NEW PRODUCTION CAPACITY

Enterprise Development Continuing

- Concrete works essentially complete
- SAG and ball mills installed
- Structural and tank works underway
- Production pre-strip ready by Q3 2016
- Flexible 4 mtpa processing plant can be used for copper production at Sentinel
- Market conditions will determine timing of operations



MAINTAINING A HEALTHY BALANCE SHEET

Cash Flow Capability Increases With Ramp-up of Smelter and Sentinel

- As at March 31, 2015
 - Cash = \$302M; Available facilities = \$744M
- Financial covenants revised to reflect adverse impact of recent decline in metal prices and higher royalty in Zambia. Compliant with Net Debt to EBITDA covenant under the Financing Agreements and expect to remain so in the future
- Reduced capital expenditure program
 - From \$2.9B in 2014 to \$1.4B in 2015
 - Reflects completion of Sentinel, the smelter and other smaller projects
 - Workplan unchanged at Cobre Panama; \$600M capex estimate for 2015; project's progress intact
- Reduced dividend; launched dividend reinvestment and share purchase plan
- Stepped-up focus on cost and cash containment



OPERATING SAFE & EFFICIENT MINES

Q1 Performance In-line with Guidance

- Kansanshi's production intentionally limited in Q1
 - Going forward, smelter operations expected to:
 - Further release concentrate inventory
 - Allow greater utilization of CCD capacity
 - Remove smelter capacity constraints
- Ravensthorpe's high-pressure acid leach circuit operating well
- All mines cash positive and profitable
- Unit production cost benefiting from cost reduction initiatives and lower fuel costs



ENHANCING OUR GROWTH PIPELINE

- Taca Taca project acquired in August 2014
- Located in the Puna region of Salta Province, Argentina
- Detailed review of geology, exploration and development options now underway



TACA TACA PROJECT



ZAMBIAN DEVELOPMENTS

- **Zambian royalty regime effective January 1, 2015**
 - Corporate tax 0%
 - Royalty 20%
 - Decreased EBITDA at Zambian operations
 - Expected to be abolished July 1, 2015
- **Proposed tax regime**
 - Corporate tax 30%
 - Royalty 9%
 - Variable tax up to 15%
 - Expected to take effect July 1, 2015
- **VAT refunds outstanding**
 - \$242M refunds outstanding at March 31, 2015
 - Classified as non-current

STRONG LONG-TERM FUNDAMENTALS FOR COPPER INTACT

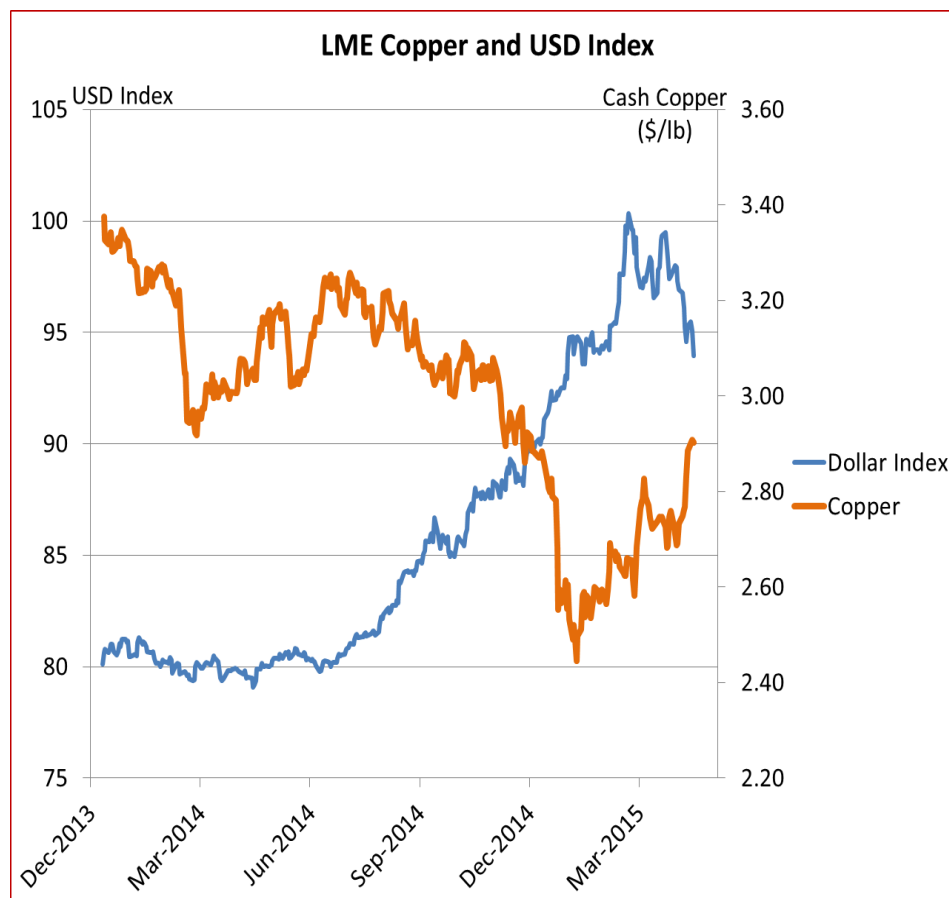


WHAT HAS CHANGED?

Reuters Poll	January	April
2015 Market Surplus	221 kt	105 kt

- Dollar appreciation slowing, taking some pressure off copper prices

- Consensus surplus for this year shrinks to 105kt – minimal in context of 23Mt market



WHAT HAS CHANGED?

- Chinese economy continues to decelerate but officials indicate they have the means to stimulate growth and intend to use them
 - Antaika (state-owned market research company) forecast of copper consumption growth revised down to 5.7% from 6.3% - expect programs will stimulate growth in H2
 - Wood Mackenzie forecast 2015 Chinese copper consumption growth of 4.3%

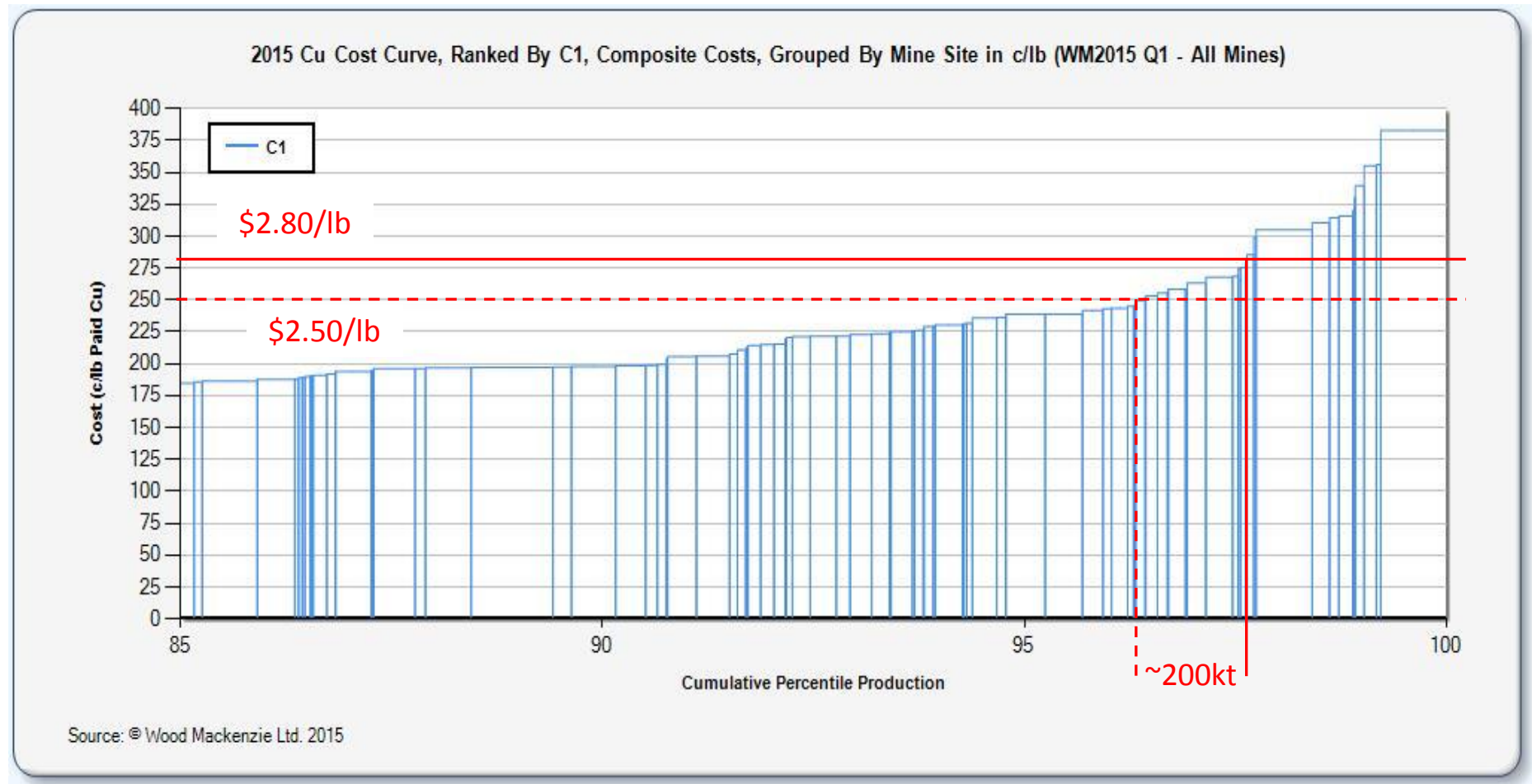
China Economic Policy News

30 Mar - Eased lending and tax policies on real estate.

19 Apr - Reserve Requirement Ratio for banks reduced 1% to 18.5%.

24 Apr - "To boost activity, China will accelerate the construction of big projects, more of which will be announced soon," said Luo Guaosan, deputy head of the investment office at the NDRC.


REBOUND IN COPPER PRICE HAS TAKEN SOME PRESSURE OFF THE UPPER END OF COST CURVE




Note: C1 excludes royalties

MARKET BALANCE: A RACE BETWEEN EASING DEMAND GROWTH AND EASING SUPPLY GROWTH

THE DOWNSIDE

- 
- Chinese slowdown deeper than forecast
 - Rate of decline of home prices slowing but property market glut continues to be an overhang
 - Further decline in Chinese copper financing demand
 - Eurozone turnaround stalls
 - Grexit

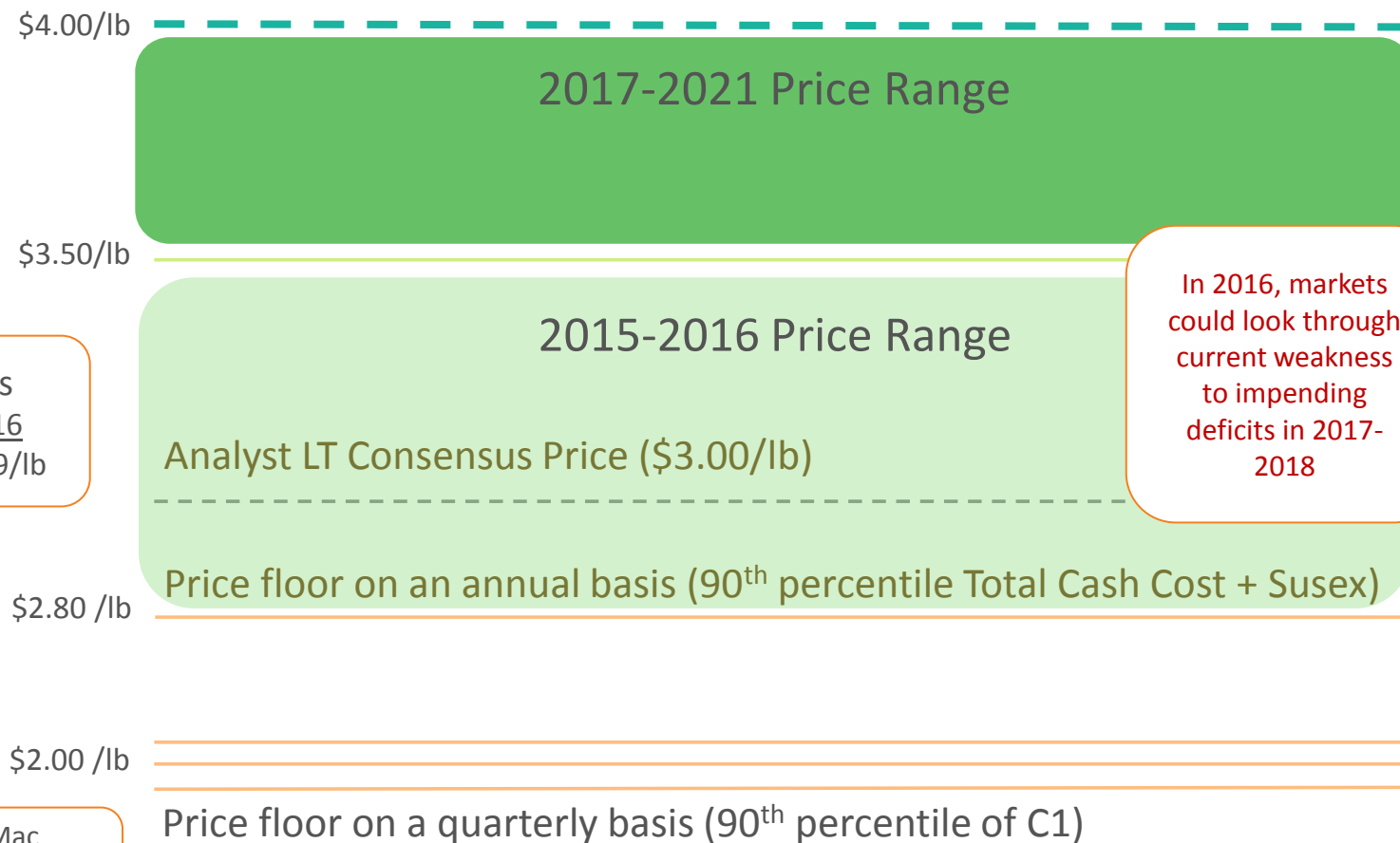
THE UPSIDE

- 
- Disruptions to supply slightly ahead of forecast pace
 - WoodMac assume 5% for the year and by early April we were at 1.9%. 6% for the year would eliminate their expectation of a modest surplus
 - Labour contracts expire at Antamina (400 kt), Grasberg (470 kt), Toquepala (130 kt), Cuajone (170 kt)
 - China's State Reserve Bureau resumes inventory build

NO REASON FOR THIS CYCLICAL DIP TO BEHAVE SIGNIFICANTLY DIFFERENTLY FROM PREVIOUS ONES

- 90th percentile C1 (\$2.00/lb) should provide floor on a quarterly basis
 - Cannot rule out repeat of January dip but would be short-lived
- Will take some time for the market to be convinced the global economy has positive momentum; significant pessimism still built into price

NEAR-TERM PRICE AT LOWER END OF RANGE DUE TO DEMAND HEADWINDS; BULLISH LONG-TERM VIEW REMAINS INTACT



Updated WoodMac
database
90th percentile of C1 curve

GROWTH SUPPORTED BY HIGH-QUALITY EFFICIENT OPERATIONS



FULL YEAR GUIDANCE

- **PRODUCTION RANGES**

- Copper 410,000 - 440,000 tonnes
- Nickel 32,000 - 40,000 tonnes
- Gold 218,000 - 247,000 ounces
- Zinc 40,000 - 45,000 tonnes
- Platinum 25,000 - 35,000 ounces
- Palladium 26,000 and 29,000 ounces

In addition, total physical production at Sentinel is expected to be between 120,000 and 150,000 tonnes of copper.

- **CASH COST OF PRODUCTION RANGES**

- Copper \$1.30 and \$1.55 per pound, inclusive of post-commercial production at Sentinel
- Nickel \$4.80 and \$5.30 per pound

- **CAPITAL EXPENDITURES***

- \$1.4 billion including \$600 million for the Cobre Panama project

* Excludes capitalization of any pre-commercial production costs and capitalized interest

BUILDING A LEADING GLOBAL COPPER-FOCUSED COMPANY

- Top 10 copper producer with significant nickel and gold production
- Operations and projects in 9 countries
- High-quality, efficient operations
- Healthy balance sheet
- Industry-leading growth
- Unique core strength of in-house project development
- Strong track record of project development and shareholder returns





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