



FIRST QUANTUM
MINERALS LTD.

NEWS RELEASE

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www.first-quantum.com

FIRST QUANTUM MINERALS REPORTS FOURTH QUARTER 2015 RESULTS

(In United States dollars, except where noted otherwise)

First Quantum Minerals Ltd. (“First Quantum” or the “Company”, TSX Symbol “FM”, LSE Symbol “FQM”) today announced comparative earnings¹ of \$190 million (\$0.28 per share) and cash flows from operating activities of \$765 million (\$1.12 per share) for the three months ended December 31, 2015.

For the full year 2015, comparative earnings amounted to \$267 million (\$0.41 per share) and cash flows from operating activities to \$1,191 million (\$1.84 per share).

FOURTH QUARTER 2015 HIGHLIGHTS

- Higher copper production of 120,193 tonnes reflects the ramp-up of the Sentinel project and better year-over-year performances at Las Cruces, Guelb Moghrein and Kevitsa.
- C1² cash cost for both copper and nickel continued to improve and were lower than both Q4 2014 and Q3 2015:
 - Copper C1 cash cost Q4 2015 = \$1.07 per pound;
 - Nickel C1 cash cost Q4 2015 = \$4.31 per pound
- Realized average price for copper of \$2.28 per pound was higher than market on account of the Company’s copper sales hedge program.
- As previously disclosed, the power situation in Zambia has stabilized. The Company’s Zambian operations are being consistently provided a total of approximately 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. In a recent statement, Zambia’s Deputy Energy Minister confirmed that power supply to the local mines is expected to increase from the current level to almost full requirements over the second and third quarters of 2016.
- Advanced several initiatives aimed at reducing the net debt position and improving the Company’s capital structure to better suit the development and start-up timetable of the Cobre Panama project.
- Further reduced the capital cost estimate for the Cobre Panama project to \$5.48 billion from the previous estimate of \$5.95 billion, leading to a total reduction of 15% from the original estimate of \$6.42 billion. The savings result from efficiencies achieved to date in the critical earthworks, concrete and construction aspects of the project, better pricing on materials and equipment procurement, together with a number of smaller cumulative savings opportunities.
- Declared a final dividend of CDN\$0.01 per share, in respect of the financial year ended December 31, 2015. The final dividend together with the interim dividend of CDN\$0.0330 per share is a total of CDN\$0.0430 per share for the 2015 financial year.

¹ Net earnings (loss) attributable to shareholders of the Company have been adjusted to exclude impacts which are not reflective of underlying performance to arrive at comparative earnings. Comparative earnings and comparative earnings per share are not measures recognized under International Financial Reporting Standards (“IFRS”) and do not have a standardized meaning prescribed by IFRS. The Company has disclosed these measures to assist with the understanding of results and to provide further financial information about the results to investors. Refer to the “Regulatory Disclosures” section in the MD&A for the year ended December 31, 2015, for further information.

² C1 cash cost are not recognized under IFRS. Refer to the “Regulatory Disclosures” section in the MD&A for the year ended December 31, 2015, for further information.

CEO’S COMMENTS

“While the headwinds of low commodity prices and the delay in energizing the required second power line at our Sentinel project continued in the quarter, we advanced our action plan to further strengthen the Company’s balance sheet, reduce costs to improve profitability and cash flow from operations and manage capital expenditure,” noted Philip Pascall, Chairman and CEO.

“The quarter’s financial results positively reflect these efforts with the benefits of the copper sales hedge program at a sale price well above market, sound operations at all our mines and the continued excellent performance of the new copper smelter at Kansanshi.”

“Our plan to strengthen the balance sheet was progressed with the advancement of a number of strategic initiatives, which are expected to be finalized at various times over the next several months.”

“Overall, the outcomes of the plan are intended to be a reduced net debt position with a capital structure better suited to the development and start-up timetable of our Cobre Panama project.”

FINANCIAL HIGHLIGHTS

	Three months ended December 31		Year ended December 31	
	2015	2014	2015	2014
<i>(U.S. dollars millions, except where noted otherwise)</i>				
Sales revenues	765	821	2,698	3,542
Gross profit	110	183	293	998
Net earnings (loss) attributable to shareholders of the Company	114	453	(496)	835
Earnings (loss) per share	\$0.17	\$0.76	(\$0.77)	\$1.40
Diluted earnings (loss) per share	\$0.17	\$0.75	(\$0.77)	\$1.39
Comparative earnings ¹	190	62	267	482
Comparative earnings per share ¹	\$0.28	\$0.10	\$0.41	\$0.81
Comparative EBITDA ¹	230	282	773	1,417
Net cash flows	89	(95)	8	(338)

¹ Net earnings (loss) attributable to shareholders of the Company and EBITDA have been adjusted to exclude impacts which are not reflective of underlying performance to arrive at comparative earnings and comparative EBITDA. Comparative earnings, comparative earnings per share and comparative EBITDA are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. The Company has disclosed these measures to assist with the understanding of results and to provide further financial information about the results to investors. Refer to “Regulatory Disclosures” section in the MD&A for the year ended December 31, 2015, for a reconciliation of comparative EBITDA and comparative earnings.

OPERATING HIGHLIGHTS

	Three months ended December 31		Year ended December 31	
	2015	2014	2015	2014
<i>(U.S. dollars where applicable)</i>				
Copper production (tonnes) ^{1,2}	120,193	105,176	428,229	427,655
Copper sales (tonnes) ¹	124,554	94,836	408,734	411,203
Cash cost of copper production (C1) ³ (per lb)	\$1.07	\$1.35	\$1.21	\$1.41
Total cost of copper production (C3) ³ (per lb)	\$1.82	\$2.06	\$2.13	\$2.12
Realized copper price (per lb)	\$2.28	\$2.91	\$2.43	\$3.03
Nickel production (contained tonnes)	10,190	9,934	35,472	45,879
Nickel sales (contained tonnes)	11,195	12,189	36,355	47,749
Cash cost of nickel production (C1) ³ (per lb)	\$4.31	\$4.49	\$4.50	\$4.40
Total cost of nickel production (C3) ³ (per lb)	\$5.62	\$6.06	\$5.88	\$5.82
Realized nickel price (per payable lb)	\$4.24	\$7.20	\$5.18	\$7.58
Gold production (ounces)	57,520	57,480	223,914	229,813
Gold sales (ounces)	61,371	48,608	225,466	214,104

¹ Copper production includes initial production at Sentinel of 15,190 tonnes for the three months ended December 31, 2015, and 32,971 tonnes for the year ended December 31, 2015. Copper sales includes initial sales at Sentinel of 6,422 tonnes for the three months ended December 31, 2015, and 8,896 tonnes for the year ended December 31, 2015. Sentinel production and sales are pre-commercial production and therefore excluded from earnings.

² Production is presented on a copper concentrate basis (mine production only), and does not include output from the Kansanshi smelter.

³ C1 cash cost and C3 total cost are not recognized under IFRS. C3 total cost is defined as C1 cash cost plus depreciation, exploration, insurance and royalties. Refer to the “Regulatory Disclosures” section in the MD&A for the year ended December 31, 2015, for further information.

CONFERENCE CALL & WEBCAST

The Company will host a conference call and webcast to discuss the results on Friday February 19, 2016.

Date: February 19, 2016
Time: 9:00 am (EST); 2:00 pm (GMT); 6:00 am (PST)
Webcast: www.first-quantum.com
Dial in: North America: (toll free) 1 800 909 4164
International and North America: 1 647 722 6843
United Kingdom: 0 800 528 0280 (toll free) or 44 208 196 2141

Replay: Canada and international: 1 416 626 4100
North America (toll free): 1 800 558 5253
United Kingdom: 0 800 692 0831 (toll free) or 44 0 870 000 3081

Passcode: 21804596

The conference call replay will be available from 11:00 am (EST) on February 19 until 11:59 pm (EST) on February 26, 2016.

COMPLETE FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The audited consolidated financial statements, and Management's Discussion and Analysis for the year ended December 31, 2015 are available at www.first-quantum.com and should be read in conjunction with this news release.

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

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Listed in Standard and Poor's

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 of production and sales volumes, expected timing of completion of project development at Kansanshi, Sentinel, Enterprise and Cobre Panama, the impact of ore grades on future production, the potential of production disruptions, capital expenditure and mine production costs, the outcome of mine permitting, the outcome of legal proceedings which involve the Company, information with respect to the future price of copper, gold, cobalt, nickel, zinc, pyrite, PGE, 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. 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 price of copper, gold, nickel, zinc, pyrite, PGE, cobalt and sulphuric acid, anticipated costs and expenditures 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, costs for inputs such as oil, power and sulphur, political stability in Zambia, Peru, Mauritania, Finland, Spain, Turkey, Panama, Argentina and Australia, adverse weather conditions in Zambia, Finland, Spain, Turkey and Mauritania, 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 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 and information made herein are qualified by this cautionary statement.