FIRST QUANTUM
MINERALS

Interim Consolidated Financial Statements

SECOND QUARTER JUNE 30, 2026

(in United States dollars, tabular amounts in millions, except where indicated)

Interim Consolidated Statements of Earnings (Loss)

(unaudited)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

		Three months ended June 30		Six months ended June 30	
	Note	**2026**	2025	**2026**	2025
Sales revenues	14	**1,522**	1,226	**2,926**	2,416
Cost of sales	15	**(1,225)**	(875)	**(2,351)**	(1,734)
Gross profit		**297**	351	**575**	682
Exploration		**(6)**	(6)	**(13)**	(12)
General and administrative		**(43)**	(45)	**(88)**	(82)
Gain on disposal of group companies	12	**271**	–	**271**	–
Other expense	5, 18	**(96)**	(80)	**(165)**	(153)
Operating profit		**423**	220	**580**	435
Finance income		**24**	23	**47**	45
Finance costs	16	**(197)**	(192)	**(396)**	(377)
Adjustment for expected phasing of Zambian VAT	3c	**–**	19	**31**	31
Loss on redemption of debt	8	**–**	–	**(90)**	(12)
Earnings before income taxes		**250**	70	**172**	122
Tax expense	17	**(172)**	(90)	**(343)**	(214)
Net earnings (loss)		**78**	(20)	**(171)**	(92)
Net earnings (loss) attributable to:					
Non-controlling interests		**(58)**	(38)	**(111)**	(87)
Shareholders of the Company	13	**136**	18	**(60)**	(5)
Earnings (Loss) per share attributable to the shareholders of the Company					
Net earnings (loss) ($ per share)					
Basic	13	**0.16**	0.02	**(0.07)**	(0.01)
Diluted	13	**0.16**	0.02	**(0.07)**	(0.01)
Weighted average shares outstanding (000's)					
Basic	13	**832,941**	832,115	**832,592**	832,159
Diluted	13	**834,206**	834,206	**832,592**	832,159
Total shares issued and outstanding (000's)	11a	**834,206**	834,206	**834,206**	834,206

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Comprehensive Income (Loss)

(unaudited)

(expressed in millions of U.S. dollars)

	Note	Three months ended June 30		Six months ended June 30	
		2026	2025	**2026**	2025
Net earnings (loss)		**78**	(20)	**(171)**	(92)
Other comprehensive income (loss)					
Items that have been/may subsequently be reclassified to net earnings (loss):					
Cash flow hedges reclassified to net earnings (loss)	20	**164**	–	**308**	(3)
Losses on cash flow hedges arising during the period	20	**(47)**	(15)	**(74)**	(135)
Deferred tax on unrealized movements on cash flow hedges	17	**–**	1	**–**	19
Items that will not subsequently be reclassified to net earnings (loss):					
Other	6	**(1)**	1	**2**	1
Total comprehensive income (loss) for the period		**194**	(33)	**65**	(210)
Total comprehensive income (loss) for the period attributable to:					
Non-controlling interests		**(58)**	(38)	**(111)**	(87)
Shareholders of the Company		**252**	5	**176**	(123)
Total comprehensive income (loss) for the period		**194**	(33)	**65**	(210)

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Cash Flows

(unaudited)

(expressed in millions of U.S. dollars)

FIRST QUANTUM MINERALS

	Note	Three months ended June 30		Six months ended June 30	
		2026	2025	**2026**	2025
Cash flows from operating activities					
Net income (loss)		**78**	(20)	**(171)**	(92)
Adjustments for					
Depreciation	15	**214**	172	**414**	331
Income tax expense	17	**172**	90	**343**	214
Share-based compensation expense		**16**	18	**30**	33
Net finance expense		**173**	169	**349**	332
Adjustment for expected phasing of Zambian VAT	3c	**–**	(19)	**(31)**	(31)
Gain on disposal of group companies	12	**(271)**	–	**(271)**	–
Foreign exchange		**10**	(26)	**2**	(21)
Loss on redemption of debt	8	**–**	–	**90**	12
Deferred revenue amortization	10	**(143)**	(79)	**(224)**	(120)
Share of loss in joint venture	7,18	**25**	35	**48**	57
Other		**(11)**	(23)	**(22)**	(37)
Taxes paid	17	**(199)**	(115)	**(333)**	(204)
Proceeds from copper prepayments	10	**–**	500	**–**	500
Movements in operating working capital					
Movements in trade and other receivables		**75**	89	**351**	(16)
Movements in inventories		**(68)**	2	**(126)**	(31)
Movements in trade and other payables		**59**	(13)	**101**	(4)
Net cash from operating activities		**130**	780	**550**	923
Cash flows from (used by) investing activities					
Purchase and deposits on property, plant and equipment	5,19	**(322)**	(310)	**(588)**	(553)
Proceeds on the disposal of group companies, net of cash disposed	12	**162**	–	**212**	–
Interest paid and capitalized to property, plant and equipment	5	**–**	(24)	**–**	(46)
Interest received		**6**	7	**13**	14
Other		**–**	(8)	**1**	(8)
Net cash used by investing activities		**(154)**	(335)	**(362)**	(593)
Cash flows from (used by) financing activities					
Net movement in trading facility	8	**59**	(106)	**(144)**	(33)
Movement in restricted cash		**–**	1	**–**	–
Proceeds from debt	8	**250**	371	**2,940**	1,527
Repayments of debt	8	**(150)**	(610)	**(2,553)**	(1,669)
Interest paid		**(85)**	(104)	**(253)**	(226)
Other		**(22)**	(5)	**(49)**	(5)
Net cash from (used by) financing activities		**52**	(453)	**(59)**	(406)
Increase (decrease) in cash and cash equivalents and bank overdrafts		**28**	(8)	**129**	(76)
Cash and cash equivalents and bank overdrafts – beginning of period		**731**	743	**644**	812
Exchange gain (losses) on cash and cash equivalents		**(2)**	2	**(2)**	1
Less: change in cash classified as held for sale		**14**	–	**–**	–
Cash and cash equivalents and bank overdrafts – end of period		**771**	737	**771**	737
Cash and cash equivalents and bank overdrafts comprising:					
Cash and cash equivalents		**779**	747	**779**	747
Bank overdrafts		**(8)**	(10)	**(8)**	(10)

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Financial Position

(unaudited)
(expressed in millions of U.S. dollars)

		June 30, 2026	December 31, 2025
Assets			
Current assets			
Cash and cash equivalents		**779**	716
Trade and other receivables	3	**960**	1,471
Inventories	4	**1,625**	1,537
Current portion of other assets	6	**199**	182
		3,563	3,906
Non-current assets			
Cash and cash equivalents - restricted cash		**41**	42
Non-current VAT receivable	3b	**374**	415
Property, plant and equipment	5	**19,905**	19,772
Goodwill		**237**	237
Investment in joint venture	7	**419**	467
Deferred income tax assets		**7**	6
Other assets	6	**526**	393
Total assets		**25,072**	25,238
Liabilities			
Current liabilities			
Bank overdrafts		**8**	72
Trade and other payables		**674**	590
Current taxes payable		**158**	201
Current debt	8	**383**	786
Current portion of provisions, other liabilities and deferred revenue	9,10	**651**	1,103
		1,874	2,752
Non-current liabilities			
Debt	8	**5,795**	5,050
Provisions and other liabilities	9	**2,167**	2,098
Deferred revenue	10	**2,596**	2,772
Deferred income tax liabilities		**1,054**	1,030
Total liabilities		**13,486**	13,702
Equity			
Share capital		**6,535**	6,550
Retained earnings		**4,814**	4,882
Accumulated other comprehensive loss		**(31)**	(267)
Total equity attributable to shareholders of the Company		**11,318**	11,165
Non-controlling interests		**268**	371
Total equity		**11,586**	11,536
Total liabilities and equity		**25,072**	25,238

The accompanying notes are an integral part of these consolidated financial statements

Interim Consolidated Statements of Changes in Equity

(unaudited)

(expressed in millions of U.S. dollars)

FIRST QUANTUM MINERALS

	Share capital	Retained earnings	Accumulated other comprehensive loss	Total equity attributable to shareholders of the Company	Non-controlling interests	Total
Balance at December 31, 2025	**6,550**	**4,882**	**(267)**	**11,165**	**371**	**11,536**
Net loss	**–**	**(60)**	**–**	**(60)**	**(111)**	**(171)**
Other comprehensive income[1]	**–**	**–**	**236**	**236**	**–**	**236**
Total comprehensive income (loss)	**–**	**(60)**	**236**	**176**	**(111)**	**65**
Share-based compensation expense	**30**	**–**	**–**	**30**	**–**	**30**
Acquisition of treasury shares and cash from share awards	**(45)**	**–**	**–**	**(45)**	**–**	**(45)**
Other	**–**	**(8)**	**–**	**(8)**	**8**	**–**
Balance at June 30, 2026	**6,535**	**4,814**	**(31)**	**11,318**	**268**	**11,586**

[1] For the year ended December 31, 2025, a fair value loss of $234 million was recognized on derivatives designated as hedged instruments. As at June 30, 2026, the Company held no commodity contracts designated as hedged instruments.

	Share capital	Retained earnings	Accumulated other comprehensive income (loss)	Total equity attributable to shareholders of the Company	Non-controlling interests	Total
Balance at December 31, 2024	6,549	4,885	35	11,469	433	11,902
Net loss	–	(5)	–	(5)	(87)	(92)
Other comprehensive loss[1]	–	–	(118)	(118)	–	(118)
Total comprehensive loss	–	(5)	(118)	(123)	(87)	(210)
Share-based compensation expense	33	–	–	33	–	33
Acquisition of treasury shares	(21)	–	–	(21)	–	(21)
Change in ownership interest in subsidiaries (Note 7)	–	54	–	54	(54)	–
Other		(8)		(8)	8	–
Balance at June 30, 2025	6,561	4,926	(83)	11,404	300	11,704

[1] For the six months ended June 30, 2025 a fair value loss of $26 million has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income.

The accompanying notes are an integral part of these consolidated financial statements

1. NATURE OF OPERATIONS

First Quantum Minerals Ltd. ("First Quantum" or "the Company") is engaged in the production of copper, nickel, and gold, and related activities including exploration and development. The Company has operating mines located in Zambia and Mauritania. In the quarter ended June 30, 2026, the Company completed the sale of the Çayeli mine and the Cobre Las Cruces project. The Company's Cobre Panamá mine was placed into a phase of Preservation and Safe Management ("P&SM") in November 2023. Following formal approval, the processing of the stockpiled ore at Cobre Panamá commenced in the second quarter of 2026. The Company's Ravensthorpe mine was placed into a care and maintenance process in May 2024. The Company is progressing the Taca Taca copper-gold-molybdenum project in Argentina and is exploring the La Granja and the Haquira copper deposits in Peru.

The Company's shares are publicly listed for trading on the Toronto Stock Exchange.

The Company is registered and domiciled in Canada, and its registered office is 1133 Melville Street, Suite 3500, The Stack, Vancouver, BC, Canada, V6E 4E5.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") have been condensed or omitted. The accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the preparation of, and disclosed in, the consolidated annual financial statements for the year ended December 31, 2025 except for the adoption of new IFRSs effective as of January 1, 2026. The IFRSs have had no significant impact on the condensed interim consolidated financial statements.

IFRSs effective as of January 1, 2026

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

New Accounting Standards Issued

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027). Management is currently assessing the implications of applying the new standard on the group's consolidated financial statements.

These condensed interim consolidated financial statements have been prepared on a going concern basis. In making the assessment that the Company is a going concern, management has taken into account all available information about the future, which is at least, but is not limited to, twelve months from June 30, 2026. Expected credit losses on financial assets remain immaterial at June 30, 2026. Refer to note 20 for the Company's hedging program.

At June 30, 2026, the Company had $1,250 million committed undrawn senior debt facilities and $771 million of net unrestricted cash (inclusive of overdrafts), as well as future cash flows in order to meet all current obligations as they become due. The Company was in compliance with all existing financial covenants as at June 30, 2026, and current forecasts, including judgmental assumptions, do not indicate a breach of financial covenants.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

3. TRADE RECEIVABLES

a) Trade and other receivables

	June 30, 2026	December 31, 2025
Trade receivables	**311**	713
VAT receivable (current)	**526**	498
Other receivables	**123**	260
	960	1,471

Other receivables include margin deposits and broker balances of $72 million as at June 30, 2026 (December 31, 2025: $230 million), relating to derivative contracts used to hedge provisionally priced sales.

b) VAT receivable

	June 30, 2026	December 31, 2025
Kansanshi Mining Plc ("KMP")	**448**	459
FQM Trident Limited	**421**	425
VAT receivable from the Company's Zambian operations	**869**	884
Other	**31**	29
Total VAT receivable	**900**	913
Less: current portion, included within trade and other receivables	**(526)**	(498)
Non-current VAT receivable	**374**	415

c) VAT receivable by the Company's Zambian operations

	June 30, 2026
Balance at beginning of the year	**884**
Movement in claims, net of foreign exchange movements	**(59)**
Adjustment for expected phasing for non-current portion	**44**
Balance at June 30, 2026	**869**

During the six months ended June 30, 2026, the Company was granted offsets of $348 million and cash refunds of nil with respect to VAT receivable balances. During the six months ended June 30, 2025, offsets of $112 million were granted and cash refunds of $64 million were received.

In 2022, the Company reached agreement in respect of the outstanding Zambian value-added tax receivable sum including an approach for repayment based on offsets against future corporate income taxes and mineral royalties. The adjustment for expected phasing for the non-current portion represents the application of an appropriate discount rate to the expected recovery of VAT. This adjustment for expected phasing, a credit of $44 million was recognized for six months ended June 30, 2026 (six months ended June 30, 2025: credit of $35 million). As at June 30, 2026, amounts totalling $495 million are presented as current.

On April 4, 2023 the Company's subsidiary, KMP and ZCCM Investments Holdings Plc "ZCCM-IH" completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP. The transaction also provides for 20% of the KMP VAT refunds as at June 30, 2022 to be paid to ZCCM-IH, as and when these are received by KMP from the Zambia Revenue Authority ("ZRA)". As at June 30, 2026, a VAT payable to ZCCM-IH of $60 million, net of adjustment for expected phasing of payments, and an expense of $13 million for the six months ended June 30, 2026, has been recognized.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

d) Aging analysis of VAT receivable for the Company's Zambian operations

	< 1 year	1-3 years	3-5 years	5-8 years	> 8 years	Total
Receivable at the period end	366	–	154	359	58	937
Adjustment for expected phasing	–	–	(31)	(37)	–	(68)
Total VAT receivable from Zambian operations	366	–	123	322	58	869

4. INVENTORIES

	June 30, 2026	December 31, 2025
Ore in stockpiles	**128**	154
Work-in-progress	**60**	40
Finished product	**422**	310
Total product inventory	**610**	504
Consumable stores	**1,015**	1,033
	1,625	1,537

As at June 30, 2026, approximately three thousand tonnes copper finished goods, with a carrying value of $25 million, remains unsold at Cobre Panamá. Certain costs incurred during the period were excluded from the inventory valuation, in accordance with IFRS, and expensed to the profit and loss.

5. PROPERTY, PLANT AND EQUIPMENT

			Mineral properties and mine development costs		
	Plant and equipment	**Capital work-in-progress**	**Operating mines**	**Exploration and development projects**	**Total**
Net book value, as at December 31, 2025	**10,358**	**1,223**	**6,694**	**1,497**	**19,772**
Additions	**–**	**620**	**–**	**–**	**620**
Disposals	**(7)**	**–**	**–**	**–**	**(7)**
Transfers between categories	**121**	**(259)**	**122**	**16**	**–**
Disposal of group companies (note 12)	**(19)**	**(5)**	**(28)**	**–**	**(52)**
Impairments[1]	**–**	**(2)**	**–**	**–**	**(2)**
Depreciation charge (note 15)	**(272)**	**–**	**(154)**	**–**	**(426)**
Net book value, as at June 30, 2026	**10,181**	**1,577**	**6,634**	**1,513**	**19,905**
Cost	**16,583**	**1,577**	**10,337**	**1,513**	**30,010**
Accumulated depreciation	**(6,402)**	**–**	**(3,703)**	**–**	**(10,105)**

[1] An impairment charge of $2 million was recognized in respect of assets at Ravensthorpe in the six months ended June 30, 2026.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

			Mineral properties and mine development costs		
	Plant and equipment	Capital work-in-progress	Operating mines	Exploration and development projects	Total
Net book value, as at December 31, 2024	9,406	1,872	6,454	1,461	19,193
Additions	30	1,105	–	–	1,135
Disposals	(16)	–	–	–	(16)
Transfers between categories	1,318	(1,831)	477	36	–
Transfers to assets held for sale (note 6)	(30)	(13)	–	–	(43)
Restoration provision	–	–	61	–	61
Impairment reversal [1]	26	–	–	–	26
Capitalized interest (note 16)	–	90	–	–	90
Depreciation charge (note 15)	(376)	–	(298)	–	(674)
Net book value, as at December 31, 2025	10,358	1,223	6,694	1,497	19,772
Cost	16,716	1,223	10,539	1,497	29,975
Accumulated depreciation	(6,358)	–	(3,845)	–	(10,203)

[1] An impairment reversal of $26 million was recognized in respect of assets at Ravensthorpe in the year ended December 31, 2025.

Included within capital work-in-progress and mineral properties – operating mines at June 30, 2026, is an amount of $1,364 million related to capitalized deferred stripping costs (December 31, 2025: $1,198 million).

6. OTHER ASSETS

	June 30, 2026	December 31, 2025
Prepaid expenses	**125**	143
KPMC shareholder loan	**338**	305
Other investments	**64**	60
Assets held for sale (note 12)	**–**	61
Deferred and contingent consideration (note 12)	**92**	–
Derivative instruments (note 20)	**106**	6
Total other assets	**725**	575
Less: current portion of other assets	**(199)**	(182)
	526	393

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

7. JOINT VENTURE

A $419 million investment in the joint venture representing the discounted purchase consideration value and the Company's proportionate share of the profit or loss in Korea Panama Mining Corporation ("KPMC") to date is recognized.

For the six months ended June 30, 2026, the loss attributable to KPMC was $110 million (June 30, 2025: $113 million loss). The loss in KPMC relates to the 17.96% equity accounted share of loss reported by Minera Panamá S.A. ("MPSA" or "Cobre Panamá"), a subsidiary of the Company.

During the second quarter of 2025, KPMC's ownership interest in MPSA was diluted from 20.00% to 17.96% due to KPMC's non-fulfillment of funding obligations resulting in a subsequent share issuance by MPSA in favour of the Company, which resulted in a loss on dilution of $39 million.

The material assets and liabilities of KPMC are an investment in MPSA of $272 million, shareholder loans receivable of $1,212 million from the Company (note 9b) and shareholder loans payable of $1,496 million due to the Company and its joint venture partner KOMIR.

8. DEBT

	June 30, 2026	December 31, 2025
Drawn debt Senior Notes:		
First Quantum Minerals Ltd. 9.375% due March 2029	**–**	1,332
First Quantum Minerals Ltd. 8.625% due June 2031	**1,290**	1,289
First Quantum Minerals Ltd. 8.000% due March 2033	**989**	988
First Quantum Minerals Ltd. 7.250% due February 2034	**989**	989
First Quantum Minerals Ltd. 6.375% due February 2036	**1,486**	–
First Quantum Minerals Ltd. senior debt facility	**930**	530
FQM Trident term loan	**353**	423
Trading facilities	**141**	285
Total debt	**6,178**	5,836
Less: current maturities and short term debt	**(383)**	(786)
	5,795	5,050
Undrawn debt		
First Quantum Minerals Ltd. senior debt facility	**1,250**	1,300
Trading facilities	**559**	330

Redemption of First Quantum Minerals Ltd. 9.375% Senior Notes due 2029

On February 11, 2026, Company announced a conditional notice of redemption to its existing 2029 secured 2nd lien Senior Notes holders to redeem all of the Company's outstanding 9.375% 2029 secured 2nd lien Senior Notes under the terms of the indenture. Settlement of the redemption took place on February 26, 2026 at a price of 104.760% of the principal amount. A loss on redemption of $81 million was recognized in net earnings.

First Quantum Minerals Ltd. 6.375% Senior Notes due February 2036

On February 11, 2026, the Company announced the offering of $1,500 million of 6.375% 2036 Unsecured Senior Notes. Settlement took place on February 26, 2026. The 2036 Notes are part of the senior obligations of the Company and are guaranteed by certain subsidiaries of the Company. Interest is payable semi-annually. The Company and its subsidiaries are subject to certain restrictions on asset sales, payments, incurrence of indebtedness and issuance of preferred stock. The Company may redeem some or all of the 2036 Notes at any time on or after February 15, 2031, at redemption prices ranging from 103.1875% in the first year to 100.000% from February 15, 2033, plus accrued interest. In addition, until February 15, 2031, the Company may redeem up to 40% of the principal amount of 2036 Notes, in an amount not greater than the net proceeds of certain equity offerings, at a redemption price of 106.375% plus accrued interest. Although part of this redemption feature indicates the existence of an embedded derivative, the value of this derivative is not significant.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

First Quantum Minerals Ltd. senior debt facility

In February 2026, the Company signed a new $2.2 billion Term Loan and Revolving Credit Facilities (“RCF”) Agreement, replacing the existing $1.84 billion Term Loan and RCF. The 2026 Facilities Agreement comprises a $0.7 billion Term Loan and a $1.5 billion RCF. There is an uncommitted option for a $0.5 billion accordion facility. Interest is charged at SOFR plus a margin. This margin can change, depending the prevailing net leverage financial ratio of the Company.

At June 30, 2026, $250 million of the RCF had been drawn, leaving $1,250 million available for the Company to draw.

9. PROVISIONS AND OTHER LIABILITIES

a) Provisions and other liabilities

	June 30, 2026	December 31, 2025
Amount owed to joint venture (note 9b)[1]	**1,212**	1,162
Restoration provisions	**637**	633
Deferred revenue (note 10)	**519**	520
VAT payable to ZCCM-IH [2]	**60**	59
Derivative instruments (note 20)	**91**	447
Other loans owed to non-controlling interests (note 9c)	**242**	233
Liabilities directly associated with assets held for sale	**16**	102
Leases	**17**	18
Retirement provisions	**9**	9
Other	**15**	18
Total other liabilities	**2,818**	3,201
Less: current portion of provisions, other liabilities and deferred revenue	**(651)**	(1,103)
	2,167	2,098

[1] The shareholder loan is due from the Company’s Cobre Panamá operation to KPMC, a 50:50 joint venture between the Company and KOMIR.
[2] On April 4, 2023 the Company’s subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH’s dividend rights to a 3.1% royalty interest in KMP. The transaction also provides for 20% of the KMP VAT refunds as at June 30, 2022 to be paid to ZCCM-IH, as and when these are received by KMP from the ZRA.

b) Amount owed to joint venture

	June 30, 2026	December 31, 2025
Balance at the beginning of the period	**1,162**	1,180
Related party finance cost (note 16)	**50**	108
Gain on modification	**–**	(126)
Balance at end of period due to KPMC	**1,212**	1,162

In the fourth quarter of 2025, MPSA revised the terms of the loan agreement with KPMC. Effective November 1, 2025, MPSA agreed with KPMC to suspend interest accruals and payments up to twelve months. The modification was on an arm's lengths basis and deemed to be non-substantial under IFRS 9, and resulted in an adjustment to the carrying amount of the liability of $126 million, which has been recorded in net earnings in the year ended December 31, 2025. Finance cost has continued to be accreted, applying the effective interest method under IFRS 9. Amounts due to KPMC are specifically excluded from the calculation of net debt as defined under the Company’s banking covenant ratios.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

c) Other loans owed to non-controlling interests

POSCO Holdings has a 24.3% equity interest in Ravensthorpe. As at June 30, 2026, the carrying value of loans payable to POSCO Holdings totals $242 million.

10. DEFERRED REVENUE

	June 30, 2026	December 31, 2025
Franco-Nevada Precious Metal Stream Arrangement (note 10a)	**1,569**	1,536
Royal Gold Stream Arrangement (note 10b)	**954**	978
Copper prepayment agreements (note 10c)	**592**	778
Balance at the end of the period	**3,115**	3,292
Less: current portion (note 9)	**(519)**	(520)
Non-current portion	**2,596**	2,772

a) Franco-Nevada Precious Metal Stream Arrangement

The Company commenced the recognition of delivery obligations under the terms of the Franco Nevada precious metal stream arrangement in June 2019 following the first sale of copper concentrate by Cobre Panamá. The Company uses refinery-backed credits as the mechanism for satisfying its delivery obligations under the arrangement. The Company's Cobre Panamá mine was placed into a phase of P&SM in November 2023. Following the approval of the Preservation and Safe Management plan in the second quarter of 2025, MPSA began exporting the copper concentrate in June 2025, and the remaining product was exported in the three months ended September 2025 (Refer to Note 21).

	June 30, 2026	December 31, 2025
Balance at the beginning of the period	**1,536**	1,481
Accretion of finance costs (note 16)	**33**	64
Amortization of gold and silver revenue	**–**	(9)
Balance at the end of the period	**1,569**	1,536
Less: current portion (included within provisions and other liabilities)	**(22)**	–
Non-current deferred revenue	**1,547**	1,536

b) Royal Gold Stream Arrangement

The Company commenced the recognition of delivery obligations under the terms of the arrangement in the fourth quarter of 2025 following the first gold delivery to Royal Gold.

	June 30, 2026
Balance at the beginning of the period	**978**
Accretion of finance costs (note 16)	**14**
Amortization of gold revenue	**(38)**
Balance at the end of the period	**954**
Less: current portion (included within provisions and other liabilities)	**(93)**
Non-current deferred revenue	**861**

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

c) Copper prepayment agreements

The Company has entered into two copper prepayment agreements to date with Jiangxi Copper. The agreements signed February 15, 2024, and April 23, 2025, are both $500 million 3-year copper prepayment agreements providing for the delivery of 50kt of copper anode per annum from Kansanshi payable at market prices with the prepaid amounts reducing in line with deliveries over the second and third years.

	June 30, 2026	December 31, 2025
Balance at the beginning of the period	**778**	**500**
Proceeds from copper prepayments	**–**	500
Amortization of copper revenue	**(186)**	(222)
Balance at the end of the period	**592**	778
Less: current portion (included within provisions and other liabilities)	**(404)**	(435)
Non-current deferred revenue	**188**	343

11. SHARE CAPITAL

a) Common shares

Authorized unlimited common shares without par value Issued

	Number of shares (000's)
Balance as at June 30, 2026 and as at December 31, 2025	**834,206**

12. GAIN ON DISPOSAL OF GROUP COMPANIES

In the three months ended June 30, 2026, the Company completed the sale of the Çayeli mine in Türkiye to Cengiz Insaat, a company controlled by Cengiz Holding, and the Cobre Las Cruces project in Spain to Global Panduro, S.L.U., a company controlled by funds managed by Resource Capital Funds. The disposals resulted in a $271 million gain on disposal of group companies, with total assets and liabilities derecognized of $333 million and $127 million, respectively. Deferred and contingent consideration recognized at June 30, 2026 is $92 million (note 6). The completion payments totalled $390 million, with total proceeds on disposal of $212 million recognized, net of $171 million cash disposed.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

13. EARNINGS (LOSS) PER SHARE

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Basic and diluted earnings (loss) attributable to shareholders of the Company	**136**	18	**(60)**	(5)
Basic weighted average number of shares outstanding (000's of shares)	**832,941**	832,115	**832,592**	832,159
Potential dilutive securities	**1,265**	2,091	**–**	–
Diluted weighted average number of shares outstanding (000's of shares)	**834,206**	834,206	**832,592**	832,159
Earnings (Loss) per common share – basic (expressed in $ per share)	**0.16**	0.02	**(0.07)**	(0.01)
Earnings (Loss) per common share – diluted (expressed in $ per share)	**0.16**	0.02	**(0.07)**	(0.01)

14. SALES REVENUES

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Copper	**1,233**	970	**2,337**	1,974
Gold	**124**	148	**273**	258
Nickel	**132**	73	**269**	111
Other	**33**	35	**47**	73
	1,522	1,226	**2,926**	2,416

15. COST OF SALES

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Costs of production	**(1,067)**	(675)	**(2,038)**	(1,387)
Depreciation	**(209)**	(161)	**(426)**	(320)
Movement in inventory	**56**	(28)	**101**	(16)
Movement in depreciation in inventory	**(5)**	(11)	**12**	(11)
	(1,225)	(875)	**(2,351)**	(1,734)

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

16. FINANCE COSTS

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Interest expense on debt	**(124)**	(143)	**(249)**	(286)
Interest expense on other financial liabilities	**(6)**	(8)	**(12)**	(14)
Interest expense on financial liabilities measured at amortized cost	**(130)**	(151)	**(261)**	(300)
Related party finance cost (note 9b)	**(25)**	(27)	**(50)**	(54)
Finance cost accretion on precious metal stream arrangement (note 10a)	**(17)**	(16)	**(33)**	(32)
Finance cost accretion on gold stream agreement (note 10b)	**(7)**	–	**(14)**	–
Finance cost accretion on copper prepayment agreements (note 10c)	**(12)**	(16)	**(26)**	(26)
Accretion on restoration provisions	**(6)**	(6)	**(12)**	(11)
Total finance costs	**(197)**	(216)	**(396)**	(423)
Less: interest capitalized (note 5)	**–**	24	**–**	46
	(197)	(192)	**(396)**	(377)

17. INCOME TAX

A tax expense of $343 million was recorded for six months ended June 30, 2026, (six months ended June 30, 2025: $214 million tax expense) reflecting statutory tax rates. The statutory tax rates for the Company's operations range from 20% to 30%.

Taxes paid of $333 million includes $158 million of VAT receivables that were offset in settlement of Zambian income taxes payable.

18. OTHER EXPENSE

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Care and maintenance [1]	**(62)**	(57)	**(122)**	(109)
Foreign exchange gains	**15**	17	**50**	16
Change in restoration provision for closed properties	**–**	(1)	**–**	(1)
Share in loss in joint venture (note 7)	**(25)**	(35)	**(48)**	(57)
Impairment related charges (note 5)	**(1)**	–	**(2)**	–
Other[2]	**(23)**	(4)	**(43)**	(2)
	(96)	(80)	**(165)**	(153)

[1] The Care and maintenance expense for the three and six months ended June 30, 2026 includes $51 million and $98 million respectively for Cobre Panamá ($45 million and $85 million for the three and six months ended June 30, 2025).
[2] Includes $42 million of commissioning costs at Cobre Panamá for the six months ended June 30, 2026, to bring the operation back to the condition necessary to implement the stockpiled ore Processing Program.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

19. SEGMENTED INFORMATION

The Company's reportable operating segments are Cobre Panamá, Kansanshi and Trident. Each of the reportable segments report information separately to the CEO, the chief operating decision maker.

The Corporate & other segment includes the Company's remaining operations, Guelb Moghrein, Pyhäsalmi, Ravensthorpe and the metal marketing division which purchases and sells third party material, and the exploration projects. The Corporate & other segment is responsible for the evaluation and acquisition of new mineral properties, regulatory reporting, treasury and finance and corporate administration.

The Company's operations are subject to seasonal aspects, in particular the rainy season in Zambia. The rainy season in Zambia generally starts in November and continues through April, with the heaviest rainfall normally experienced in the months of January, February and March. As a result of the rainy season, mine pit access and the ability to mine ore is lower in the first quarter of the year than other quarters and the cost of mining is higher.

Earnings (Loss) by segment

For the three months ended June 30, 2026, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue	**Cost of sales (excluding depreciation)**	**Depreciation**	**Other**	**Operating profit (loss) [1,5]**	**Income tax expense**
Cobre Panamá [2]	–	(14)	(30)	(78)	(122)	(1)
Kansanshi	888	(550)	(83)	(3)	252	(80)
Trident [3]	719	(385)	(99)	4	239	(79)
Corporate & other [4]	(85)	(62)	(2)	203	54	(12)
Total	1,522	(1,011)	(214)	126	423	(172)

[1] Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss).
[2] Cobre Panamá is 17.958% owned by KPMC, a joint venture - See note 7.
[3] Trident includes Sentinel copper mine and the Enterprise Nickel mine.
[4] Corporate & other revenue includes hedge losses of $164 million recognized on zero cost collar options.
[5] Finance costs of $197 million, including interest expense on debt, are not included within operating profit. See note 16.

For the three months ended June 30, 2025, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) [1,5]	Income tax (expense) credit
Cobre Panamá [2]	89	(24)	(20)	(48)	(3)	–
Kansanshi	530	(271)	(59)	11	211	(64)
Trident [3]	482	(324)	(83)	8	83	(27)
Corporate & other [4]	125	(84)	(10)	(102)	(71)	1
Total	1,226	(703)	(172)	(131)	220	(90)

[1] Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss).
[2] Cobre Panamá is 17.958% (March 31, 2025: 20%) owned by KPMC, a joint venture - See note 7.
[3] Trident includes Sentinel copper mine and the Enterprise Nickel mine.
[4] Corporate & other revenue includes hedge gains and losses recognized on zero cost collar options.
[5] Finance costs of $192 million, including interest expense on debt, are not included within operating profit. See note 16.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

For the six months ended June 30, 2026, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss) [1,7]	Income tax expense
Cobre Panamá [2]	–	(15)	(56)	(146)	(217)	(1)
Kansanshi [3]	1,619	(1,002)	(155)	12	474	(159)
Trident [4]	1,423	(798)	(196)	18	447	(152)
Corporate & other [5,6]	(116)	(122)	(7)	121	(124)	(31)
Total	2,926	(1,937)	(414)	5	580	(343)

[1] Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss) .
[2] Cobre Panamá is 17.958% owned by KPMC, a joint venture - See note 7.
[3] On April 4, 2023 the Company's subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP. Refer to note 21.
[4] Trident includes Sentinel copper mine and the Enterprise Nickel mine.
[5] Corporate & other includes Guelb Moghrein, Las Cruces, Çayeli, Pyhäsalmi and Ravensthorpe.
[6] Corporate & other revenue includes hedge losses of 308 million recognized on zero cost collar options.
[7] Finance costs of $396 million, including interest expense on debt, are not included within operating profit. See note 16.

For the six months ended June 30, 2025, segmented information for the statement of earnings (loss) is presented as follows:

	Revenue	Cost of sales (excluding depreciation)	Depreciation	Other	Operating profit (loss)[1,6]	Income tax expense
Cobre Panamá [2]	89	(24)	(30)	(88)	(53)	–
Kansanshi [3]	1,100	(596)	(123)	5	386	(114)
Trident [4]	973	(613)	(159)	1	202	(65)
Corporate & other [5]	254	(170)	(19)	(165)	(100)	(35)
Total	2,416	(1,403)	(331)	(247)	435	(214)

[1] Operating profit (loss) less net finance costs and taxes equals net earnings (loss) for the period on the consolidated statement of earnings (loss).
[2] Cobre Panamá is 17.958% (2024: 20%) owned by KPMC, a joint venture - See note 7.
[3] On April 4, 2023 the Company's subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP.
[4] Trident includes Sentinel copper mine and the Enterprise Nickel mine.
[5] Corporate & other includes Guelb Moghrein, Las Cruces, Çayeli, Pyhäsalmi and Ravensthorpe.
[6] Finance costs of $377 million, including interest expense on debt, are not included within operating profit. See note 16.

Balance sheet by segment

Segmented information on balance sheet items is presented as follows:

	June 30, 2026			December 31, 2025		
	Non-current assets [1]	Total assets	Total liabilities	Non-current assets [1]	Total assets	Total liabilities
Cobre Panamá [2]	11,405	12,124	2,964	11,452	12,127	2,855
Kansanshi [3]	4,105	5,314	997	3,860	5,004	933
Trident [4]	2,781	3,737	1,205	2,826	3,750	1,259
Corporate & other [5]	2,043	3,897	8,320	1,940	4,357	8,655
Total	20,334	25,072	13,486	20,078	25,238	13,702

[1] Non-current assets include $19,905 million of property plant and equipment (December 31, 2025: $19,772 million) and exclude financial instruments, deferred tax assets, VAT receivable and goodwill.
[2] Cobre Panamá is 17.958% owned by KPMC, a joint venture.- See note 7.
[3] On April 4, 2023 the Company's subsidiary, KMP and ZCCM-IH completed the agreement to convert ZCCM-IH's dividend rights to a 3.1% royalty interest in KMP. This transaction also provides for 20% of the KMP VAT refunds as at June 30, 2022 to be paid to ZCCM-IH, as and when they are received by KMP from the ZRA.
[4] Trident includes Sentinel copper mine and the Enterprise Nickel mine.
[5] Included within the corporate and other segment are assets relating to the Haquira project, $730 million (December 31, 2025: $726 million), to the Taca Taca project, $493 million (December 31, 2025: $483 million), and to the La Granja project, $298 million (December 31, 2025: $275 million).

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

Purchase and deposits on property, plant and equipment by segment

Additions to non-current assets other than financial instruments, deferred tax assets and goodwill represent additions to property, plant and equipment, for which capital expenditure is presented as follows:

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Cobre Panamá	**8**	3	**11**	8
Kansanshi	**207**	214	**380**	372
Trident [1]	**85**	73	**153**	131
Corporate & other	**22**	20	**44**	42
Total	**322**	310	**588**	553

[1] Trident includes Sentinel copper mine and the Enterprise nickel mine.

20. FINANCIAL INSTRUMENTS

The Company classifies its financial assets as amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit and loss ("FVTPL"). Financial liabilities are measured at amortized cost or FVTPL.

The following provides the classification of financial instruments by category at June 30, 2026:

	Amortized cost [4]	Fair value through profit or loss	Fair value through OCI	Total
Financial assets				
Trade and other receivables [1]	**123**	**311**	**–**	**434**
Due from KPMC (note 6)	**338**	**–**	**–**	**338**
Other derivative instruments [2]	**–**	**106**	**–**	**106**
Deferred and contingent consideration (note 6)	**45**	**47**	**–**	**92**
Investments [3]	**–**	**–**	**64**	**64**
Financial liabilities				
Trade and other payables	**674**	**–**	**–**	**674**
Derivative instruments in designated hedge relationships	**–**	**–**	**–**	**–**
Other derivative instruments [2]	**–**	**91**	**–**	**91**
Leases	**17**	**–**	**–**	**17**
Liability to joint venture	**1,212**	**–**	**–**	**1,212**
Other loans owed to non-controlling interest	**242**	**–**	**–**	**242**
Debt	**6,178**	**–**	**–**	**6,178**

[1] Commodity products are sold under pricing arrangements where final prices are set at a specified future date based on market commodity prices. Changes between the prices recorded upon recognition of revenue and the final price due to fluctuations in commodity market prices give rise to an embedded derivative in the accounts receivable related to the provisionally priced sales contracts.
[2] Other derivative instruments related to provisionally priced sales contracts are classified as fair value through profit or loss and recorded at fair value, with changes in fair value recognized as a component of cost of sales.
[3] Investments held by the Company are held at fair value through other comprehensive income.
[4] The fair value of financial assets and liabilities measured at amortized cost is comparable to the carrying value due to the short term to maturities or due to the rates of interest approximating market rates.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

The following provides the classification of financial instruments by category at December 31, 2025:

	Amortized cost[5]	Fair value through profit or loss	Fair value through OCI	Total
Financial assets				
Trade and other receivables [1]	260	713	–	973
Due from KPMC (note 6)	305	–	–	305
Other derivative instruments [3]	–	6	–	6
Investments [4]	–	–	60	60
Financial liabilities				
Trade and other payables	590	–	–	590
Derivative instruments in designated hedge relationships[2]	–	–	234	234
Other derivative instruments [3]	–	213	–	213
Leases	18	–	–	18
Liability to joint venture	1,162	–	–	1,162
Other loans owed to non-controlling interest	233	–	–	233
Debt	5,836	–	–	5,836

[1] Commodity products are sold under pricing arrangements where final prices are set at a specified future date based on market commodity prices. Changes between the prices recorded upon recognition of revenue and the final price due to fluctuations in commodity market prices give rise to an embedded derivative in the accounts receivable related to the provisionally priced sales contracts.
[2] For the year ended December 31, 2025 a fair value (loss) of $234 million has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income.
[3] Other derivative instruments related to provisionally priced sales contracts are classified as fair value through profit or loss and recorded at fair value, with changes in fair value recognized as a component of cost of sales.
[4] Investments held by the Company are held at fair value through other comprehensive income.
[5] The fair value of financial assets and liabilities measured at amortized cost is comparable to the carrying value due to the short term to maturities or due to the rates of interest approximating market rates.

Fair values

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Inputs for the asset or liability that are not based on observable market data.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

The following table sets forth the Company's assets and liabilities measured at fair value on the balance sheet at June 30, 2026:

	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Derivative instruments – LME contracts [1]	**94**	**–**	**–**	**94**
Derivative instruments – OTC contracts [2]	**–**	**12**	**–**	**12**
Deferred and contingent consideration (note 6)[4]	**—**	**–**	**47**	**47**
Investments [3]	**21**	**–**	**43**	**64**
Financial liabilities				
Derivative instruments – LME contracts [1]	**91**	**–**	**–**	**91**
Derivative instruments – OTC contracts [2]	**–**	**–**	**–**	**–**
Derivative instruments in designated hedge relationships	**–**	**–**	**–**	**–**

[1] Futures for copper, nickel, gold and zinc were purchased on the London Metal Exchange ("LME") and London Bullion Market and have direct quoted prices, therefore these contracts are classified within Level 1 of the fair value hierarchy.

[2] The Company's derivative instruments are valued by the Company's brokers using pricing models based on active market prices. All forward swap contracts held by the Company are OTC and therefore the valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates using inputs which can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy. Derivative assets are included within other assets on the balance sheet and derivative liabilities are included within provisions and other liabilities on the balance sheet.

[3] The Company's investments in marketable equity securities are classified within Level 1 and Level 3 of the fair value hierarchy. The investments classified within Level 1 of the fair value hierarchy are valued using quoted market prices in active markets. The fair value of the marketable equity securities is calculated as the quoted market price of the marketable security multiplied by the quantity of shares held by the Company. The investments in equity securities in non-public companies are classified within Level 3 of the fair value hierarchy as the valuation is based on unobservable inputs, supported by little or no market activity.

[4] Under the terms of the Transaction, contingent consideration reflects up to $80 million in deferred payments tied to certain Project development milestones.

The following table sets forth the Company's assets and liabilities measured at fair value on the balance sheet at December 31, 2025, in the fair value hierarchy:

	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Derivative instruments – LME contracts [1]	6	–	–	6
Derivative instruments – OTC contracts [2]	–	–	–	–
Investments [3]	14	–	46	60
Financial liabilities				
Derivative instruments – LME contracts [1]	206	–	–	206
Derivative instruments – OTC contracts [2]	–	7	–	7
Derivative instruments in designated hedge relationships[4]	–	234	–	234

[1] Futures for copper, nickel, gold and zinc were purchased on the London Metal Exchange ("LME") and London Bullion Market and have direct quoted prices, therefore these contracts are classified within Level 1 of the fair value hierarchy.

[2] The Company's derivative instruments are valued by the Company's brokers using pricing models based on active market prices. All forward swap contracts held by the Company are OTC and therefore the valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates using inputs which can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy. Derivative assets are included within other assets on the balance sheet and derivative liabilities are included within provisions and other liabilities on the balance sheet.

[3] The Company's investments in marketable equity securities are classified within Level 1 and Level 3 of the fair value hierarchy. The investments classified within Level 1 of the fair value hierarchy are valued using quoted market prices in active markets. The fair value of the marketable equity securities is calculated as the quoted market price of the marketable security multiplied by the quantity of shares held by the Company. The investments in equity securities in non-public companies are classified within Level 3 of the fair value hierarchy as the valuation is based on unobservable inputs, supported by little or no market activity.

[4] For the year ended December 31, 2025 a fair value loss of $234 million has been recognized on derivatives designated as hedged instruments through accumulated other comprehensive income. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income.

(expressed in millions of U.S. dollars, except where indicated and share and per share amounts)

Derivatives designated as hedged instruments

As at June 30, 2026, the Company held no commodity contracts designated as hedged instruments.

Other derivatives

As at June 30, 2026, the Company had entered into the following derivative contracts for copper, gold and nickel in order to reduce the effects of fluctuations in metal prices between the time of the shipment of metal from the mine site when the sale is provisionally priced and the date agreed for pricing the final settlement.

Excluding the contracts noted above, as at June 30, 2026, the following derivative positions were outstanding:

	Open Positions	**Average Contract price**	**Closing Market price**	**Maturities Through**
Embedded derivatives in provisionally priced sales contracts:				
Copper	**87,588 tonnes**	**$5.90/lb**	**$6.05/lb**	**Nov-26**
Gold	**27,450 ounces**	**$4,426/oz**	**$4,026/oz**	**Jul-26**
Nickel	**9,393 tonnes**	**$8.22/lb**	**$7.38/lb**	**Sep-26**
Commodity contracts:				
Copper	**87,450 tonnes**	**$5.90/lb**	**$6.05/lb**	**Nov-26**
Gold	**27,446 ounces**	**$4,426/oz**	**$4,026/oz**	**Jul-26**
Nickel	**9,393 tonnes**	**$8.22/lb**	**$7.38/lb**	**Sep-26**

As at December 31, 2025, the following derivative positions were outstanding:

	Open Positions	Average Contract price	Closing Market price	Maturities Through
Embedded derivatives in provisionally priced sales contracts:				
Copper	84,089 tonnes	$4.79/lb	$5.67/lb	Jun-26
Gold	23,340 ounces	$4,303/oz	$4,308/oz	Mar-26
Nickel	6,085 tonnes	$6.88/lb	$7.48/lb	Mar-26
Commodity contracts:				
Copper	84,075 tonnes	$4.79/lb	$5.67/lb	Jun-26
Gold	23,336 ounces	$4,303/oz	$4,308/oz	Mar-26
Nickel	6,090 tonnes	$6.88/lb	$7.48/lb	Mar-26

A summary of the fair values of unsettled derivative financial instruments for commodity contracts recorded on the consolidated balance sheet.

	June 30, 2026	December 31, 2025
Commodity contracts:		
Asset position	**106**	6
Liability position	**(91)**	(447)

21. COMMITMENTS AND CONTINGENCIES

Capital commitments

The Company has committed to $80 million (December 31, 2025: $96 million) in capital expenditures.

Other commitments & contingencies

Due to the size, complexity and nature of the Company's operations, various legal and tax matters are outstanding from time to time. The Company is routinely subject to audit by tax authorities in the countries in which it operates and has received a number of tax assessments in various locations, which are currently at various stages of progress with the relevant authorities. The outcome of these audits and assessments are uncertain however, the Company is confident of its position on the various matters under review.

Panama

Introduction

On March 8, 2023, MPSA and the Republic of Panama announced they had reached agreement on the terms and conditions of a refreshed concession contract ("Refreshed Concession Contract"). MPSA and the GOP signed the Refreshed Concession Contract on June 26, 2023, and it was subsequently countersigned by the National Comptroller of Panama. The GOP cabinet approved the amended terms of the Refreshed Concession Contract on October 10, 2023, and MPSA and the Republic entered into the agreement the next day. On October 20, 2023, the National Assembly in Panama approved Bill 1100, being the proposal for approval of the Refreshed Concession Contract for the Cobre Panamá mine. On the same day, President Laurentino Cortizo sanctioned Bill 1100 into Law 406 and this was subsequently published in the Official Gazette.

Panama Constitutional Proceedings and Mining Moratorium.

On October 26, 2023, a claim was lodged with the Supreme Court of Justice of Panama asserting that Law 406 was unconstitutional. MPSA was not a party to that proceeding. The petitioner argued that Law 406, which gave legal effect to the Refreshed Concession Contract, was unconstitutional.

On November 28, 2023, the Supreme Court issued a ruling declaring Law 406 unconstitutional and stating that the effect of the ruling is that the Refreshed Concession Contract no longer exists. The ruling was subsequently published in the Official Gazette on December 2, 2023. The Supreme Court did not order the closure of the Cobre Panamá mine.

On December 19, 2023, the (now former) Minister for Commerce and Industry announced plans for Cobre Panamá following the ruling of the Supreme Court. The validity of Panama's Mineral Resources Code which was established more than 50 years ago was reiterated by the Minister given the absence of retroactivity of the Supreme Court ruling. As part of these plans, a temporary phase of environmental Preservation and Safe Management would be established during which intervening period independent audits, review and planning activities would be undertaken. The Company is of the view, supported by the advice of legal counsel, that it has acquired rights with respect to the operation of the Cobre Panamá project, as well as rights under international law.

On May 30, 2025, Panama issued a resolution approving the Preservation and Safe Management plan proposed in 2024 by MPSA. That plan included the sale and export of the copper concentrate and also provided for the import of fuel and restart of Cobre Panamá's power plant. MPSA began exporting the copper concentrate in June 2025, which was completed in July 2025.

In November 2025, Unit 2 of the power plant was commissioned and synchronized to the grid. Unit 1 commenced commissioning in early February 2026.

During the fourth quarter of 2025, the National Directorate of Mineral Resources of the Ministry of Commerce and Industries notified MPSA of its obligation to pay royalties corresponding to the four shipments of copper concentrate exported in June and July 2025, calculated in accordance with the special regime established under Contract Law 406 on October 20, 2023. The corresponding royalty payments totalling $30 million were made to the GOP in the fourth quarter of 2025.

In the State of the Nation address on January 2, 2026, President José Raúl Mulino announced that the GOP would authorize the removal, processing and export of stockpiled ore at Cobre Panamá that was previously extracted before operations were suspended. Processing of the stockpiled ore will mitigate environmental and operational risks associated with its prolonged storage, such as acid rock drainage, and provide important feed material to the tailings management facility ("TMF").

Following the President's announcement the Ministry of Commerce and Industries formally requested technical and legal information and documentation from the company to support its internal review process. The company submitted all requested materials. On April 7, 2026, the Government of Panama, through Resolution No. 27 issued by the Ministry of Commerce and Industries, authorized the removal, processing, and export of stockpiled ore currently stored on site at the Cobre Panamá mine as part of the P&SM.

Arbitration Proceedings

Following engagement with the GOP's legal counsel, First Quantum has agreed to discontinue the ICC arbitration proceedings. The Company has also agreed to suspend the Canada-Panama Free Trade Agreement ("FTA") arbitration.

1. On November 29, 2023, Minera Panamá S.A. ("MPSA") initiated arbitration before the ICC's International Court of Arbitration pursuant to the ICC's Rules of Arbitration and Clause 46 of the Refreshed Concession Contract, to protect its rights under Panamanian law and the Refreshed Concession Contract that the GOP agreed to in October 2023. The arbitration clause of the contract provides for arbitration in Miami, Florida. On March 31, 2025, following engagement with the GOP's legal counsel, MPSA agreed to discontinue its ICC arbitration.

2. On November 14, 2023, First Quantum submitted a notice of intent to the GOP initiating the consultation period required under the FTA. First Quantum submitted an updated notice of intent on February 7, 2024. First Quantum is entitled to seek any and all relief appropriate in arbitration, including but not limited to damages and reparation for Panama's breaches of the Canada-Panama FTA. These breaches include, among other things, the GOP's failure to permit MPSA to lawfully operate the Cobre Panamá mine prior to the Supreme Court's November 2023 decision, and the GOP's pronouncements and actions concerning closure plans and P&SM at Cobre Panamá. On March 31, 2025, following engagement with the GOP's legal counsel, First Quantum agreed to suspend the FTA arbitration. To effectuate the suspension, on April 2, 2025 First Quantum filed a request for arbitration with the International Centre for Settlement of Investment Disputes ("ICSID"), and notified ICSID of the agreed-to suspension. Although the FTA arbitration continues to be suspended, a panel of three arbitrators was formally constituted on September 10, 2025.

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