

FIRST QUANTUM MINERALS

**FOURTH QUARTER & YEAR 2016
CONFERENCE CALL & WEBCAST**

FEBRUARY 17, 2017



CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENT

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 Cobre Panama and are subject to 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 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 continuing production at all operating facilities, the price of copper, gold, nickel, zinc, pyrite, 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, the temporary or permanent closure of uneconomic operations, 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.



COBRE PANAMA PROGRESS – PORT & POWER STATION OVERVIEW





COBRE PANAMA PROGRESS – PORT & POWER STATION OVERVIEW





COBRE PANAMA PROGRESS – POWER STATION OVERVIEW





COBRE PANAMA PROGRESS – COAL FEED CONVEYOR & COAL STORAGE SHED





COBRE PANAMA PROGRESS – POWER STATION





COBRE PANAMA PROGRESS – POWER STATION





COBRE PANAMA PROGRESS – OVERALL PROCESS PLANT & MINE VIEW





COBRE PANAMA PROGRESS – PROCESS AREA OVERVIEW





COBRE PANAMA PROGRESS – THICKENER AREA





COBRE PANAMA PROGRESS – BOXCUTS FOR IN PIT CRUSHING STATIONS





COBRE PANAMA PROGRESS – MILL AREA





COBRE PANAMA PROGRESS – MILLING TRAIN





COBRE PANAMA PROGRESS – PLANT AREA





COBRE PANAMA PROGRESS – TAILINGS MANAGEMENT FACILITY DECANT TUNNEL – INLET



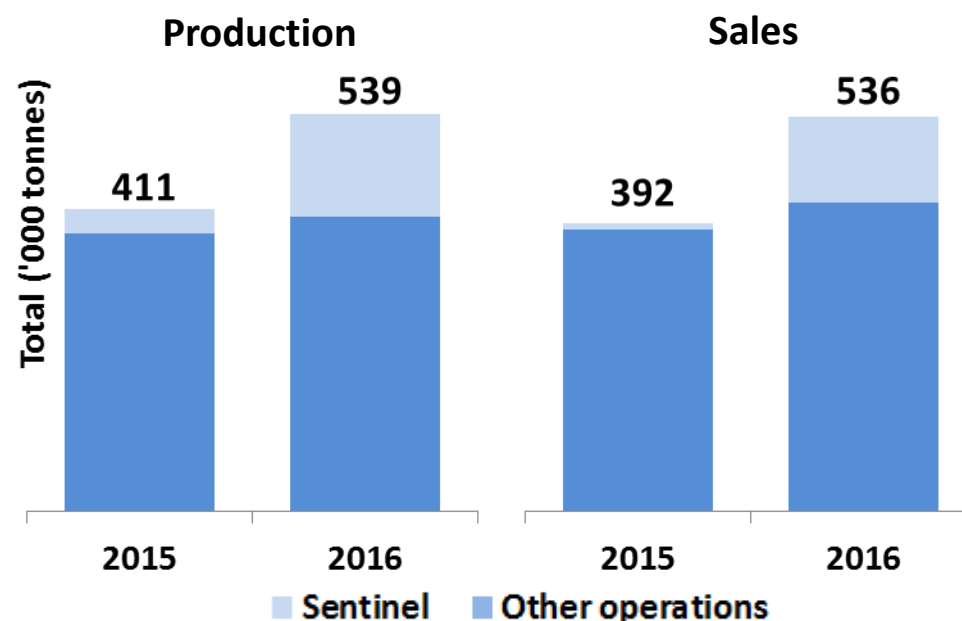
FINANCIAL REVIEW



2016 YEAR HIGHLIGHTS – CONTINUING OPERATIONS¹

Record copper production and sales driven by ramp-up of Sentinel, higher Kansanshi with record annual production at Las Cruces

Kansanshi smelter produced 257 thousand tonnes of copper anode and achieved overall copper recovery of 97%



Comparative EBITDA \$232m above 2015 as higher sales volumes and cost saving initiatives offset lower metal prices

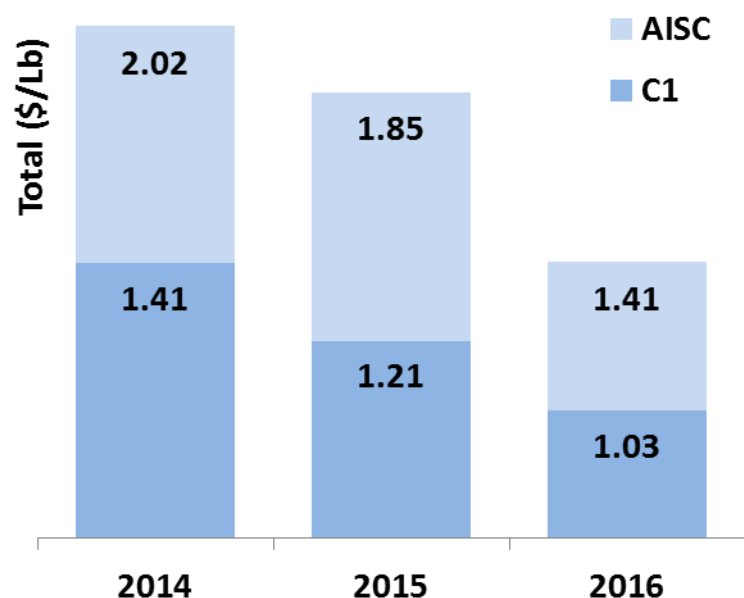
Comparative EPS 16 cents below 2015 due to higher depreciation in 2016 and prior year tax credit

	2016	2015
Comparative EBITDA ¹ (\$m)	964	732
Comparative EPS (Basic) ¹ (\$)	0.24	0.40

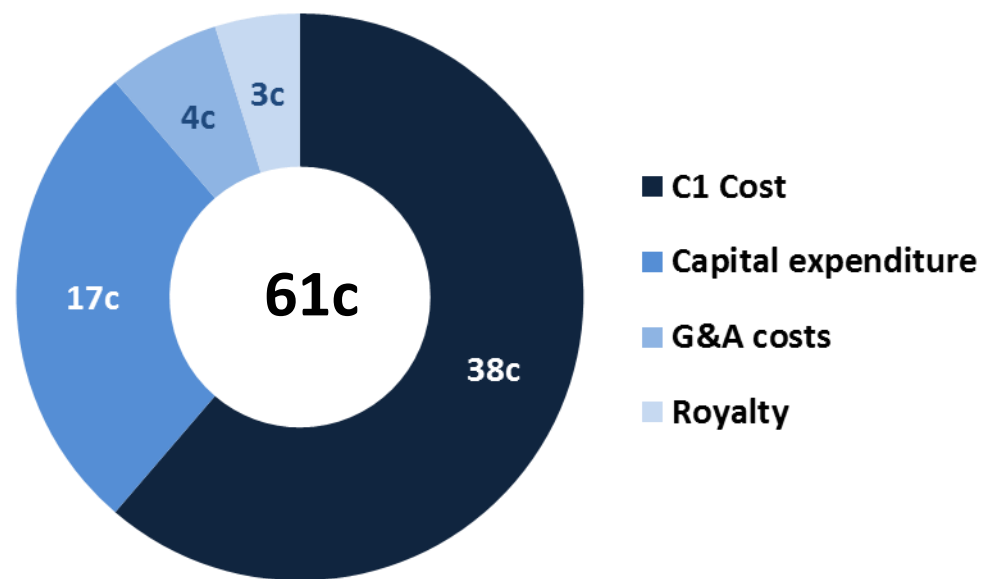
¹ Results in these slides are presented on a continuing operations basis and therefore exclude the Kevitsa mine which was sold on June 1, 2016. 2016 figures include 139,600 tonnes of production and 115,782 tonnes of sales from Sentinel, of which 35,133 tonnes and 30,328 tonnes were after commercial production had been declared. 2015 figures include 32,971 tonnes of production and 8,896 tonnes of sales from Sentinel, all of which was prior to commercial production.

2016 YEAR COPPER UNIT COST – CONTINUING OPERATIONS

Second consecutive year of unit cost reductions



AISC 30% or 61 cent lower than 2014 driven by:



2016 Unit cash costs (\$/Lb)	C1	AISC
Total excluding Sentinel	1.03	1.41
Total including Sentinel ¹	1.06	1.46

- Full Year C1 27% reduction against 2014 following successful delivery of cost saving program and benefit of operating the Kansanshi smelter

Note: 2016 figures exclude Sentinel which entered commercial production in November 2016 except where noted.

¹Sentinel is included for two months from November 1, 2016 and recorded a C1 cost during commercial production period of \$1.47/lb. Results are presented on a continuing operations basis and therefore exclude Kevitsa

Q4 2016 HIGHLIGHTS – CONTINUING OPERATIONS¹

Record quarterly copper production with Sentinel production and higher Kansanshi

Sentinel commercial production declared November 1, 2016 following increase in available power

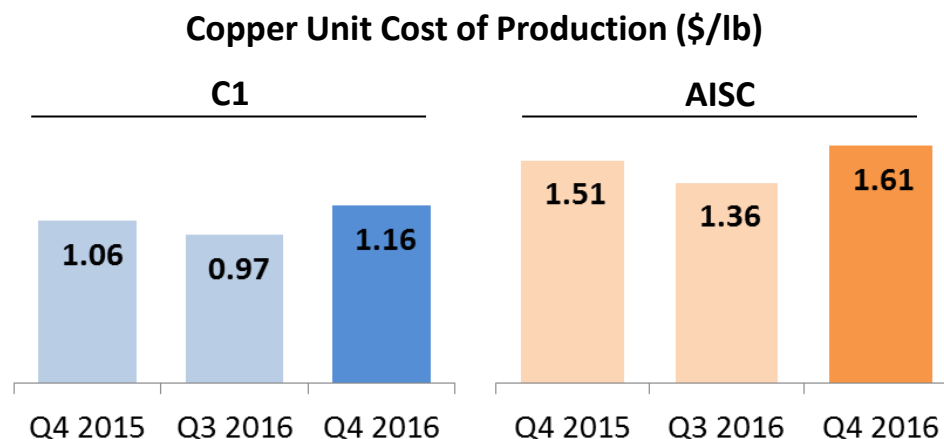
Production ²	Q4 2016	vs Q3 2016	vs Q4 2015
Copper ('000 tonnes)	146	+3	+30
Nickel ('000 tonnes)	6	+1	-2
Gold ('000 ounces)	54	+1	+0

Copper sales above Q4 2015 driven by increased Sentinel contribution

Sales ²	Q4 2016	vs Q3 2016	vs Q4 2015
Copper ('000 tonnes)	136	+0	+17
Nickel ('000 contained tonnes)	6	+1	-3
Gold ('000 ounces)	46	-9	-12

Copper C1 cost³ above previous quarter with lower by-product credits, seasonal volatility and maintenance costs

Sentinel C1 cost was \$1.47/lb for the 2 months of commercial production

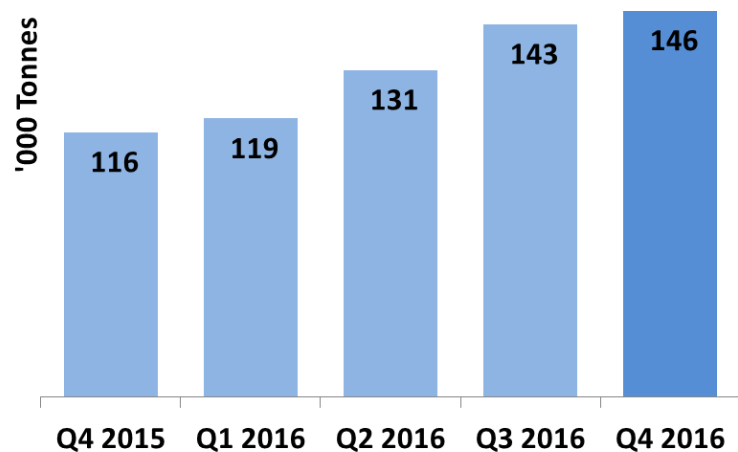


¹ Results are presented on a continuing operations basis and therefore exclude Kevitsa.

² Q4 2016 figures include 47,785 tonnes of production and 39,494 tonnes of sales from Sentinel, of which 35,133 tonnes and 30,328 tonnes were after commercial production had been declared. All production and sales from Sentinel in Q3 2016 and Q4 2015 was pre commercial production.

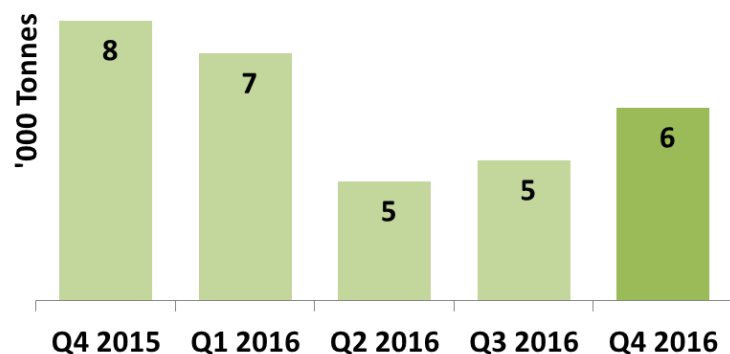
³ Copper C cost and AISC exclude Sentinel. Including Sentinel post commercial production date C1 and AISC were \$1.22/lb and \$1.71/lb, respectively in Q4 2016. Q3 2016 and Q4 2015 figures remain unchanged.

QUARTERLY PRODUCTION – CONTINUING OPERATIONS¹



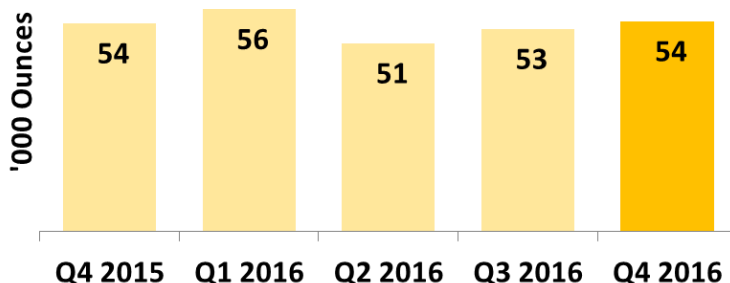
Copper production 26% above Q4 2015

- Reflects continued ramp-up of Sentinel and higher Kansanshi
- Kansanshi production 7% higher reflecting improved plant recovery
- Sentinel quarterly production 48kt (Q4 2015: 15kt) as throughput steadily increased from 2Mt to 3.5Mt per month by Q4 2016
- Record quarterly throughput at Kansanshi smelter with 314kt of concentrate processed



Nickel production reflects lower grades and throughput

- Production 2kt lower due to reduced grades as anticipated in the mining plan and lower plant throughput with HPAL offline in December



Gold production in line with Q4 2015

- Kansanshi 19% higher driven by increased concentrate production and improved quality concentrate
- Guelb Moghrein 35% lower due to lower grades

¹ Results are presented on a continuing operations basis and therefore exclude Kevitsa.

Q4 FINANCIAL OVERVIEW – CONTINUING OPERATIONS¹

Impact of lower realized metal prices and higher depreciation partially offset by cost savings and higher sales including contribution from Sentinel

\$ million except EPS	Q4 2016	Q3 2016	Q4 2015
Revenue	689	605	719
Gross Profit	52	80	110
Comparative EBITDA ^{1,2}	218	220	224
Comparative Earnings ^{1,2}	27	37	182
Comparative EPS (Basic) ^{1,2}	\$0.04	\$0.05	\$0.27
Net Debt	(4,381)	(4,188)	(4,696)

Gross profit \$58m below Q4 2015 with impact of lower realized metal prices and higher depreciation partially offset by higher sales volumes (including Sentinel) and cost savings

Net debt increased by \$193m since Q3 2016 to \$4,381bn reflecting planned capital expenditure program

Comparative EBITDA in line with previous quarter and Q4 2015

Comparative EPS of 4 cents per share impacted by higher depreciation and lower tax in Q4 2015

Copper Hedges	'000 Tonnes	\$/lb average	Maturity up to
At December 31, 2016	510	2.25	December 2017
At February 16, 2017	433	2.27	February 2018

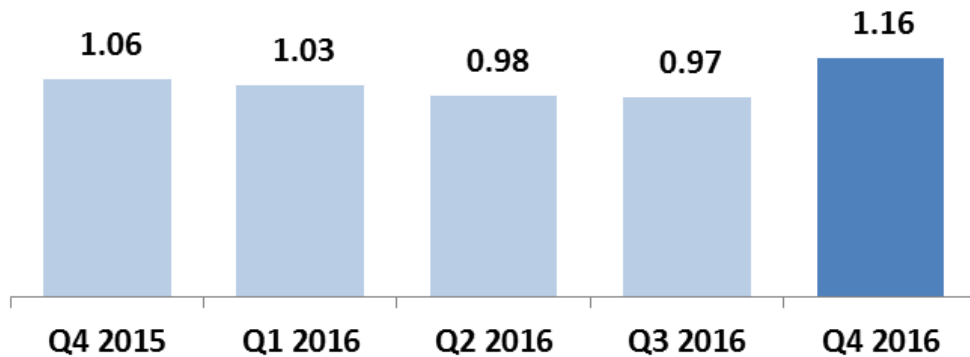
Estimated over 90% of copper sales in first half of 2017 hedged at an average price of \$2.20/lb

¹ Earnings attributable to shareholders of the Company and EBITDA have been adjusted to exclude items which are not reflective of underlying performance to arrive at comparative earnings and comparative EBITDA. Items excluded from comparative measures include impairment charges, foreign exchange and revisions in estimates of closed site restoration provisions. A reconciliation of comparative EBITDA and comparative earnings is provided in the Q4 2016 MD&A. Results are presented on a continuing operations basis and therefore exclude Kevitsa

² Includes post commercial production contribution for Sentinel for two months from November 1, 2016.

QUARTERLY UNIT CASH COSTS – CONTINUING OPERATIONS

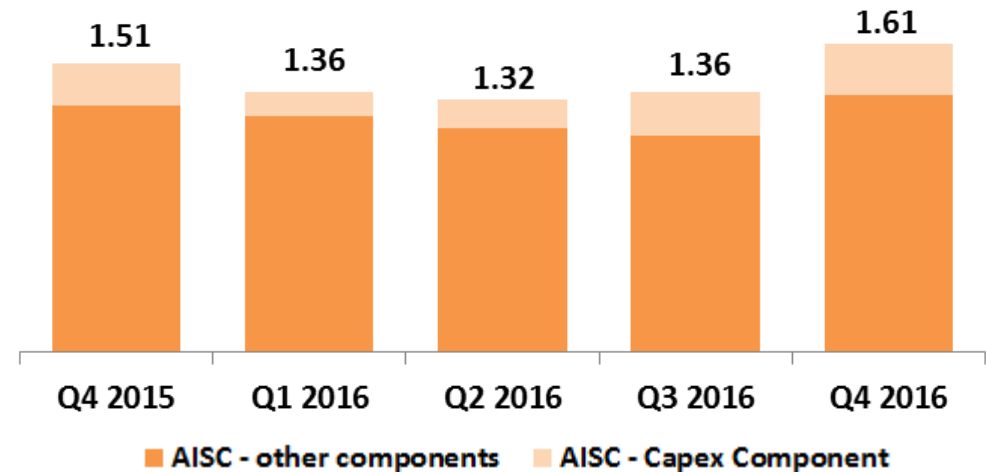
Copper C1 cost¹ (\$/lb)



Q4 2016 C1 cost higher than Q3 2016 due to:

- Lower gold by-product contribution in particular at Kansanshi
- Seasonal volatility in quarterly mining costs in Zambia
- Higher maintenance and mining costs at Kansanshi
- Planned maintenance shut-down and seasonal increase in electricity price at Las Cruces

Copper AISC¹ (\$/lb)



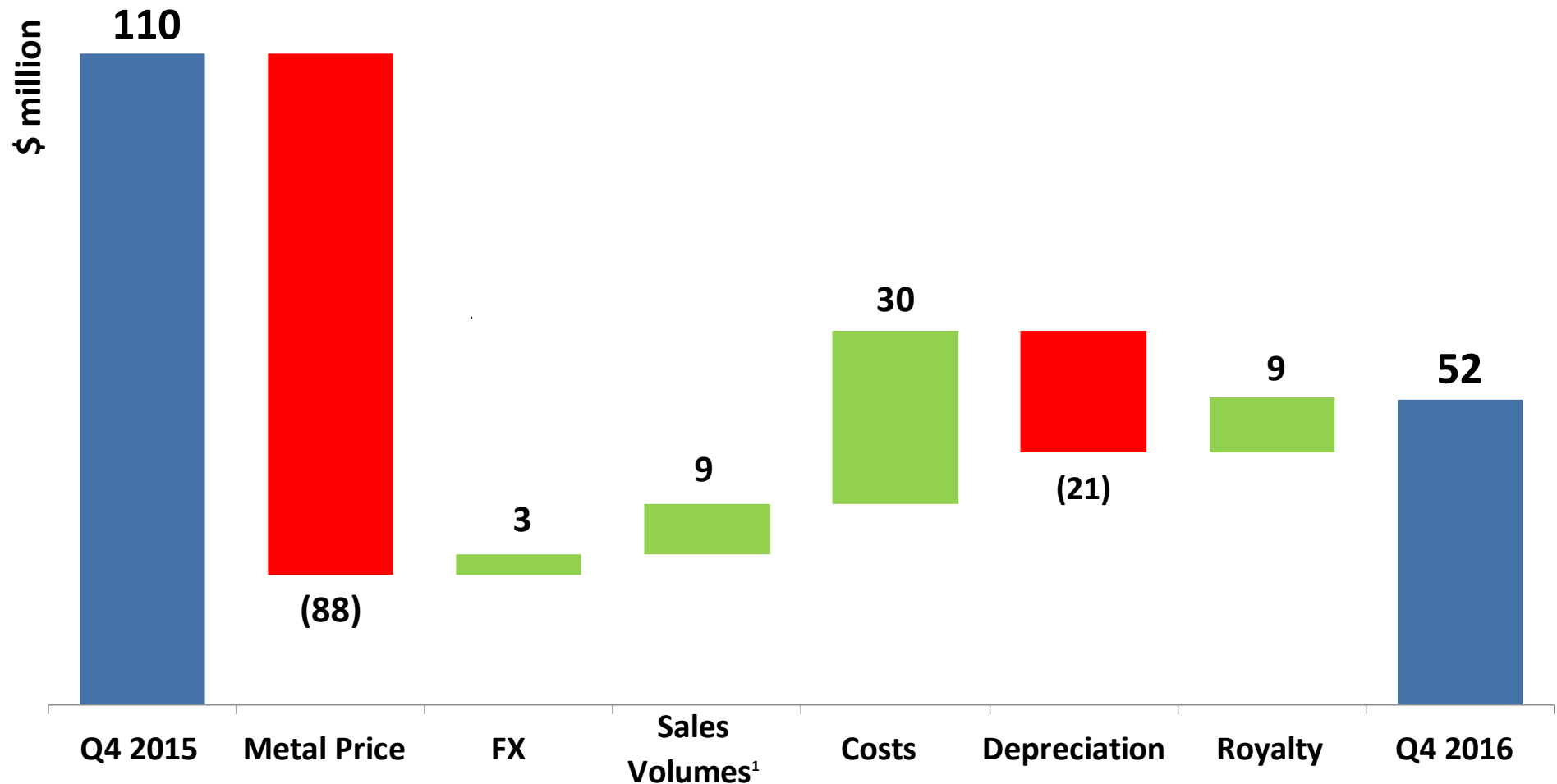
Q4 2016 AISC higher than Q3 2016 and Q4 2015

- Q4 2016 above previous quarter and Q4 2015 driven by higher C1 and higher capex (timing)
- Lower royalty costs - 9% Zambian royalty effective in Q4 2015 changed to 5% in June 2016

¹Excludes Sentinel which entered commercial production in November 2016. Including Sentinel post commercial production date C1 and AISC were \$1.22/lb and \$1.71/lb respectively in Q4 2016. Figures for previous quarters are unchanged. Results are presented on a continuing operations basis and therefore exclude Kevitsa

Q4 2016 GROSS PROFIT VS Q4 2015 – CONTINUING OPERATIONS

Gross profit \$58m below Q4 2015 as lower realized metal prices and higher depreciation is partially offset by cost savings and higher sales volumes



¹Includes Sentinel sales volumes from November 2016 post commercial production and by-product sales.

LONG TERM DEBT PROFILE

Debt Maturity Profile

No bond principle due until 2019

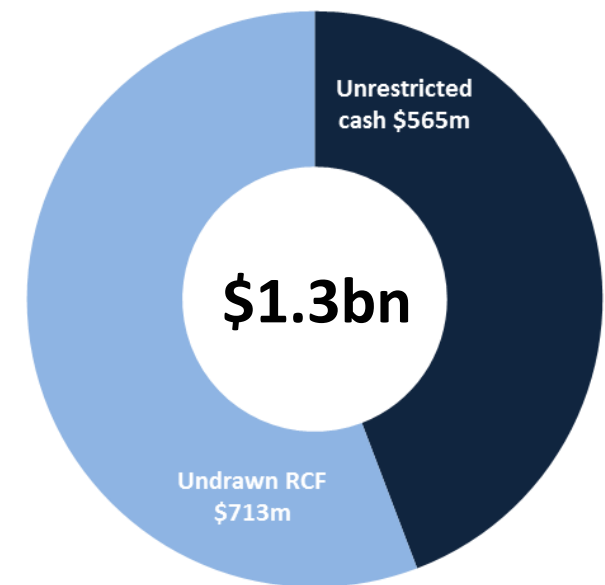
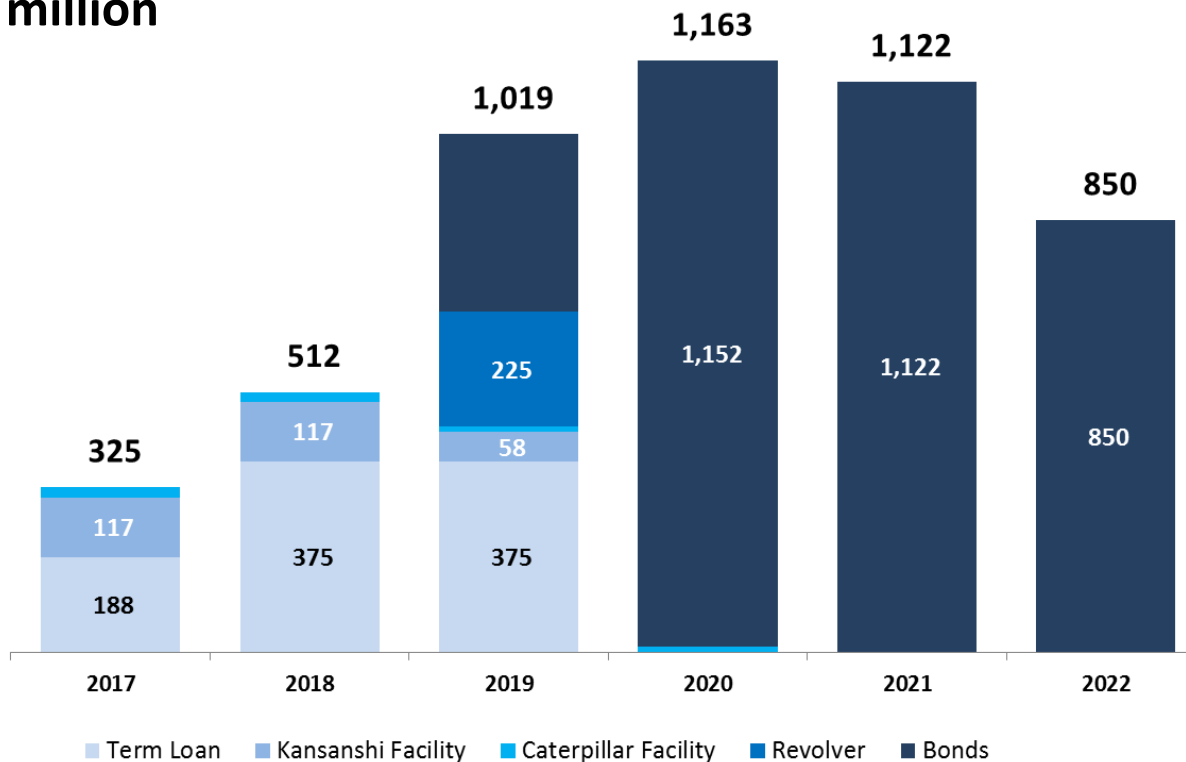
Covenant Ratio

Net debt/EBITDA covenant ratio of 4.47x - within bank covenant of 5.5x

Liquidity

December 31, 2016 liquidity:
\$565m unrestricted cash
\$713m undrawn RCF (expires 2019)

\$ million



COBRE PANAMA – PROJECT FINANCING UPDATE

Good progress made on Project Financing

- Project financing for Cobre Panama was launched to ECA's in December 2016
- Discussions with a number of ECA's across Asia, Europe and North America going well
- Expected long term debt of up to \$2.5 billion
- Site visit and term sheet discussions will be held in March with follow up discussions in Q2
- Targeted completion of the second half of 2017

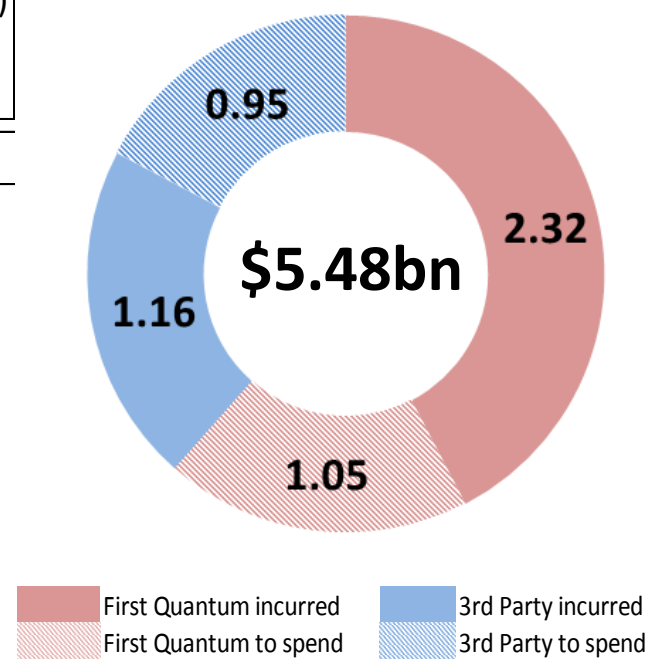


CAPITAL EXPENDITURE

\$ million	2016 Actual	2017 Guidance	2018 Guidance	2019 Guidance
<i>Total Cobre Panama</i>	764	1,060	830	110
First Quantum share of Cobre Panama	458	640	500	(90)
Stripping costs	99	200	200	200
Other sustaining capex and other projects	215	230	150	150
Total First Quantum net capital spend¹	772	1,070	850	260

\$ billion	Total	Funded by	
		First Quantum	3rd Party
Cobre Panama project			
Capital spend to December 2015	2.72	1.86	0.86
Capital spend to December 2016	0.76	0.46	0.30
<i>Estimated 2017 capital spend</i>	1.06	0.64	0.42
<i>Estimated 2018 to completion capital spend</i>	0.94	0.41	0.53
Total Cobre Panama	5.48	3.37	2.11

Cobre Panama Funding (\$bn)



¹Capital expenditure excludes capitalized interest, capitalized pre-commercial costs and all capital expenditures related to discontinued operations (Kevitsa) up to the date of sale.

MARKET GUIDANCE 2017-2019



Production¹ (000's)	2017 Guidance	2018 Guidance	2019 Guidance
Copper – tonnes	570	600	605
Nickel – contained tonnes	25	25	25
Gold – ounces	200	200	200
Zinc – tonnes	20	20	15
C1 Cash Cost² (\$ per pound)			
Copper	1.20 – 1.40	1.20 – 1.40	1.20 – 1.40
Nickel	4.60 – 4.80	4.60 – 4.80	4.60 – 4.80
All-in sustaining costs³ (\$ per pound)			
Copper	1.65 – 1.80	1.65 – 1.80	1.65 – 1.80
Nickel	5.10 – 5.40	5.10 – 5.40	5.10 – 5.40

¹ Copper production excludes Cobre Panama.

² C1 and AISC cost guidance excludes Cobre Panama in 2018 and 2019.

³ All-in sustaining costs includes C1, royalties, allocation of general and administrative expenses and sustaining capital expenditure including stripping costs.



APPENDIX

QUARTERLY NET DEBT MOVEMENT

Opening Net Debt at September 30, 2016 (\$ million)	(4,188)
Comparative EBITDA	218
Working capital	(45)
Gross capital expenditure including pre-commercial	(308)
Net interest ¹	(110)
Franco-Nevada precious metal stream	47
KMPC contribution	47
Kevitsa (final disposal proceeds)	69
Taxes paid	(81)
Other	(30)
Closing Net Debt at December 31, 2016 (\$ million)	(4,381)
Net Debt comprised of:	
Cash & cash equivalents ²	565
Total debt	(4,946)
Available committed undrawn debt facilities at December 31, 2016 ³	713

¹ Includes \$107m of capitalized interest

² Excludes \$70m restricted cash

³ \$713m on the senior debt facility

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