



FIRST QUANTUM  
MINERALS



# MANAGEMENT'S DISCUSSION AND ANALYSIS

THIRD QUARTER ENDED SEPTEMBER 30, 2022

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

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First Quantum Minerals Ltd. (“First Quantum” or “the Company”) is engaged in the production of copper, nickel, gold and silver, and related activities including exploration and development. The Company has operating mines located in Zambia, Panama, Finland, Turkey, Spain, Australia and Mauritania, and a development project in Zambia. The Company is progressing the Taca Taca copper-gold-molybdenum project in Argentina and Haquira, a copper exploration project in Peru.

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

This Management’s Discussion and Analysis (“MD&A”) should be read in conjunction with the unaudited consolidated financial statements of First Quantum for the three and nine months ended September 30, 2022. The Company’s results have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to interim reporting, IAS 34 Interim Financial Reporting, and are presented in United States dollars, tabular amounts in millions, except where noted.

For further information on First Quantum, reference should be made to its public filings (including its most recently filed Annual Information Form) which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Information is also available on the Company’s website at [www.first-quantum.com](http://www.first-quantum.com). This MD&A contains forward-looking information that is subject to risk factors, see “*Cautionary statement on forward-looking information*” for further discussion. Information on risks associated with investing in the Company’s securities and technical and scientific information under National Instrument 43-101 – *Standards for Disclosure for Mineral Projects* (“NI 43-101”) concerning the Company’s material properties, including information about mineral resources and mineral reserves, are contained in its most recently filed Annual Information Form. This MD&A was prepared as of October 25, 2022.

## THIRD QUARTER HIGHLIGHTS

*Cobre Panama achieved another quarterly record in throughput and copper production. Sentinel delivered its best quarterly production of the year. Production at Kansanshi was impacted by lower grades in narrow ore veins. Financial results for the quarter were impacted by lower copper prices and global inflationary pressures. Gross profit of \$302 million and EBITDA<sup>1</sup> of \$583 million was achieved.*

- **Cobre Panama** delivered record quarterly copper production of 92 thousand tonnes (“kt”) and achieved record mill throughput of 22.4 million tonnes, attributable to increased plant stability and continuous improvement projects.
- **Sentinel** reached its target run rate of 62 million tonnes per annum (“Mtpa”) ahead of schedule and delivered its best quarterly copper production of the year, achieving record throughput and producing 64kt of copper during the quarter. Higher grade ore was accessed and grade is expected to continue to improve in the fourth quarter.
- **Kansanshi** produced 30kt of copper during the quarter. Production was impacted by lower grades from narrow ore veins as well as water accumulation in the pit, which was dewatered in August.
- **Total copper production** for the third quarter of 195kt was a 7% decrease from the comparative quarter and is due to lower grades at Kansanshi as well as lower production from shorter mine life operations. This was mitigated by strong production at Cobre Panama and Sentinel.
- **Total copper sales volumes** of 199kt were 4kt higher than the current quarter production due to timing of sales, as various logistical and shipping challenges that prevailed for the last several quarters, including tight availability of shipping containers and port congestion at Southern African ports, eased during the third quarter.
- **Ravensthorpe’s** nickel production of 6 thousand contained tonnes was 38% higher than that of the same quarter in 2021, as High Pressure Acid Leach (“HPAL”) rates improved during the quarter with improved ore handling and processing, and improved beneficiation plant stability.
- **Total gold production** for the quarter was 67 thousand ounces (“koz”), an 11koz decrease from the same quarter of 2021, mainly due to lower production at Kansanshi.
- **Management:** On September 1, 2022, the Company announced changes to senior management with the appointment of Ryan MacWilliam as Chief Financial Officer and Rudi Badenhorst as Chief Operating Officer.

<sup>1</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA and the composition remains the same. See “*Regulatory Disclosures*”.

- **Financial results** for the third quarter include net earnings attributable to shareholders of the Company of \$113 million (\$0.16 net earnings per share) and adjusted earnings<sup>1</sup> of \$96 million (\$0.14 adjusted earnings per share<sup>2</sup>), a decrease from the comparable quarter in 2021 which had net earnings attributable to shareholders of the Company of \$303 million (\$0.44 net earnings per share) and adjusted earnings<sup>1</sup> of \$197 million (\$0.29 adjusted earnings per share<sup>2</sup>). Decreases are attributable to lower realized copper and gold prices<sup>2</sup>, as well as cost inflation.
- **Gross profit** of \$302 million and EBITDA<sup>1</sup> of \$583 million for the third quarter were lower than the same quarter in 2021, attributable to lower realized metal prices<sup>2</sup> and cost inflation, partially mitigated by higher sales volumes.
- **Cost inflation:** Various inputs and operational costs continued to increase further during the third quarter and impacted C1 cash costs<sup>2</sup>. These include costs for fuel, explosives, sulphur, freight, reagents and steel. Market rates for fuel, sulphur, explosives and freight had started to reduce by the end of the quarter, but there is a lag before such market changes flow through to unit costs. Employee costs rose during the third quarter as the Company realigned labour rates to current market levels and adjusted for cost-of-living changes in some jurisdictions.
- **Copper C1 cash cost<sup>2</sup>** of \$1.82 per pound ("lb") for the third quarter of 2022 was \$0.56 per lb higher than the comparable quarter in 2021, attributable to inflationary pressures, lower production and lower gold by-product credits. Copper AISC<sup>2</sup> of \$2.34 per lb for the quarter reflects the higher copper C1 cash cost<sup>2</sup>.
- **Debt:** Net debt<sup>3</sup> was stable during the third quarter, although a small decrease of \$10 million was recorded, bringing the net debt<sup>3</sup> balance down to \$5,329 million as at September 30, 2022, a reduction of \$973 million from \$6,302 million at September 30, 2021. As at September 30, 2022, total debt was \$7,118 million (December 31, 2021, total debt was \$7,912 million). The Company has achieved its debt reduction target of \$2 billion, from the peak in the second quarter of 2020, and continues to target a further \$1 billion reduction in the medium term.
- **Cash flows** from operating activities of \$525 million (\$0.76 per share<sup>2</sup>) for the quarter were \$178 million lower than the same quarter of 2021 due to lower realized metal prices<sup>2</sup> and inflationary impact on costs.
- **Dividends:** On July 26, 2022, the Company declared an interim dividend of CDN\$0.16 per share, in respect of the financial year ended December 31, 2022 (July 27, 2021: CDN\$0.005 per share), which was paid on September 20, 2022 to shareholders of record on August 29, 2022. This is the first payment under the Company's new dividend policy.
- **Guidance:** Total copper production guidance has been lowered to between 755,000 – 785,000 tonnes from between 790,000 – 855,000 tonnes. Cobre Panama's performance continued to improve in line with expectations and the copper production guidance has been narrowed from 330,000 – 360,000 tonnes to 340,000 – 350,000 tonnes. Sentinel delivered its best quarterly production for the year, however the slower bench turnover earlier in the year has resulted in guidance being reduced from 250,000 – 265,000 tonnes to 240,000 – 250,000 tonnes. Kansanshi's production has been impacted by lower grades and guidance has been lowered from 175,000 – 195,000 tonnes to 140,000 – 150,000 tonnes. Copper C1 cash cost<sup>2</sup> guidance has been increased from \$1.45 per lb – \$1.60 per lb to \$1.70 per lb – \$1.80 per lb to reflect lower production levels at the Zambian operations and inflationary pressures experienced year to date. Copper AISC<sup>2</sup> guidance also has been increased from \$2.15 per lb – \$2.30 per lb to \$2.35 per lb – \$2.45 per lb. Gold production guidance has been reduced from 285,000 – 310,000 ounces to 270,000 – 285,000 ounces.
- **Development Projects:** Long-lead items on both the S3 Expansion project and the related expansion of the Kansanshi smelter have been procured and engineering contractors have commenced with detailed designs. At Enterprise, development of mine facilities and plant refurbishment are underway with first ore on schedule for the first half of 2023.

<sup>1</sup> EBITDA and adjusted earnings are non-GAAP financial measures which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA and the composition remains the same. Adjusted earnings was previously named comparative earnings (loss), and the composition remains the same. See "Regulatory Disclosures".

<sup>2</sup> Adjusted earnings per share, cash flows from operating activities per share, realized metal prices, copper C1 cash cost (copper C1), and copper all-in sustaining cost (copper AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>3</sup> Net debt is a supplementary financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## CONSOLIDATED OPERATING HIGHLIGHTS

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Copper production (tonnes) <sup>1</sup>	194,974	209,859	569,852	614,612
Copper sales (tonnes) <sup>8</sup>	198,980	194,278	583,324	608,802
Gold production (ounces)	67,417	78,124	212,733	237,547
Gold sales (ounces) <sup>2</sup>	65,014	79,773	211,207	242,455
Nickel production (contained tonnes)	5,849	4,248	15,824	13,433
Nickel sales (contained tonnes)	5,992	4,055	13,234	13,322

## CONSOLIDATED FINANCIAL HIGHLIGHTS

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Sales revenues <sup>3</sup>	1,727	1,747	5,794	5,151
Gross profit	302	613	1,839	1,778
Net earnings attributable to shareholders of the Company	113	303	917	585
Basic earnings per share	\$0.16	\$0.44	\$1.33	\$0.85
Diluted earnings per share	\$0.16	\$0.44	\$1.32	\$0.85
Cash flows from operating activities	525	703	2,095	2,125
Net debt <sup>6</sup>	5,329	6,302	5,329	6,302
EBITDA <sup>4,5</sup>	583	886	2,669	2,599
Adjusted earnings <sup>4</sup>	96	197	913	520
Adjusted earnings per share <sup>7</sup>	\$0.14	\$0.29	\$1.32	\$0.76
Cash cost of copper production (C1) (per lb) <sup>7,8</sup>	\$1.82	\$1.26	\$1.72	\$1.26
Total cost of copper production (C3) (per lb) <sup>7,8</sup>	\$2.75	\$2.22	\$2.71	\$2.18
Copper all-in sustaining cost (AISC) (per lb) <sup>7,8</sup>	\$2.34	\$1.87	\$2.33	\$1.83
Realized copper price (per lb) <sup>7</sup>	\$3.43	\$3.68	\$4.01	\$3.48
Net earnings attributable to shareholders of the Company	113	303	917	585
Adjustments attributable to shareholders of the Company:				
Adjustment for expected phasing of Zambian value-added tax ("VAT") receipts	6	4	134	18
Total adjustments to EBITDA <sup>4</sup> excluding depreciation <sup>5</sup>	(26)	(177)	(161)	(137)
Tax and minority interest adjustments	3	67	23	54
Adjusted earnings <sup>4</sup>	96	197	913	520

<sup>1</sup> Production is presented on a contained basis, and is presented prior to processing through the Kansanshi smelter.

<sup>2</sup> Excludes refinery-backed gold credits purchased and delivered under the precious metal streaming arrangement (see "Precious Metal Stream Arrangement").

<sup>3</sup> Delivery of non-financial items (refinery-backed gold and silver credits) into the Company's precious metal stream arrangement have been netted within sales revenues rather than included in cost of sales. The periods ended September 30, 2021 have been revised to reflect this change. Sales revenues and cost of sales for the three

and nine months ended September 30, 2021 have been reduced by \$55 and \$176 million, respectively, compared to the previously reported values for the periods ended September 30, 2021 (see "*Precious Metal Stream Arrangement*").

<sup>4</sup> EBITDA and adjusted earnings are non-GAAP financial measures, which do not have a standardized meaning under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings and EBITDA were previously named comparative earnings and comparative EBITDA, respectively, and the composition remains the same. Adjusted earnings have been adjusted to exclude items from the corresponding IFRS measure, net earnings attributable to shareholders of the Company, which are not considered by management to be reflective of underlying performance. The Company has disclosed these measures to assist with the understanding of results and to provide further financial information about the results to investors and may not be comparable to similar financial measures disclosed by other issuers. The use of adjusted earnings and EBITDA represents the Company's adjusted earnings metrics. See "*Regulatory Disclosures*".

<sup>5</sup> Adjustments to EBITDA in 2022 relate principally to foreign exchange revaluations and non-recurring costs relating to previously sold assets (2021 - foreign exchange revaluations).

<sup>6</sup> Net debt is a supplementary financial measure, which does not have a standardized meaning under IFRS, and might not be comparable to similar financial measures disclosed by other issuers. See "*Regulatory Disclosures*".

<sup>7</sup> Adjusted earnings per share, realized metal prices, copper all-in sustaining cost (copper AISC), copper C1 cash cost (copper C1), and total cost of copper (copper C3) are non-GAAP ratios, which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "*Regulatory Disclosures*".

<sup>8</sup> Excludes the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 4,148 and 4,728 tonnes for the three and nine months ended September 30, 2022, respectively (nil for the three and nine months ended September 30, 2021).

## ENVIRONMENT, SOCIAL AND GOVERNANCE

### Reporting

The 2021 ESG Report, the 2021 Tax Transparency and Contributions to Government Report, policies and related programs, including the Taskforce on Climate-related Financial Disclosure-aligned Climate Change Report, can be found in the ESG Analyst Centre on the Company's website:

<https://www.first-quantum.com/English/sustainability/esg-analyst-centre/default.aspx>

### Actions on Climate Change

The Company entered into a long-term, fixed-price contract with AES Panama ("AES"), an independent power producer for the purchase of 64 megawatts ("MW") of electrical power, being sufficient for the demand requirements of the CP100 Expansion project. The contract subsequently received regulatory approval from the National Dispatch Centre ("CND") in September 2022. The expansion project will be supplied by 100% renewable energy from a portfolio that includes a combination of solar, wind, and hydroelectric generation. The cost of power under this agreement will be broadly in line with the current all-in cost of power generated by the Cobre Panama power station and favourable compared to what costs would be at current thermal coal prices. The current all-in cost of power at the power station includes depreciation and the collar structure for coal purchases that expire at the end of 2023. This additional power will be required at Cobre Panama following the CP100 ramp up through 2023 and as a result, the total power mix at the mine is expected to move to around 20% renewable by this time. This represents an important first step towards the Company's target of reducing greenhouse gas ("GHG") emissions by 30% by 2025, and 50% by 2030.

### Investment in People

#### Training Centre for Industrial Professions - Panama

On September 9, 2022, the Company, in conjunction with The Minister of Labour and Workforce Development (MITRADEL), Doris Zapata, inaugurated the Training Centre for Industrial Professions in La Pintada province, Panama. The Company invested \$5 million in developing the facility which will offer subsidised technical education to people aged between 18 and 35 years old in a range of areas for careers in the mining and industrial sectors. Working closely with MITRADEL, the qualifications received by the students at the training centre will be endorsed by the Panamanian National Institute of Vocational Training and Training for Human Development. The training centre seeks to offer new opportunities for host communities around Cobre Panama and, in particular, to increase the representation of women, who have accounted for almost a third of the students enrolled to date.

## CARE Program - Zambia

The Company launched the CARE program at the Zambian operations in July. The program's goal is to empower individuals at First Quantum's Zambian operations with the right skills and knowledge to deliver world-class maintenance on the Company's mobile fleet. CARE will provide the teams in Zambia with enhanced career paths, high-quality development opportunities and improve the employee experience. The program supports a predictive maintenance culture that will deliver further productivity and sustainability benefits through reduced use of oil and consumables as well as extending component life.

## Health & Safety

The health and safety of the Company's employees and contractors is a top priority and the Company is focused on the continual strengthening and improvement of the safety culture at all of its operations. The Lost Time Injury Frequency Rates ("LTIFR") is an area of continuous focus and a key performance metric for the Company. Our rolling 12-month LTIFR is 0.06 per 200,000 hours worked as of September 30, 2022 (2021: 0.08).

## OPERATIONS

On September 1, 2022, the Company announced changes to senior management with the appointment of Ryan MacWilliam as Chief Financial Officer and Rudi Badenhorst as Chief Operating Officer.

## LOGISTICS AND SHIPPING

The various logistical challenges that prevailed in recent quarters have begun to ease during the third quarter, with some relatively minor exceptions. The supply of containers at some Southern African ports was tight at times. Products were occasionally diverted to different ports for various reasons, including strikes, and container availability.

Bulk shipping operations, in respect of both inputs and products, performed smoothly throughout the quarter, and some decrease in shipping costs were realized.

## COST INFLATION

Various inputs and operational costs continued to increase further during the third quarter and impacted C1 cash costs<sup>1</sup>. These include costs for fuel, explosives, sulphur, freight, reagents and steel. Market rates for fuel, sulphur, explosives and freight had reduced by the end of the quarter but there is a lag before such market changes flow through to unit costs. Employee costs rose during the third quarter as the Company realigned labour rates to current market levels and adjusted for cost-of-living changes in some jurisdictions. While capital expenditure is expected to be in line with guidance, the Company is also experiencing inflation in capital expenditures.

<sup>1</sup> C1 cash cost (C1) is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## DEVELOPMENT PROJECTS

### Brownfield Projects

#### CP100 Expansion

The CP100 Expansion project to achieve a throughput rate of 100 Mtpa, with the addition of a sixth ball mill and other process plant facilities and infrastructure upgrades, is well underway with substantially all components of the project now delivered to site. Completion of construction works and commencement of commissioning is targeted for the first quarter of 2023 to allow for a ramp up of production over the course of the year and achieve a throughput rate of 100 Mtpa by the end of 2023.

During the first half of 2022, the Company completed the commissioning of eight additional ultra-class haul trucks. These units will support an additional rope shovel, which is expected to become operational during the fourth quarter of 2022. Significant progress has been made on the pre-strip work for the Colina pit and earthworks for the associated overland conveyor and in-pit crushing facility. The first crusher at Colina is expected to be commissioned in 2024. In September 2022, the Company received regulatory approval from the CND for a long-term, fixed-price contract with AES, an independent power producer for the purchase

of 64MW of electrical power for the CP100 Expansion. The expansion project will be supplied by 100% renewable energy from a portfolio that includes a combination of solar, wind, and hydroelectric generation.

### Enterprise

Enterprise is a nickel deposit located 12 kilometres away from Sentinel in the North Western Province of Zambia, with Proven and Probable Mineral Reserves amounting to 34.7 million tonnes (including 9.6 million tonnes of Proven Mineral Reserves and 25.1 million tonnes of Probable Reserves) at 0.99% nickel. It is expected to be a low-cost, high-grade, low-GHG intensity nickel sulphide project. Due to the proximity of the project to Sentinel, the project benefits from shared existing infrastructure and a skilled workforce already in place at Sentinel. The Enterprise project received Board approval in May 2022 for a capital expenditure of \$100 million. Pre-stripping of the Enterprise pit of \$60 million is included in the three-year guidance provided earlier this year along with \$40 million related to infrastructure and plant commissioning.

The main workstream to bring the Enterprise nickel project online, the pre-strip of the mine, commenced in May 2022 and is on schedule for first ore in the first half of 2023. In parallel, mine facilities are being developed, including the satellite administration office, workshop, fuel storage, haul road upgrade, dewatering boreholes and other facilities. Plant refurbishment, completion and commissioning activities are on schedule and are aligned to the pre-stripping duration.

### Las Cruces Underground Project

The Las Cruces Underground Project is awaiting Board approval, which is not expected before the end of 2023, and will take into consideration prevailing economic conditions.

The Company published an updated technical report on January 17, 2022 with an updated mineral resource estimate of the Polymetallic Primary Sulphide to 41.2 million tonnes of Measured and Indicated Mineral Resources, which includes 5.02 million tonnes of Indicated Mineral Resources tabled as stockpiles. There is an additional 7.1 million tonnes of Inferred Mineral Resources. Further detailed technical work is being conducted to convert Mineral Resources to Mineral Reserves as part of the Las Cruces Underground Project.

In 2021, the Las Cruces mine transitioned from open-pit mining to the re-processing of high-grade tailings, which is expected to continue until the third quarter of 2023 while work on the Las Cruces Underground Project advances. The proposed underground project involves supplementing the existing copper facilities at Las Cruces with new processing capacity for zinc, silver and lead.

Work in 2022 has focused on advancing the design of the underground mine and plant, obtaining the water concession and geological definition of reserves and resources.

### Kansanshi S3 Expansion

The S3 Expansion project received Board approval in May 2022. The S3 Expansion is expected to transition Kansanshi away from the current, more selective high-grade, medium-scale operation to a medium-grade, larger scale mining operation. The NI 43-101 Technical Report filed on September 14, 2020 includes the plan for a 25 Mtpa expansion of the sulphide ore processing facility, increasing annual throughput to 53 Mtpa. The S3 Expansion will also involve a new larger mining fleet, and combined with the new standalone 25 Mtpa processing plant, is expected to create efficiencies and economies of scale. The majority of the capital spend on the S3 Expansion is expected in 2023 and 2024. Following the procurement of long-lead items, including primary crusher, mills and mining fleet, engineering contractors have commenced with detail design incorporating enhancements and efficiencies introduced by the latest generation of preferred equipment and the learnings of the Sentinel and Cobre Panama operations. The S3 Expansion mining fleet has been procured with deliveries commencing in the second half of 2023. This will enable the mine to transition ahead of the plant commissioning in 2025.

In July 2022, the Board approved the expansion of the Kansanshi smelter, which is included in the Company's three year capital expenditure guidance issued in January 2022. In parallel with the S3 Expansion, the Company plans to increase throughput capacity of the Kansanshi smelter to 1.6 Mtpa from the current capacity level of 1.38 Mtpa. The capacity increase will be achieved partly through enhancing copper concentrate grades by lowering the carbon and pyrite content of the Kansanshi and Sentinel concentrate feeds. The gas handling circuit will be de-bottlenecked, including modifications to the existing acid plant 5. Concentrate processing capacity is expected to be further expanded through modifications to the existing high-pressure leach circuit. In addition to increased capacity, the smelter expansion is expected to create greater flexibility should smelter capacity constraints in the Zambian Copperbelt arise, as well as reduce downstream Scope 3 GHG emissions from the transport and refining of copper concentrate at third party smelters. Engineering has commenced and orders have been placed for key long-lead items associated with the oxygen plant, acid plant, and wet electrostatic precipitation.



## Greenfield Projects

### Taca Taca

Taca Taca, located in the Salta province of Argentina, is the more advanced of the Company's two greenfield projects and is one of the largest, highest quality copper projects globally. It will consist of an open-pit copper mine and ore processing plant to produce up to 275,000 tonnes of copper per year along with gold and molybdenum by-products. With an initial mine life of 32 years and a large resource base, Taca Taca is projected to be both long-life and low-cost.

In addition to the mining and processing facilities, the project incorporates waste rock and tailings storage facilities, a new electrical transmission line of 125 kilometres, and planned water supply from regional borefields that are hydrologically separate from community water sources. Project infrastructure also includes new access roads and rehabilitation and upgrades to the existing railway line. Power supply options are available to source up to 100% of the project's electricity needs from renewables or from a combination of renewable energy and Argentinian natural gas. GHG emissions could be further reduced through the application of the Company's industry-leading electric trolley assist for haul trucks.

The Company is continuing with the project pre-development and feasibility activities. The primary Environmental and Social Impact Assessment ("ESIA") for the project, which covers the principal proposed project sites, was submitted to the Secretariat of Mining of Salta Province in 2019 and approval of the ESIA is anticipated in late 2022. Two additional environmental permits were filed with the relevant authorities during 2021, including one for the transmission line to connect the project to the national electrical grid, and another for the proposed bypass and access road construction for the project. These are expected to be along a similar timeline to the primary mine site ESIA.

The project will also require approval of a concession for borefield water supply. The water supply studies and pump tests to support the application have advanced steadily in 2022 and are expected to be completed in early 2023. The water permit applications will be filed progressively in 2023.

A Board decision to advance the Taca Taca project is not expected before 2024.

### Haquira

Haquira is located in the Apurímac region of Peru, and is a longer-dated greenfield project for the Company. Negotiations for land access to support a drill program were suspended in August as an agreement could not be reached with communities, and field activities have been reduced. The Company hopes to resume discussions toward the end of 2023.

## EXPLORATION

The Company's global exploration program is focused on identifying high-quality porphyry and sediment-hosted copper deposits in prospective belts around the world.

The Company is engaged in the assessment and early stage exploration of a number of properties around the world, particularly focused on the Andean porphyry belt of Argentina, Chile, Peru, Ecuador and Colombia, as well as specific targets in other jurisdictions including Finland and Australia. Near-mine exploration programs are focused on Las Cruces in Spain, Çayeli in Turkey, as well as on satellite targets around Kansanshi in Zambia. Some encouraging targets have emerged from reconnaissance surveys around Las Cruces and Çayeli with follow-up drilling currently in progress.

During the quarter, reconnaissance surveys continued on greenfield porphyry targets in Peru, Chile, and Ecuador. More substantial drill programs are active on a copper-gold porphyry prospect in Argentina and a zinc project in Turkey. Over the next six months, a series of mafic-hosted nickel-copper targets in Finland and Western Australia will undergo initial drill programs.

With the improved investment climate in Zambia, a ramp up of exploration activities in Zambia is now in progress. A number of regional and near mine exploration initiatives are under consideration together with two new early stage joint venture projects.

## OTHER DEVELOPMENTS

### Zambian Tax Regime

On September 30, 2022, the Minister of Finance and National Planning presented the 2023 National Budget. The key announcements affecting the mining industry include the restructuring of the Mineral Royalty tax regime and the reinstatement of taxes and duties on fuel, previously suspended. The Company is currently assessing the expected impact of these changes.

The restructuring of the Mineral Royalty tax regime is expected to be effective from January 1, 2023 and includes an amendment to the calculation of mineral royalty tax to be on an incremental basis. In addition, an amendment to the mineral royalty tax bands determining the mineral royalty tax rate applicable at various price levels has been made, as shown below.

Price (\$ per tonne)	Current Rates	Price (\$ per tonne)	Revised Rates as of January 1, 2023
0 – 4,499	5.5%	0 – 4,000	4.0%
4,500 – 5,999	6.5%	4,001 – 5,000	6.5%
6,000 – 7,499	7.5%	5,001 – 7,000	8.5%
7,500 – 8,999	8.5%	7,001+	10.0%
9,000+	10.0%		

The reinstatement of taxes and duties on fuel, which were suspended in January 2021, includes the reinstatement of excise duties and standard rated VAT effective from October 1, 2022, and the reinstatement of import duties expected to be effective January 1, 2023.

### Zambian VAT

During the second quarter, the Company reached an agreement with the Government Republic of Zambia (“GRZ”) for repayment of the outstanding VAT claims based on offsets against future corporate income tax and mineral royalty tax payments, which commenced July 1, 2022. As a result of this agreement, the Company was granted offsets of \$52 million and cash refunds of \$45 million during the quarter.

During the nine months ended September 30, 2022, the Company was granted offsets of \$96 million and cash refunds of \$46 million with respect to VAT receivable balances. In the same period of 2021, offsets of \$52 million were granted. For a detailed summary of the VAT receivable balance due to the Company’s Zambian operations please see “Zambian VAT” on page 45.

### Zambian Power Supply

Water levels have been decreasing due to low inflows from the main Zambezi River. However, no power restrictions are expected for the Zambian mining operations.

Commissioning of the 750MW Kafue Gorge Lower Power Station is nearly complete with four out of five 150MW units currently commissioned and running. The project is expected to be completed before the end of the year with the commissioning of the last 150MW unit.

During the quarter, the Energy Regulation Board released the cost of service study into cost reflective tariffs for the national utility Zambian Electricity Supply Corporation Limited (“ZESCO”) and a position statement on the cost of service study. The documents are publicly available at <https://www.erb.org.zm>.

### Panama Law 9 Update

In July 2021, the Government of Panama (“GOP”) announced the appointment of a high-level commission of senior government ministers and officials, chaired by the Minister of Commerce, to discuss the Company’s concession contract. In September 2021, the Supreme Court upheld its ruling in respect of the clarification motions presented by the Company to the Court in relation to its Law 9 decision announced in September 2018 and the ruling was gazetted in the fourth quarter. The Company understands that the upholding of the unconstitutionality ruling against Law 9 of 1997 does not have retroactive effects, pursuant to article 2573 of the Code of Judicial Proceedings of Panama, therefore the approval of the mining concession contract which occurred

in 1997 with the enactment of Law 9, remains unaltered, providing operational continuity as per status quo. In September 2021, the Ministry of Commerce publicly announced the culmination of the high-level formal discussions on two topics being environmental and labour matters. Subsequently, discussion on the economic and tax aspects ensued. On December 22, 2021, the unconstitutionality ruling was gazetted after the requests for clarification submitted by MPSA had been deemed inadmissible in July 2021.

During January 2022, the GOP tabled a new proposal and the commission reached an agreement in principle on certain items, namely that the GOP should receive \$375 million in benefits per year from Cobre Panama and that the existing revenue royalty will be replaced by a gross profit royalty. The parties continue to finalize the details behind these principles, including the appropriate mechanisms that would achieve the desired outcome, the necessary protections to the Company's business for downside copper price and production scenarios and ensuring that the new contract and legislation are both durable and sustainable. In the second quarter of 2022, the Minister of Commerce was replaced and discussions have subsequently continued in order, including the installation of a bilateral contractual drafting committee in early September 2022. First Quantum remains committed to a timely conclusion of the Law 9 issue. Once an agreement is concluded and the full contract is documented, it is expected that the newly drafted legislation would be put to the Panamanian National Assembly.

## GUIDANCE

Guidance provided below is based on a number of assumptions and estimates as of September 30, 2022, including among other items, assumptions about metal prices and anticipated costs and expenditures. Guidance involves estimates of known and unknown risks, uncertainties and other factors, which may cause the actual results to be materially different. The challenges presented by current inflationary pressures and constraints arising from the Ukraine conflict together with the risk of global recession, and individual government policy responses to these risks, pose some additional risk to the accuracy of forward looking information.

Cobre Panama's performance continued to improve this quarter in line with expectations, achieving record quarterly mill throughput and copper production and is well on track to be within guidance levels. Copper production guidance has been narrowed from 330,000 – 360,000 tonnes to 340,000 – 350,000 tonnes. Unit 2 of the power plant at Cobre Panama has undergone a biennial scheduled total shutdown for maintenance during October, with replacement electrical power sourced from the national grid at spot prices.

Sentinel delivered its best quarterly production for the year through a combination of record quarterly throughput and exposing higher grade ore. However, the slower turnover of benches earlier in the year to reach higher grade ore has resulted in a guidance reduction from 250,000 – 265,000 tonnes to 240,000 – 250,000 tonnes. Grade is expected to continue to improve in the fourth quarter.

At Kansanshi, production during the year 2022 and in the third quarter has been impacted by reduced proportions of oxide ore mining, resulting in reduced production of cathode copper and increased proportions of sulphide ore mining. Access to the M12 oxide ore area cutback was restricted until the end of the third quarter due to water in the main pit. This resulted in plant feed being supplemented with low grade stockpiles. Although dewatering of M12 was completed during the third quarter and greater redundancy installed for the coming rainy season, some of the planned oxide ore feed from this zone will be pushed into 2023. Further mining on sulphide ores at Kansanshi is currently constrained to veinous sulphide ore. Optimization of mine plans to provide flexibility including into additional sulphide mining from stratiform mineralization continue. Kansanshi's guidance has been lowered from 175,000 – 195,000 tonnes to 140,000 – 150,000 tonnes to reflect the challenges described above. Full optimization of mining from sulphide ores at Kansanshi is anticipated when the mining methods move from current flitch mining into full face shovel mining techniques as the new mining fleet for the S3 Expansion is brought on-line. In the interim, production volumes are expected to be impacted until completion of the S3 Expansion project.

Gold production guidance has been reduced from 285,000 – 310,000 ounces to 270,000 - 285,000 ounces based on production achieved in the first nine months of 2022 due to lower grades at Cobre Panama and Kansanshi.

Copper C1 cash cost<sup>1</sup> recorded for the third quarter and for the first nine months of the year at \$1.82 per lb and \$1.72 per lb respectively, are above the top end of previous guidance. The copper C1 cash cost<sup>1</sup> guidance range has been increased from \$1.45 – \$1.60 per lb to a range of \$1.70 – \$1.80 per lb. The increase in the guidance range is mainly attributable to lower production at the Zambian operations and broad cost inflation. Various inputs and operational costs continued to increase further during the third quarter and remained at elevated levels. Market rates for fuel, sulphur, explosives and freight had reduced by the end of the quarter but there is a lag before such market changes flow through to unit costs.

Copper AISC<sup>1</sup> cost for the third quarter and first nine months of the year at \$2.34 per lb and \$2.33 per lb, respectively, are above the top end of the previous guidance range of \$2.15 – \$2.30 per lb. Royalties included within AISC<sup>1</sup> is dependent on the market price of copper and was relatively high for the first six months of the year before falling in the third quarter. The copper AISC<sup>1</sup> cost guidance range has increased to \$2.35 – \$2.45 per lb.

Ravensthorpe nickel production, nickel C1 cash cost<sup>1</sup> and AISC<sup>1</sup> guidance has been adjusted. Nickel production guidance has been lowered from 25,000 – 30,000 tonnes to 20,000 – 23,000 tonnes based on lower year-to-date production. Nickel C1 cash cost<sup>1</sup> and AISC<sup>1</sup> guidance ranges have been updated to \$8.25 – \$9.00 per lb for C1 cash cost<sup>1</sup> and \$9.75 – \$10.50 per lb for the AISC<sup>1</sup>. This represents the impact of lower nickel production and higher sulphur and fuel prices during the first nine months of 2022. Sulphur market prices fell during the third quarter, and lower sulphur prices have been embedded in the lower end of cost guidance range for the remaining fourth quarter.

Guidance for total capital expenditure in 2022 has remained unchanged at \$1,250 million. Capitalized stripping<sup>2</sup> guidance has decreased from \$250 million to \$230 million, whereas project capital<sup>2</sup> has increased from \$690 million to \$710 million. Sustaining capital<sup>2</sup> remains unchanged. While capital expenditure is expected to be in line with guidance, the Company is experiencing inflation in capital expenditures.

## PRODUCTION GUIDANCE

000's	2022 Previous Guidance	2022 Updated Guidance
Copper (tonnes)	790 – 855	755 – 785
Gold (ounces)	285 – 310	270 – 285
Nickel (contained tonnes)	25 – 30	20 – 23

## PRODUCTION GUIDANCE BY OPERATION<sup>3</sup>

	2022 Previous Guidance	2022 Updated Guidance
<b>Copper production guidance (000's tonnes)</b>		
Cobre Panama	330 – 360	340 – 350
Kansanshi	175 – 195	140 – 150
Sentinel	250 – 265	240 – 250
Other sites	35	35
<b>Gold production guidance (000's ounces)</b>		
Cobre Panama	135 – 150	130 – 140
Kansanshi	120 – 130	110 – 115
Other sites	30	30
<b>Nickel production guidance (000's contained tonnes)</b>		
Ravensthorpe	25 – 30	20 – 23

<sup>1</sup> C1 cash cost (C1), and all-in sustaining cost (AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>2</sup> Capitalized stripping, sustaining capital and project capital are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>3</sup> Production is stated on a 100% basis as the Company consolidates all operations.

## CASH COST<sup>1</sup> AND ALL-IN SUSTAINING COST<sup>1</sup>

	2022 Previous Guidance	2022 Updated Guidance
<b>Copper</b>		
C1 <sup>1</sup> (per lb)	\$1.45 – \$1.60	\$1.70 – \$1.80
AISC <sup>1</sup> (per lb)	\$2.15 – \$2.30	\$2.35 – \$2.45
<b>Nickel</b>		
C1 <sup>1</sup> (per lb)	\$6.25 – \$7.00	\$8.25 – \$9.00
AISC <sup>1</sup> (per lb)	\$7.50 – \$8.50	\$9.75 – \$10.50

At this stage, guidance assumes no change in royalties in Panama.

<sup>1</sup> C1 cash cost (C1), and all-in sustaining cost (AISC) are non-GAAP ratios, and do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

## PURCHASE AND DEPOSITS ON PROPERTY, PLANT & EQUIPMENT

	2022 Previous Guidance	2022 Updated Guidance
Capitalized stripping <sup>2</sup>	250	230
Sustaining capital <sup>2</sup>	310	310
Project capital <sup>2</sup>	690	710
Total capital expenditure	1,250	1,250

<sup>2</sup> Capitalized stripping, sustaining capital and project capital are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

## Interest

Interest expense on debt for the quarter ended September 30, 2022 was \$115 million and for the first nine months of the year was \$351 million. Interest expense on debt for the full year 2022 is expected to be approximately \$465 million and excludes interest accrued on related party loans to Cobre Panama and Ravensthorpe, a finance cost accreted on the precious metal streaming arrangement, capitalized interest expense and accretion on asset retirement obligation (“ARO”).

In addition to interest expense on debt, finance costs in the income statement include interest accrued on related party loans to Cobre Panama and Ravensthorpe, a finance cost accreted on the precious metal streaming arrangement and ARO expense.

Cash outflow on interest paid for the quarter ended September 30, 2022 was \$134 million, and for the first nine months of the year was \$366 million and is expected to be approximately \$455 million for the full year 2022. This figure excludes interest paid on related party loans to Cobre Panama and Ravensthorpe and capitalized interest paid.

Capitalized interest for the quarter ended September 30, 2022 was \$7 million and for the first nine months of the year was \$16 million. Capitalized interest is expected to be approximately \$25 million for the full year 2022.

A significant proportion of the Company's interest expense is incurred in jurisdictions where no tax credit is recognized.

## Tax

The effective tax rate for the quarter ended September 30, 2022 was 23%, and for the first nine months of the year was 24%, which included the current Law 9 legislation.

The effective tax rate for the full year 2022, including interest expense, is expected to range between 20% - 25%, based on the current Law 9 legislation. Discussions with the GOP continued throughout the quarter.

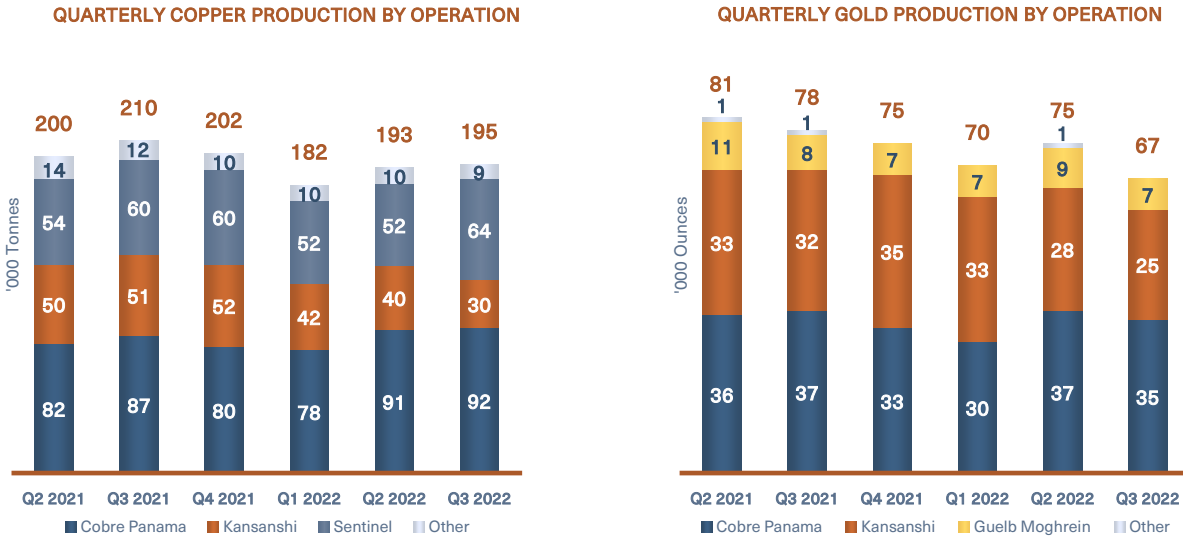
## Depreciation

Depreciation expense for the three months ended September 30, 2022 was \$320 million and for the first nine months of the year was \$903 million. The full year 2022 depreciation expense is expected to be between \$1,200 million to \$1,250 million.

## SUMMARY OPERATIONAL RESULTS

### Production

#### THIRD QUARTER



Total copper production in the third quarter of 2022 decreased by 7% to 194,974 tonnes compared to the same quarter of 2021. The decrease in total copper production was mainly attributable to lower grades at Kansanshi, as well as expected decreases at shorter mine life operations. This was offset by Cobre Panama achieving record copper production during the third quarter of 2022 and Sentinel delivering its best quarterly production of the year.

Cobre Panama achieved yet another record quarter in throughput of 22.4 million tonnes, attributable to operational improvements and resulting in record quarterly copper production of 91,671 tonnes, a 5% increase from the same quarter in 2021.

Sentinel reached its target run rate of 62 Mtpa ahead of schedule and delivered its best quarterly production of the year with 64,120 tonnes of copper produced, as well as an improvement in ore grades and higher recoveries. Production and throughput were both 7% higher than the same period in 2021, benefitting from the treatment of soft, well-fragmented ore and strong productivity. Grades are expected to continue to improve in the fourth quarter of 2022.

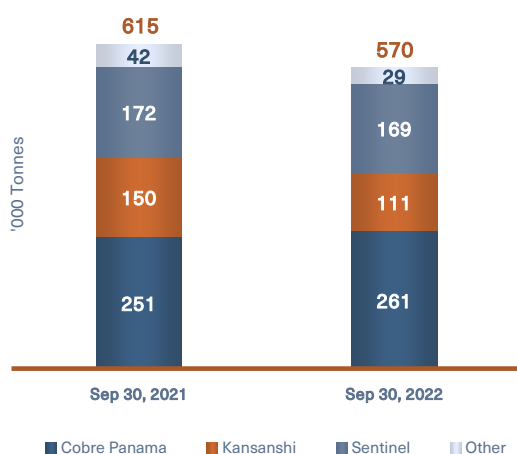
Kansanshi's production was impacted by lower grades and lower recoveries. Accumulation of water in the main pit restricted access to ore during the quarter, and as a result low-grade oxide ore and tarnished sulphide ore from stockpiles were processed through the oxide and mixed circuits, respectively. Dewatering from the M12 area has been completed and planned mining activities resumed towards the end of the third quarter. The decline in the oxide ore grade was due to the depletion of higher-grade areas. Sulphide feed grade was impacted by continued feed from narrow-veined regions as a result of the current mine layout and mining sequence.

Gold production was 14% lower than the same quarter of 2021, mainly due to lower production at Kansanshi.

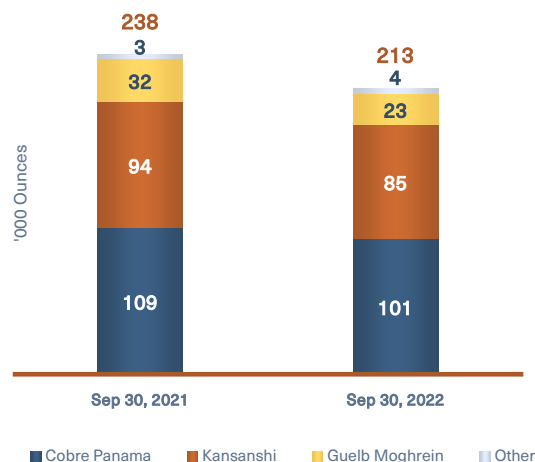
Ravensthorpe produced 5,849 contained tonnes of nickel, a 38% increase from the comparable quarter of 2021, as HPAL rates improved during the quarter with improved ore handling and processing, and improved beneficiation plant stability.

## NINE MONTHS

## YEAR-TO-DATE COPPER PRODUCTION BY OPERATION



## YEAR-TO-DATE GOLD PRODUCTION BY OPERATION



Copper production in the nine months ended September 30, 2022 was 7% lower than the comparable period of 2021, mainly due to lower grades at Kansanshi, as well as expected decreases at shorter mine life operations, offset by a strong contribution from Cobre Panama.

Cobre Panama showed strong operational performance with steadily improving plant availability and mill processing rates, setting record production in the second quarter and again in the third quarter. During the first nine months of 2022, Cobre Panama processed 64.3 million tonnes of ore, delivering a 4% increase in copper production compared to the same period in 2021.

Copper production at Sentinel of 169,042 tonnes for the nine months ended September 30, 2022 was 2% lower than the comparable period in 2021. Feed grade was impacted by a delay in the Stage 2 North-wall stripping due to lower bench turnover rates and wet underfoot ground conditions, which delayed access to higher grade ore in the first half of the year and resulted in the substitution of ore feed with mineralized waste. Production levels improved in the third quarter.

Kansanshi produced 29,862 tonnes of copper during the third quarter of 2022, which was 41% lower than the same quarter of 2021 due to lower grades across all three circuits and the resulting impacts on recoveries. Accumulation of water in the main pit restricted access to ore during the second and third quarters and as a result low-grade oxide ore and tarnished sulphide ore from stockpiles were processed through the oxide and mixed circuits, respectively. Sulphide feed grade was impacted by continued feed from narrow-veined regions as a result of the current mine layout and mining sequence.

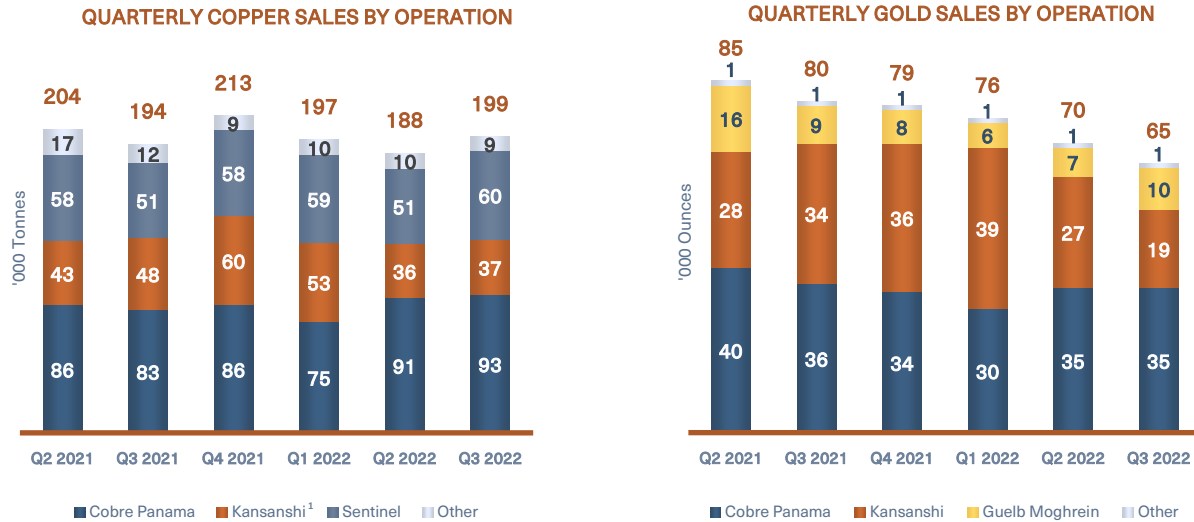
Total gold production was 10% lower than the comparable period in 2021 due to lower production at Kansanshi and Guelb Moghrein.

Ravensthorpe produced 15,824 contained tonnes of nickel, an 18% increase from the comparable period in 2021, despite experiencing wet weather in the second quarter of 2022 and production being limited in early January by a plant shutdown between mid-December 2021 and mid-January 2022.



## Sales Volumes

### THIRD QUARTER



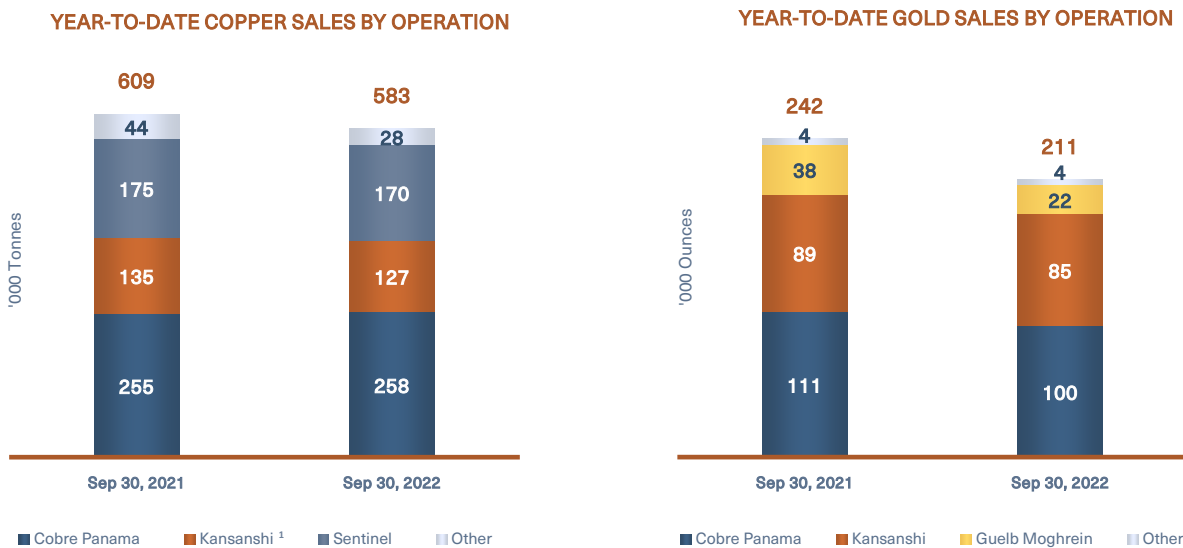
<sup>1</sup> Copper sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Sentinel). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 4,148 tonnes for the three months ended September 30, 2022, (nil for the three months ended September 30, 2021).

Total copper sales volumes of 198,980 tonnes for the third quarter of 2022 were 2% higher than the same quarter in 2021, attributable to record production at Cobre Panama.

Gold sales volumes of 65,014 ounces for the third quarter of 2022 were 19% less than the same quarter of 2021, mainly due to the decrease in gold production at Kansanshi.

Nickel sales volumes were 5,992 contained tonnes at Ravensthorpe.

### NINE MONTHS



<sup>1</sup> Copper sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Sentinel). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 4,728 tonnes for the nine months ended September 30, 2022 (nil for the nine months ended September 30, 2021).

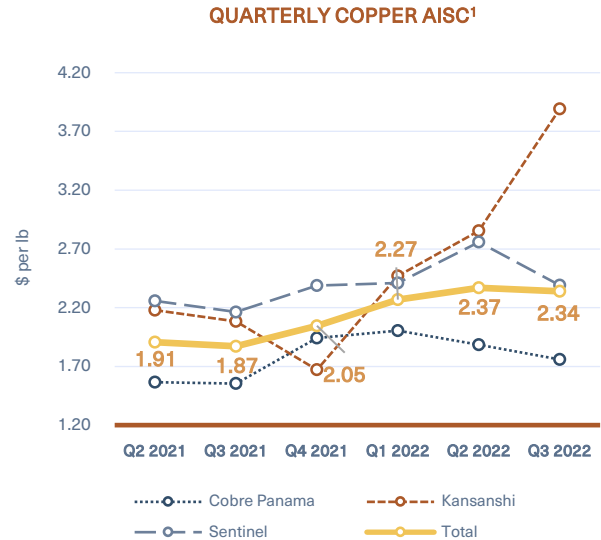
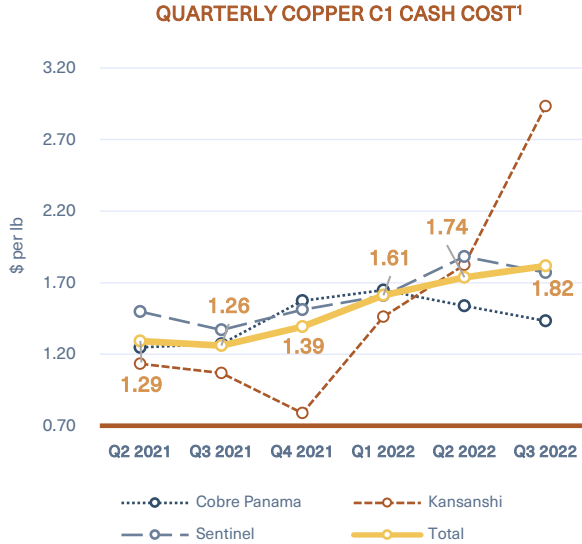
Copper sales in the period were 4% lower compared to the same period in 2021. This reflects decreases at Sentinel and Guelb Moghrein due to lower production.

Gold sales volumes decreased by 13% compared to the same period in 2021, reflecting the decrease in gold production at Guelb Moghrein, Cobre Panama and Kansanshi.

Nickel sales volumes were 13,234 contained tonnes at Ravensthorpe.

### Cash Costs<sup>1</sup>

#### THIRD QUARTER



Total copper C1 cash cost<sup>1</sup> of \$1.82 per lb for the third quarter of 2022 was \$0.56 per lb higher than the same quarter of 2021 due to higher fuel and other consumable prices including explosives and steel for grinding media, as well as higher employee costs, maintenance costs and freight charges. The increase in copper C1 cash cost<sup>1</sup> was also a result of lower copper production levels.

Cobre Panama's copper C1 cash cost<sup>1</sup> of \$1.43 per lb was \$0.16 per lb higher than the comparable quarter of 2021 as a result of price increases for fuel and other key consumables, including explosives and steel for grinding media as well as higher freight charges.

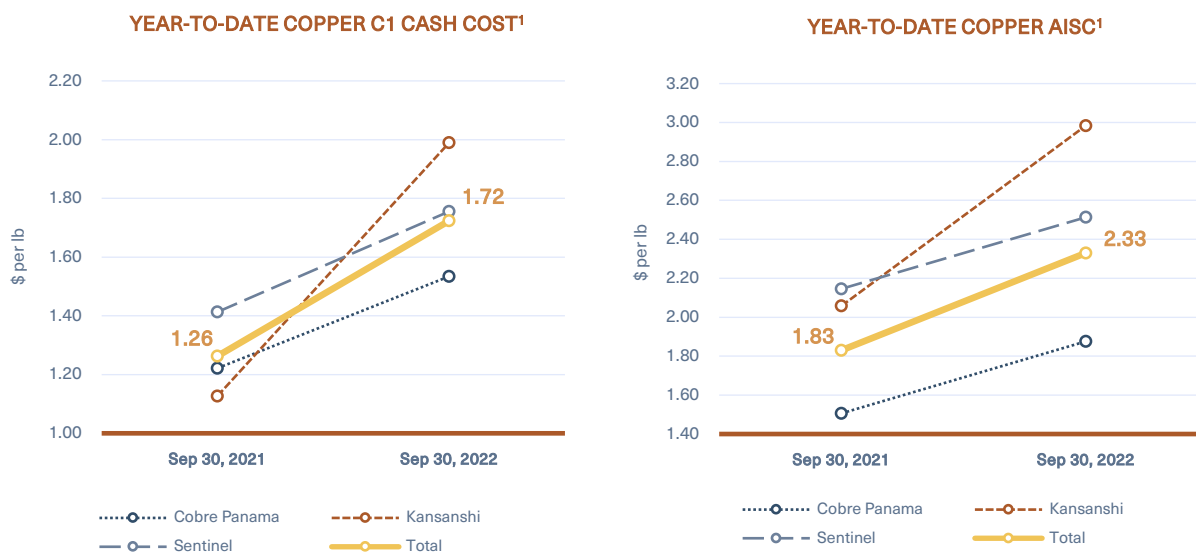
Kansanshi's copper C1 cash cost<sup>1</sup> for the third quarter of \$2.93 per lb was an increase of \$1.86 per lb compared to the same quarter in 2021 due to lower production, coupled with higher costs for employees, fuel, maintenance, and other key consumables.

Sentinel's copper C1 cash cost<sup>1</sup> was \$0.40 per lb higher than the same quarter of 2021 at \$1.77 per lb, attributable to price increases in key consumables as well as increased employee costs.

Total copper AISC<sup>1</sup> of \$2.34 per lb was \$0.47 per lb higher than the same quarter of 2021, reflecting the higher copper C1 cash costs<sup>1</sup>, partially offset by a reduction in royalties with lower realized copper prices<sup>1</sup>.

<sup>1</sup> Copper C1 cash cost (copper C1), copper all-in sustaining costs (copper AISC) and realized metal prices are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## NINE MONTHS



Total copper C1 cash cost<sup>1</sup> of \$1.72 per lb for the nine months ended September 30, 2022 was \$0.46 per lb higher than the same period in 2021, driven by higher prices for fuel and other consumables, as well as increased employee and maintenance costs, together with the impact of higher power costs at Cobre Panama in January and Las Cruces in the first quarter, as well as the impact of lower overall production.

For these reasons, Kansanshi's copper C1 cash cost<sup>1</sup> of \$1.99 per lb is an increase of \$0.86 per lb compared to the same period in 2021, while Sentinel's was \$0.35 per lb higher at \$1.76 per lb.

Cobre Panama's copper C1 cash cost<sup>1</sup> of \$1.53 per lb was \$0.31 per lb higher than the comparable period in 2021, driven by price increases for key consumables such as explosives costs, fuel, steel for grinding media and liners, as well as higher freight charges, combined with the electricity purchasing costs in January during the power plant shutdown. A collar structure for coal purchases is currently in place with the ceiling price already exercised for July 2021 onwards, thereby limiting exposure to further increases in the coal price until the end of 2023.

Total copper AISC<sup>1</sup> of \$2.33 per lb was \$0.50 per lb higher than the same period in 2021, resulting from the higher copper C1 cash costs<sup>1</sup>.

*Please see the appendices from page 59 onwards for further details on production and sales volumes by operation as well as sales revenues and cash costs.*

<sup>1</sup> Copper C1 cash cost (copper C1), and copper all-in sustaining costs (copper AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## OPERATIONS REVIEW

### Cobre Panama

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Waste mined (000's tonnes)	15,620	13,462	45,365	37,184
Ore mined (000's tonnes)	24,668	24,960	75,517	72,183
Copper ore milled (000's tonnes) <sup>1</sup>	22,447	20,819	64,258	60,166
Copper ore grade processed (%)	0.46	0.46	0.45	0.46
Copper recovery (%)	89	91	90	91
Concentrate grade (%)	26.5	26.9	26.7	26.8
Copper production (tonnes)	91,671	87,242	260,786	250,970
Copper sales (tonnes)	92,665	83,261	258,118	254,966
Gold production (ounces)	34,571	36,649	101,449	108,837
Gold sales (ounces) <sup>2</sup>	35,033	35,914	100,452	110,776
Silver production (ounces)	691,447	653,961	2,055,474	1,886,839
Silver sales (ounces) <sup>2</sup>	690,469	636,551	2,038,782	1,921,860
Copper all-in sustaining cost (AISC) (per lb) <sup>3</sup>	\$1.76	\$1.55	\$1.88	\$1.51
Copper cash cost (C1) (per lb) <sup>3</sup>	\$1.43	\$1.27	\$1.53	\$1.22
Total copper cost (C3) (per lb) <sup>3</sup>	\$2.33	\$2.24	\$2.47	\$2.12
<b>Financial Results (\$ millions)</b>				
Copper in concentrates	657	725	2,142	2,179
Gold – precious metal stream ongoing cash payments	11	11	35	35
Gold – other cash	10	10	14	28
Silver – precious metal stream ongoing cash payments	2	2	6	7
Silver – other cash	4	5	16	16
Gold and silver - non cash amortization	23	24	72	74
<b>Total sales revenues<sup>4</sup></b>	<b>707</b>	<b>777</b>	<b>2,285</b>	<b>2,339</b>
<b>Gross profit</b>	<b>216</b>	<b>359</b>	<b>876</b>	<b>1,113</b>
<b>EBITDA<sup>5</sup></b>	<b>374</b>	<b>509</b>	<b>1,328</b>	<b>1,533</b>

<sup>1</sup> Measured in dry metric tonnes ("DMT").

<sup>2</sup> Excludes refinery-backed gold and silver credits purchased and delivered under the precious metal streaming arrangement (see "Precious Metal Stream Arrangement").

<sup>3</sup> Copper all-in sustaining costs (copper AISC), copper C1 cash cost (copper C1), and total copper cost (copper C3) are non-GAAP ratios, and do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>4</sup> Sales revenues and cost of sales for the three and nine months ended September 30, 2021 have been reduced by \$55 and \$176 million, respectively, compared to previously reported values for the periods ended September 30, 2021 as refinery-backed gold and silver credits on the Company's precious metal stream arrangement are now netted within sales revenues rather than included in cost of sales (see "Precious Metal Stream Arrangement").

<sup>5</sup> EBITDA is a non-GAAP financial measure, and does not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

### Third Quarter

During the third quarter of 2022, record mill throughput of 22.4 million tonnes of ore with an average head grade of 0.46% was processed, achieving record quarterly production of 91,671 tonnes of copper. The increase in ore milled compared to the same quarter of 2021 was driven by operational improvements in blasting to improve fragmentation, along with improving mill availabilities and sustained increases in secondary and pebble crushing. Total ex-pit mining of 40 million tonnes for the quarter was 5% higher than the comparative period last year, with the increases mainly related to the pre-strip work at Colina pit where 6.7 million tonnes of waste was mined during the quarter.

Copper AISC<sup>1</sup> and copper C1 cash cost<sup>1</sup> of \$1.76 per lb and \$1.43 per lb, respectively, were \$0.21 per lb and \$0.16 per lb higher than the same quarter in 2021, principally driven by price increases for key consumables including explosives costs, fuel, steel for grinding media, and higher freight charges. A collar structure for coal purchases is currently in place with the ceiling price already exercised for July 2021 onwards, thereby limiting exposure to further increases in the coal price until the end of 2023.

The power plant ran consistently during the third quarter and continued to benefit from the protection of price collars in its coal supply contract. Unit 2 of the power plant at Cobre Panama has undergone a biennial scheduled total shutdown for maintenance during October, with replacement electrical power sourced from the national grid at spot prices.

Sales revenues for the third quarter of 2022 of \$707 million were \$70 million or 9% lower than the same quarter of 2021 as a result of lower realized copper prices<sup>1</sup>, partially offset by higher sales volumes. Gross profit of \$216 million for the quarter was \$143 million, or 40%, lower than the same period in 2021, reflecting lower sales revenues and higher operating costs.

### Nine Months

Strong operational performance continued during the period, with a steady improvement in comminution operations with higher pebble and secondary crusher utilization, as well as improving maintenance performance for both mobile and fixed plant. In the nine months ended September 30, 2022, 64.3 million tonnes of ore with an average grade of 0.45% were processed with recoveries of 90%. This has resulted in copper and gold production of 260,786 tonnes and 101,449 ounces, respectively. Additionally, higher mining volumes were driven by the introduction of 8 new T284 haul trucks to the mining fleet and opening up of new mining areas. In particular, the pre-strip activity at Colina pit advanced significantly during the period with 13.6 million tonnes of waste mined for the first nine months of 2022, primarily from the box cut area where the initial in-pit crushers at the Colina pit will be placed.

Copper AISC<sup>1</sup> and copper C1 cash cost<sup>1</sup> of \$1.88 per lb and \$1.53 per lb, respectively, for the nine months ended September 30, 2022, were \$0.37 per lb and \$0.31 per lb higher than the same period in 2021, resulting from price increases for key consumables such as explosives costs, fuel, steel for grinding media and liners, as well as higher freight charges, combined with the electricity purchasing costs in January during the power plant shutdown. A collar structure for coal purchases is currently in place with the ceiling price already exercised for July 2021 onwards, thereby limiting exposure to further increases in the coal price until the end of 2023.

Sales revenues for the nine months ended September 30, 2022 were \$2,285 million, 2% lower than the same period in 2021 as a result of lower realized copper prices<sup>1</sup>, offset by marginally higher sales volumes of 258,118 tonnes of copper. Gross profit was \$876 million for the nine months ended September 30, 2022, a 21% decrease from the same period in 2021, reflecting lower sales revenues and higher operating costs.

### Outlook

For 2022, Cobre Panama is expected to achieve between 85 million and 90 million tonnes of mill throughput and annual production of 340,000 – 350,000 tonnes of copper and 130,000 – 140,000 ounces of gold. Full year 2022 grades and recoveries are expected to be broadly consistent with 2021, with some fluctuation from quarter to quarter.

Alongside the continuing operational improvement and mine to mill initiatives, the team continues to focus on productivity improvements and cost saving initiatives to counteract the global inflationary trend. Operational readiness work for the CP100 Expansion project is progressing well. In addition, the fifth rope shovel is set to enter service by the end of 2022 at the Colina pit to continue advancing the crusher box cut and pre-strip. In addition, Cobre Panama continues to invest in its people training and capacity building initiatives through the Training Centre for Industrial Professions. This center offers free technical education to people aged between 18 and 35 years old in a range of areas for careers in the mining and industrial sectors.

<sup>1</sup> Copper C1 cash cost (copper C1), copper all-in sustaining costs (copper AISC) and realized metal prices are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## Kansanshi

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Waste mined (000's tonnes)	20,821	23,572	55,850	55,658
Ore mined (000's tonnes)	6,281	9,344	21,221	24,832
Sulphide ore milled (000's tonnes) <sup>1</sup>	3,220	3,352	9,953	10,045
Sulphide ore grade processed (%)	0.58	0.94	0.73	0.86
Sulphide copper recovery (%)	86	91	90	92
Sulphide concentrate grade (%)	22.4	27.9	23.1	25.0
Mixed ore milled (000's tonnes) <sup>1</sup>	2,096	1,970	5,696	5,735
Mixed ore grade processed (%)	0.54	0.94	0.62	0.96
Mixed copper recovery (%)	71	81	75	83
Mixed ore concentrate grade (%)	16.3	20.2	17.6	21.1
Oxide ore milled (000's tonnes) <sup>1</sup>	2,034	1,792	5,855	5,376
Oxide ore grade processed (%)	0.50	0.69	0.55	0.69
Oxide copper recovery (%)	59	65	65	69
Oxide concentrate grade (%)	10.7	16.2	12.1	17.2
Copper production (tonnes) <sup>2</sup>	29,862	50,987	111,480	150,220
<b>Copper smelter</b>				
Concentrate processed <sup>3</sup>	331,715	325,068	981,855	895,825
Copper anodes produced (tonnes) <sup>3</sup>	77,150	75,929	224,635	216,072
Smelter copper recovery (%)	96	98	97	98
Acid tonnes produced (000's)	312	310	946	867
Copper sales (tonnes) <sup>4</sup>	37,305	48,423	126,511	135,455
Gold production (ounces)	24,561	32,249	85,138	93,653
Gold sales (ounces)	19,256	33,961	84,859	89,043
Copper all-in sustaining cost (AISC) (per lb) <sup>5,6</sup>	\$3.89	\$2.08	\$2.98	\$2.06
Copper cash cost (C1) (per lb) <sup>5,6</sup>	\$2.93	\$1.07	\$1.99	\$1.13
Total copper cost (C3) (per lb) <sup>5,6</sup>	\$4.08	\$2.12	\$3.12	\$2.11
<b>Financial Results (\$ millions)</b>				
Copper	314	445	1,178	1,225
Gold	29	60	148	156
Other	16	-	24	-
<b>Total sales revenues</b>	<b>359</b>	<b>505</b>	<b>1,350</b>	<b>1,381</b>
Gross profit	-	239	399	632
EBITDA <sup>5</sup>	54	288	555	771

<sup>1</sup> Measured in dry metric tonnes ("DMT").

<sup>2</sup> Production presented on a copper concentrate basis, i.e. mine production only. Production does not include output from the smelter.

<sup>3</sup> Concentrate processed in smelter and copper anodes produced are disclosed on a 100% basis, inclusive of Sentinel and third-party concentrate processed. Concentrate processed is measured in DMT.

<sup>4</sup> Copper sales include third-party sales of concentrate, cathode and anode attributable to Kansanshi (excluding copper anode sales attributable to Sentinel). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 4,148 and 4,728 tonnes for the three and nine months ended September 30, 2022, (nil for the three and nine months ended September 30, 2021).

<sup>5</sup> Copper all-in sustaining costs (copper AISC), copper C1 cash cost (copper C1), and total copper cost (copper C3) are non-GAAP ratios, and EBITDA is a non-GAAP financial measure, and do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>6</sup> Excludes purchases of copper concentrate from third parties treated through the Kansanshi smelter.

### Third Quarter

Kansanshi produced 29,862 tonnes of copper during the third quarter of 2022, which was 41% lower than the same quarter of 2021 due to lower grades across all three circuits and the resulting impacts on recoveries. Accumulated water in the main pit restricted access to ore during the quarter and as a result low-grade oxide ore and tarnished sulphide ore from stockpiles were processed through the oxide and mixed circuits, respectively. Dewatering from the M12 area has been completed and planned mining activities resumed towards the end of the third quarter. Sulphide feed grade was impacted by continued feed from narrow-veined regions of the ore body as a result of the current mine layout and mining sequence. Ongoing reconciliation enhancements have elevated understanding of such areas, which will allow near-term mine plans and sequences to be improved and optimized.

Gold production of 24,561 ounces for the third quarter of 2022 is 24% lower than the same period in 2021 due to the reduction in copper concentrate produced and a decline in gravity recoverable gold.

Copper C1 cash cost<sup>1</sup> of \$2.93 per lb was \$1.86 per lb higher than the comparable quarter in 2021, mainly due to lower production and underlying cost increases for employees, fuel, maintenance and other key consumables. Copper AISC<sup>1</sup> of \$3.89 per lb was \$1.81 per lb higher than the comparable quarter in 2021, mainly due to higher copper C1 cash costs<sup>1</sup> in the quarter, partially offset by a reduction in royalties attributable to the lower copper price.

Sales revenues of \$359 million were 29% lower than the same quarter of 2021, reflecting lower realized copper prices<sup>1</sup> and lower copper sales volumes.

Gross profit of nil was \$239 million lower than the comparable period in 2021, reflecting lower sales revenues and higher operating costs.

### Nine Months

Kansanshi produced 111,480 tonnes of copper over the nine months ended September 30, 2022, which was 26% lower than the first nine months of 2021, mainly due to lower grades across all three circuits and accumulated water in the pit, which was dewatered in August. The decline in the oxide ore grade was due to the depletion of higher-grade areas, and low-grade ore from stockpiles and tarnished sulphides were processed through the oxide and mixed circuits, respectively. Sulphide feed grade was impacted by continued feed from narrow-veined regions as a result of the current mine layout and mining sequence. Ongoing reconciliation enhancements have elevated understanding of such areas, which will allow near-term mine plans and sequences to be improved and optimized.

Gold production decreased by 9% compared to the same period in 2021, due to lower copper concentrate production and a decline in gravity recoverable gold.

Copper C1 cash cost<sup>1</sup> of \$1.99 per lb was \$0.86 per lb higher than the same period in 2021, mainly due to lower production and cost increases for employees, fuel and maintenance. Copper AISC<sup>1</sup> of \$2.98 per lb was \$0.92 per lb higher than the same period in 2021 due to higher copper C1 cash costs<sup>1</sup> and higher capitalized stripping<sup>2</sup>.

Sales revenues of \$1,350 million were 2% lower than the same period in 2021 due to lower realized copper prices<sup>1</sup> and sales volumes, offset by the sell down of inventory in the first quarter of 2022.

Gross profit for the nine months ended September 30, 2022 of \$399 million was \$233 million lower compared to the same period in 2021 reflecting lower sales revenues and higher operating costs.

## Kansanshi Copper Smelter

### Third quarter

The smelter treated 331,715 DMT of concentrate during the quarter and produced 77,150 tonnes of copper anode and 312,000 tonnes of sulphuric acid. The concentrate grade treated in the quarter was 24%.

## Nine Months

The smelter treated 981,855 DMT of concentrate during the nine months ended September 30, 2022, representing a 10% increase from the same period in 2021, reflecting the smelter shutdown during 2021. The smelter produced 224,635 tonnes of copper anode and 946,000 tonnes of sulphuric acid. The concentrate grade treated during the period was 24%.

## Outlook

Production guidance in 2022 has been reduced to 140,000 – 150,000 tonnes of copper and 110,000 – 115,000 ounces of gold. Grades are expected to remain low in the fourth quarter of 2022.

Production volumes are expected to continue at lower levels until the mine transitions to a larger operation in 2025 upon completion of the S3 Expansion project. Following procurement of long-lead items, engineering contractors have commenced with the detailed design. The S3 Expansion mining fleet has been procured with deliveries commencing in the second half of 2023. This will enable the mine to transition ahead of the plant commissioning in 2025. Engineering has also commenced on the related smelter expansion project and orders have been placed for key long-lead items associated with the oxygen plant, acid plant, and wet electrostatic precipitation.

In addition, through the CARE program at the Zambian operations, the Company continues to invest in training to empower its workforce in Zambia with the right skills and knowledge. CARE will provide the teams in Zambia with enhanced career paths, high quality development opportunities and improve the employee experience.

<sup>1</sup> Copper all-in sustaining costs (copper AISC), Copper C1 cash cost (copper C1) and realized prices are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures” for further information.

<sup>2</sup> Capitalized stripping is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.



## Sentinel

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Waste mined (000's tonnes)	24,030	27,405	71,850	77,821
Ore mined (000's tonnes)	14,766	15,246	41,498	42,517
Copper ore milled (000's tonnes) <sup>1</sup>	15,376	14,319	43,412	41,299
Copper ore grade processed (%)	0.46	0.47	0.43	0.47
Copper recovery (%)	91	88	90	88
Copper production (tonnes)	64,120	59,931	169,042	172,491
Concentrate grade (%)	28.5	27.2	28.5	27.3
Copper sales (tonnes)	60,058	51,092	169,520	174,725
Copper all-in sustaining cost (AISC) (per lb) <sup>2</sup>	\$2.39	\$2.16	\$2.51	\$2.15
Copper cash cost (C1) (per lb) <sup>2</sup>	\$1.77	\$1.37	\$1.76	\$1.41
Total copper cost (C3) (per lb) <sup>2</sup>	\$2.69	\$2.33	\$2.76	\$2.34
Financial Results (\$ millions)				
Sales revenues – Copper	437	449	1,445	1,505
Gross profit	95	200	496	683
EBITDA <sup>3</sup>	172	261	712	878

<sup>1</sup> Measured in dry metric tonnes ("DMT")

<sup>2</sup> Copper all-in sustaining costs (copper AISC), copper C1 cash cost (copper C1), and total copper cost (copper C3) are non-GAAP ratios which do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>3</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures".

## Third Quarter

Sentinel reached its target run rate of 62 Mtpa ahead of schedule and delivered its best quarterly production of the year with 64,120 tonnes of copper produced, as well as an improvement in ore grades and higher recoveries. Production and throughput were both 7% higher than the same period in 2021, benefitting from the treatment of soft, well-fragmented ore and the performance of the recently installed fourth crusher. The feed grade was 2% below the same period in 2021. However, grade improved during the quarter with more consistent higher grade ore being exposed in the Stage 1 and Stage 2 pits. Recovery was 3% higher with less transitional ore being processed compared with the same period in 2021. The annual total plant maintenance shutdown was successfully executed in September.

C1 cash cost<sup>1</sup> of \$1.77 per lb was \$0.40 per lb higher than the comparable period of 2021 with higher employee, freight, fuel, explosives, maintenance and consumable costs partially offset by the higher copper production. Copper AISC<sup>1</sup> of \$2.39 per lb was \$0.23 per lb higher than the same period of 2021 due to the higher C1 cash cost<sup>1</sup>, partially offset by lower capitalized stripping<sup>2</sup> and a reduction in royalties with the lower copper price.

Sales revenues of \$437 million were \$12 million lower than the same period in 2021 due to a decline in the copper price that was partially offset by higher copper sales volumes. Sales revenues comprise of both concentrate and anode sales, with a higher proportion of revenue realized from copper anodes.

Gross profit of \$95 million was \$105 million lower than the comparable period in 2021, reflecting lower sales revenues and higher employee, freight, fuel, explosives, maintenance and consumables costs.

## Nine Months

Copper production of 169,042 tonnes for the nine months ended September 30, 2022 was 2% lower than the comparable period in 2021, due to a 9% decrease in grade, despite a 5% increase in throughput. Feed grade was impacted by a delay in the Stage 2 North-wall stripping due to lower bench turnover rate and wet underfoot ground conditions, which delayed access to higher grade ore in the first half of the year and resulted in the substitution of ore feed with mineralized waste.

C1 cash cost<sup>1</sup> of \$1.76 per lb was \$0.35 per lb higher than the same period in 2021, reflecting lower copper production and higher employee, freight, fuel, explosives and consumable costs. Copper AISC<sup>1</sup> of \$2.51 per lb was \$0.36 per lb higher than the same period of 2021 due to the higher C1 cash cost<sup>1</sup>.

Sales revenues of \$1,445 million were \$60 million lower than the same period in 2021, reflecting a 3% decline in copper sales volumes and lower copper prices. Sales revenues comprise of both concentrate and anode sales, with a higher proportion of revenue realized from copper anodes.

Gross profit of \$496 million was \$187 million lower than the comparable period in 2021, reflecting lower sales revenues and higher employee, freight, fuel, explosives, and consumables costs.

## Outlook

Copper production in 2022 is expected to be between 240,000 and 250,000 tonnes.

Grade is expected to continue to improve in the fourth quarter as higher-grade ore is exposed in both the Stage 1 and Stage 2 pits, in line with the production profile. The operational focus will be on mining fleet availability and productivity, which will be assisted with a new mining fleet commissioned in early October and increased trolley line utilization, as well as a continued focus on drill and blast performance and secondary crushing, as the harder ore domains are accessed in the Stage 2 pit.

In addition, through the CARE program at the Zambian operations, the Company continues to invest in training to empower its workforce in Zambia with the right skills and knowledge. CARE will provide the teams in Zambia with enhanced career paths, high quality development opportunities and improve the employee experience.

<sup>1</sup> Copper all-in sustaining costs (copper AISC), and copper C1 cash cost (copper C1) are non-GAAP ratios and do not have standardized meanings under IFRS and might not be comparable to similar financial measures or measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>2</sup> Capitalized stripping is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## Ravensthorpe

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Beneficiated ore tonnes processed (000's)	728	667	1,933	1,897
Beneficiated ore grade processed (%)	1.13	0.93	1.16	1.02
Nickel recovery (%)	81	72	78	75
Nickel production (contained tonnes)	5,849	4,248	15,824	13,433
Nickel sales (contained tonnes)	5,992	4,055	13,234	13,322
Nickel production (payable tonnes)	4,960	3,531	14,051	11,163
Nickel sales (payable tonnes)	5,072	3,392	11,552	11,138
Nickel all-in sustaining cost (AISC) (per lb) <sup>1</sup>	\$10.41	\$11.66	\$10.20	\$9.55
Nickel cash cost (C1) (per lb) <sup>1</sup>	\$9.12	\$9.58	\$8.64	\$7.99
Total nickel cost (C3) (per lb) <sup>1</sup>	\$10.76	\$11.32	\$10.38	\$9.57
<b>Financial Results (\$ millions)</b>				
Sales revenues	117	71	312	217
Gross profit (loss)	(10)	(24)	10	(38)
EBITDA <sup>2</sup>	1	(16)	38	(13)

<sup>1</sup> Nickel all-in sustaining cost (nickel AISC), nickel C1 cash cost (nickel C1), and total nickel cost (nickel C3) are non-GAAP ratios which do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>2</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures".

### Third Quarter

Nickel production for the third quarter of 2022 was 5,849 contained tonnes, a 38% increase from the same quarter in 2021. HPAI rates improved during the third quarter with improved ore handling and processing from the new Shoemaker Levy mine and improved beneficiation plant availability and stability.

Ravensthorpe continues to be labour constrained due to a tight labour market in the Western Australian mining industry.

Sales revenues in the three months ended September 30, 2022 were \$117 million, an increase of 65% from the same quarter in 2021. The increase in sales revenues compared to the prior year was attributable to a 48% increase in sales volumes, as well as an increase in the realized nickel price<sup>1</sup>.

The net realized nickel price<sup>1</sup> for the three months ended September 30, 2022 was \$9.76 per lb, this compared to the average LME Nickel price for the quarter of \$10.01 per lb.

Nickel C1 cash cost<sup>1</sup> for the three months ended September 30, 2022 was \$9.12 per lb. This is a decrease of 5% from the same quarter in 2021. The increase in production volumes in the third quarter of 2022 offset the higher processing costs due to increased sulphur and fuel prices. AISC<sup>1</sup> of \$10.41 per lb for the three months ended September 30, 2022 is 11% lower than the same period in 2021, driven by lower C1 cash cost<sup>1</sup> and lower sustaining capital expenditure<sup>2</sup>.

A gross loss of \$10 million for the third quarter of 2022 was a reduction of \$14 million from the same quarter in 2021 due to higher sales revenues and lower operating costs.

### Nine Months

Nickel production for the nine months ended September 30, 2022 was 15,824 contained tonnes, an 18% increase from the same period in 2021. Production in the first quarter was impacted by damage to the power plant high pressure steam header on December 18, 2021, which resulted in a plant shutdown for just over three weeks. Design changes were implemented to prevent reoccurrence. Repairs were completed successfully and production resumed on January 9, 2022. Production for the second

quarter was impacted by wet weather, which impacted materials handling and reduced beneficiation throughput, in addition to low pre-leach extractions and limestone availability.

Sales revenues in the nine months ended September 30, 2022 were \$312 million, a 44% increase from the same period in 2021. The increase in sales revenues compared to the prior year is mainly attributable to the increase in the net realized nickel price<sup>1</sup>.

The net realized nickel price<sup>1</sup> for the nine months ended September 30, 2022 was \$11.14 per lb.

Nickel C1 cash cost<sup>1</sup> for the nine months ended September 30, 2022 was \$8.64 per lb. This is an increase of 8% from the same period in 2021, reflecting higher processing costs due to increases in sulphur and fuel prices. AISC of \$10.20 per lb for the nine months ended September 30, 2022 is 7% higher than the same period in 2021 driven by higher royalties, higher sustaining capital expenditure<sup>2</sup> as well as higher nickel C1 cash costs<sup>1</sup>.

Gross profit of \$10 million for the nine months ended September 30, 2022 was \$48 million higher than the loss of \$38 million from the same period in 2021 due to higher sales revenues.

In March 2022, the Company filed an updated NI 43-101 Technical Report for Ravensthorpe.

### Outlook

Production guidance for 2022 is expected to be between 20,000 and 23,000 contained tonnes of nickel.

Mining continues to be focused on optimizing the Shoemaker Levy operation through ore blend trials. The focus for the plant remains on continuing plant availability improvements, well executed maintenance works and optimization of buffer ponds. During the fourth quarter of 2022, work will begin on rebuilding one of the atmospheric leach tanks, which has been offline since the restart in 2020. Work is scheduled to take approximately six to twelve months and will improve recoveries once complete.

Major autoclave and Counter Current Decantation shutdowns are planned during October 2022.

Finished goods at the end of the third quarter totaled 2,576 tonnes due to recent slowing in demand for MHP, predominantly out of China. Payabilities have been impacted by discontinuities in the benchmark quotations for nickel.

<sup>1</sup> Nickel all-in sustaining cost (nickel AISC), nickel C1 cash cost (nickel C1), and realized metal prices are non-GAAP ratios, and do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>2</sup> Sustaining capital expenditure is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## Guelb Moghrein

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Waste mined (000's tonnes)	1,262	1,294	5,090	2,290
Ore mined (000's tonnes)	126	22	195	1,757
Sulphide ore milled (000's tonnes) <sup>1</sup>	869	858	2,378	2,841
Sulphide ore grade processed (%)	0.43	0.54	0.49	0.63
Sulphide copper recovery (%)	89	89	84	90
Copper production (tonnes)	3,336	4,091	9,832	16,257
Copper sales (tonnes)	3,300	4,522	8,757	19,255
Gold production (ounces)	7,439	8,174	23,411	31,879
Gold sales (ounces)	9,754	8,822	22,251	38,472
Magnetite concentrate production (WMT) <sup>2</sup>	176,395	123,604	496,559	319,210
Magnetite concentrate sales (WMT) <sup>2</sup>	138,908	135,780	419,294	316,383
Copper all-in sustaining cost (AISC) (per lb) <sup>3</sup>	\$2.38	\$1.95	\$2.20	\$1.18
Copper cash cost (C1) (per lb) <sup>3</sup>	\$1.99	\$1.61	\$1.76	\$0.92
<b>Financial Results (\$ millions)</b>				
Sales revenues	54	69	158	258
Gross profit	4	20	24	100
EBITDA <sup>4</sup>	6	26	30	129

<sup>1</sup> Measured in dry metric tonnes ("DMT")

<sup>2</sup> Magnetite concentrate production and sales volumes are measured in wet metric tonnes ("WMT").

<sup>3</sup> Copper all-in sustaining costs (copper AISC) and copper C1 cash cost (copper C1) are non-GAAP ratios which do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>4</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures" for further information.

### Three and Nine Months

Copper production for the three and nine months ended September 30, 2022 was 18% and 40% lower, respectively, than the same periods in 2021. Lower copper production in the three months ended September 30, 2022 was due to lower grade. Lower copper production for the nine months ended September 30, 2022, was due to lower grade, recovery and throughput as a result of the nature of the material fed from ore stockpile as the mine transitions to its next phase.

Gold production for the three and nine months ended September 30, 2022 was 9% and 27% lower, respectively, compared to the same periods in 2021 as a result of lower grade, recovery, and throughput.

Magnetite production for the three and nine months ended September 30, 2022 were 43% and 56% higher, respectively, compared to the same periods in 2021 due to higher feed grade.

Copper C1 cash cost<sup>1</sup> for the three and nine months ended September 30, 2022 were \$0.38 per lb and \$0.84 per lb higher, respectively, than the same periods in 2021 due to lower copper production and higher fuel, employee, maintenance and consumables costs. AISC<sup>1</sup> for the three and nine months ended September 30, 2022 increased by \$0.43 per lb and \$1.02 per lb, respectively, compared to the same period in 2021, mainly due to higher C1 cash costs<sup>1</sup> and higher sustaining capital expenditure<sup>2</sup>.

Sales revenues for the three and nine months ended September 30, 2022 were 22% and 39% lower, respectively, compared to the same periods in 2021 as a result of lower sales volumes driven by lower production. Gross profit for the three and nine months

ended September 30, 2022 were \$16 million and \$76 million lower, respectively, than the comparable periods in 2021, attributable to lower sales revenues and higher costs.

### Outlook

Production in 2022 is expected to be approximately 13,000 tonnes of copper, 30,000 ounces of gold, and 600,000 WMT of magnetite concentrate.

The stripping of Cutback 4 in the main pit is progressing well. The project is expected to contribute an additional 3 million tonnes of plant feed over the next two to three years to supplement the feed from lower-grade ore stockpiles and is expected to extend mining operations to the end of 2025. Operations at Cutback 2 are also progressing well with the project already feeding ore to the plant. This project is expected to be completed in the first quarter of 2023 and contribute 639,000 tonnes of ore in total.

The production forecast includes approximately 144 remaining hours of planned plant shutdowns in 2022, including the SAG mill reline and a ball mill slipper pad change out.

<sup>1</sup> Copper all-in sustaining costs (copper AISC) and copper C1 cash cost (copper C1) are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>2</sup> Sustaining capital expenditure is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## Las Cruces

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Copper cathode production (tonnes)	2,341	3,222	7,328	10,847
Copper cathode sales (tonnes)	2,346	3,234	7,334	11,408
Financial Results (\$ millions)				
Sales revenues	18	30	67	102
Gross profit (loss)	(9)	12	(14)	30
EBITDA <sup>1</sup>	(10)	12	(16)	42

<sup>1</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures" for further information.

### Three and Nine Months

Copper production for the three and nine months ended September 30, 2022 decreased compared to the same periods in 2021 due to lower grade ore feed and a decline in recoveries from tailings.

Gross loss for the three and nine months ended September 30, 2022 were \$9 million and \$14 million, respectively. Gross loss included care and maintenance costs of \$5 million and \$14 million for three and nine months ended September 30, 2022, respectively, and was also impacted by high electricity prices.

### Outlook

Copper production guidance for 2022 is approximately 9,500 tonnes. Reprocessing of high-grade tailings is expected to continue until the third quarter of 2023.

The technical and study work on the polymetallic refinery project are expected to continue, as well as work to obtain permits required to carry out the project. Environmental permits were received at the end of 2020 and a mine exploitation permit was granted in June 2021. The only outstanding licence, the water concession, is expected to be granted in the first half of 2023. An update of the NI 43-101 Technical Report was published in January 2022 with a mineral resource upgrade to 41.2 million tonnes of the Polymetallic Primary Sulphide, Measured and Indicated Mineral Resources, including 5 million tonnes of Indicated Mineral Resources as stockpile. Further detailed technical work is being conducted to convert Mineral Resources to Mineral Reserves as part of the Las Cruces Underground Project. The Company is also in the process of exploring commercial agreements with other mines in the region to further enhance the value of the project.

## Çayeli

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Copper production (tonnes)	2,913	3,693	9,022	11,267
Copper sales (tonnes)	2,836	2,902	11,180	10,365
Zinc production (tonnes)	983	2,095	2,829	5,178
Zinc sales (tonnes)	2,038	1,690	4,230	3,375
<b>Financial Results (\$ millions)</b>				
Sales revenues	22	24	101	87
Gross profit	5	9	49	40
EBITDA <sup>1</sup>	9	14	62	54

<sup>1</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures" for further information.

### Three and Nine Months

Copper and zinc production for the three and nine months ended September 30, 2022 were lower compared to the same periods in 2021 due to production from lower grade areas, as well as lower throughput as the mine approaches the end of its mine life.

Gross profit for the three months ended September 30, 2022 was \$4 million lower than the same period in 2021 due to a decrease in sales revenues with lower sales volumes and higher operating costs. Gross profit for the nine months ended September 30, 2022 was \$9 million higher than same period in 2021 due to an increase in sales revenues with higher realized metal prices<sup>1</sup> and sales volumes.

### Outlook

Production for 2022 is expected to be 11,000 tonnes of copper and 3,000 tonnes of zinc, reflecting a declining number of work areas as the mine approaches reserve depletion in 2025.

<sup>1</sup> Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

## Pyhäsalmi

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Copper production (tonnes)	731	693	2,362	2,560
Copper sales (tonnes)	470	844	1,904	2,628
Pyrite production (tonnes)	52,907	99,342	274,661	326,164
Pyrite sales (tonnes)	97,913	99,133	304,367	330,699
<b>Financial Results (\$ millions)</b>				
Sales revenues	10	13	34	40
Gross profit	2	5	12	17
EBITDA <sup>1</sup>	1	4	11	15

<sup>1</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures" for further information.

### Three and Nine Months

Underground production has ended and the last production for copper and zinc was in August. The operation continues with pyrite processing from tailings.

Gross profit for the three and nine months ended September 30, 2022 with \$2 million and \$12 million, respectively.

### Outlook

Underground production of copper and zinc ended in August, and the last copper and zinc tonnes are expected to be shipped in the fourth quarter of 2022. The operation is expected to produce approximately 330,000 tonnes of pyrite.



## SUMMARY FINANCIAL RESULTS

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Sales revenues <sup>1</sup>	1,727	1,747	5,794	5,151
Gross profit (loss)				
Cobre Panama	216	359	876	1,113
Kansanshi	-	239	399	632
Sentinel	95	200	496	683
Guelb Moghrein	4	20	24	100
Las Cruces	(9)	12	(14)	30
Çayeli	5	9	49	40
Pyhäsalmi	2	5	12	17
Ravensthorpe	(10)	(24)	10	(38)
Corporate	(1)	(207)	(13)	(799)
Total gross profit	302	613	1,839	1,778
Exploration	(9)	(6)	(17)	(13)
General and administrative	(35)	(31)	(96)	(89)
Other income	31	199	201	200
Net finance expense <sup>2</sup>	(137)	(154)	(435)	(495)
Adjustment for expected phasing of Zambian VAT	(6)	(4)	(134)	(18)
Income tax expense	(34)	(235)	(326)	(573)
Net earnings	112	382	1,032	790
Net earnings (loss) attributable to:				
Non-controlling interests	(1)	79	115	205
Shareholders of the Company	113	303	917	585
Adjusted earnings <sup>3</sup>	96	197	913	520
Earnings per share				
Basic	\$0.16	\$0.44	\$1.33	\$0.85
Diluted	\$0.16	\$0.44	\$1.32	\$0.85
Adjusted <sup>3</sup>	\$0.14	\$0.29	\$1.32	\$0.76
Basic weighted average number of shares (in 000's)	690,726	688,852	690,335	688,700

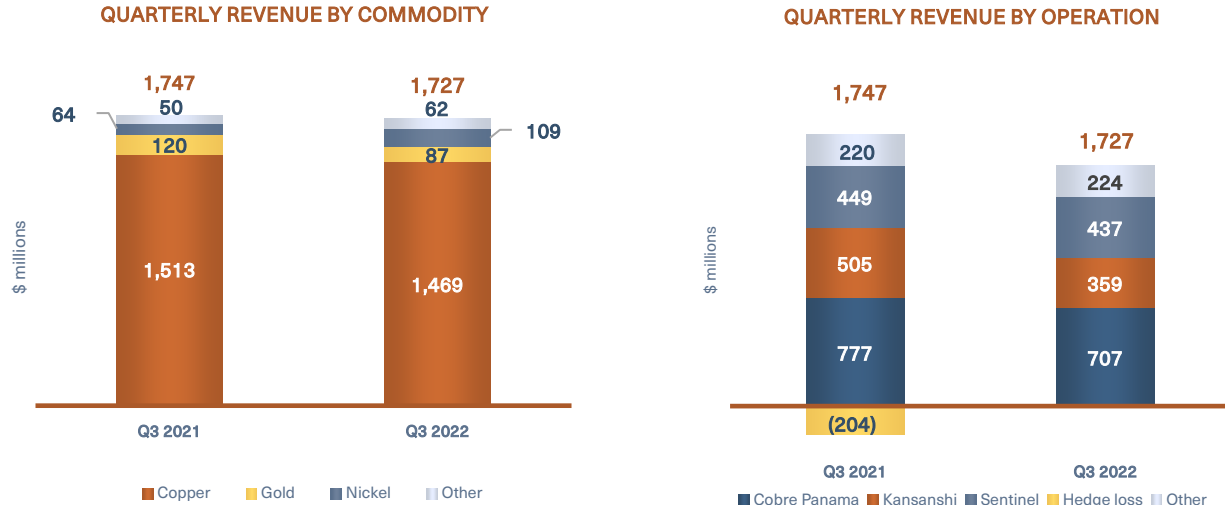
<sup>1</sup> Delivery of non-financial items (refinery-backed gold and silver credits) into the Company's precious metal stream arrangement have been netted within sales revenues rather than included in cost of sales. The periods ended September 30, 2021 has been revised to reflect this change. Sales revenues and cost of sales for the three and nine months ended September 30, 2021 have been reduced by \$55 and \$176 million, respectively, compared to the previously reported values for the periods ended September 30, 2021 (see "Precious Metal Stream Arrangement").

<sup>2</sup> Net finance expense comprises finance income and finance costs.

<sup>3</sup> Adjusted earnings is a non-GAAP financial measure and adjusted earnings per share is a non-GAAP ratio. Such measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings was previously named comparative earnings, and the composition remains the same. See "Regulatory Disclosures".

## Sales Revenues

### THIRD QUARTER



Sales revenues for the third quarter of 2022 of \$1,727 million were 1%, or \$20 million, lower than the comparable period of 2021, reflecting the decrease in copper and gold sales revenues, partially offset by higher nickel sales revenues.

Copper sales revenues for the third quarter of 2022 of \$1,469 million were 3%, or \$44 million, lower than the comparable period in 2021 reflecting the 7% lower net realized copper price<sup>1</sup> offset by higher copper sales volumes. Copper sales volumes for the third quarter of 2022 were 2% higher than the same period in 2021, mainly attributable to Cobre Panama and Sentinel, partially offset by lower copper sales volumes at Kansanshi. No hedge gain or loss was recognized on copper sales revenues, compared with a loss of \$203 million, or \$0.47 per lb, in the third quarter of 2021.

The net realized price<sup>1</sup> for copper of \$3.28 per lb for the third quarter of 2022 was 7% lower than the same period in 2021 and benefitted from a reduced hedge profile. This compares to a decrease of 17% in the average LME price of copper for the same period to \$3.51 per lb.

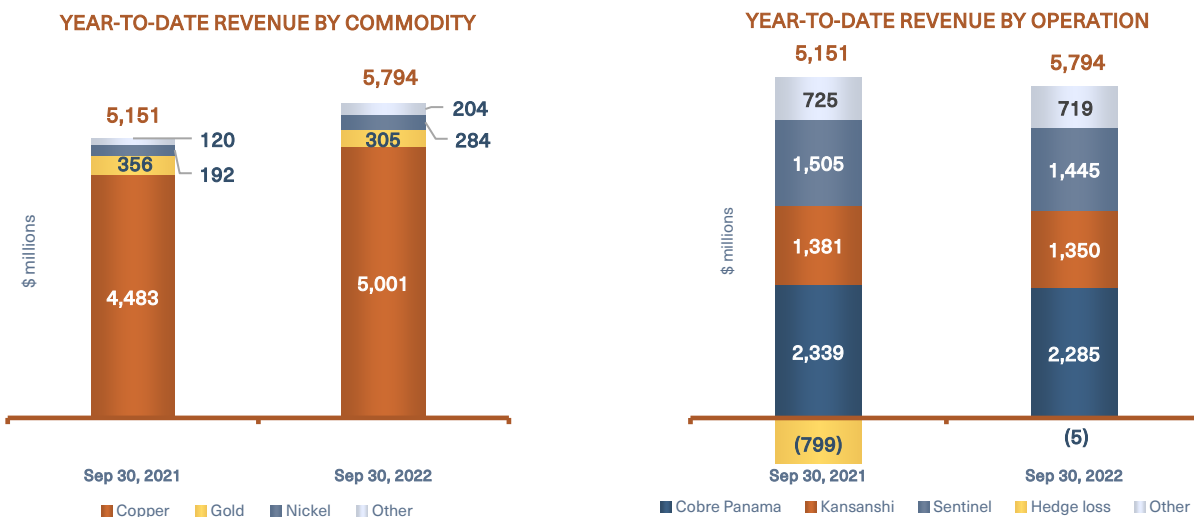
Nickel sales revenues of \$109 million for the third quarter of 2022 were 70%, or \$45 million, higher than the comparable period in 2021, reflecting higher sales volumes and net realized metal prices<sup>1</sup>. Nickel sales volumes were 5,992 contained tonnes for the quarter, a 48% increase to the comparable period of 2021. No hedge gain or loss was recognized on nickel sales revenues in the quarter, compared with a \$1 million loss in the comparative quarter, or \$0.23 per lb.

The net realized price<sup>1</sup> for nickel of \$9.76 per lb for the third quarter of 2022 was 15% higher than that for the same period in 2021.

Gold sales revenues for the third quarter of 2022 of \$87 million were 28%, or \$33 million, lower than the comparable period in 2021, arising from lower gold sales volumes, primarily attributable to Kansanshi. Panama gold sales revenues were in line with the third quarter of 2021. The cost for the purchase of refinery-backed gold and silver credits recognized within revenues of \$50 million was \$5 million lower than the comparable period in 2021.

<sup>1</sup> Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

## NINE MONTHS



Sales revenues for the nine months ended September 30, 2022 of \$5,794 million were 12%, or \$643 million, higher than the comparable period of 2021, reflecting increases in copper and nickel sales revenues of \$518 million and \$92 million, respectively.

Copper sales revenues of \$5,001 million were 12%, or \$518 million, higher than the comparable period in 2021 reflecting the higher net realized copper price<sup>1</sup> offset by lower copper sales volumes. Copper sales revenues included a \$1 million loss on the copper sales hedge program, compared with a loss of \$790 million, or \$0.59 per lb, in the first nine months of 2021.

The net realized price<sup>1</sup> for copper of \$3.86 per lb for the first nine months of 2022 was 16% higher than the same period in 2021 and benefitted from a reduced hedge profile. This compares to a decrease of 1% in the average LME price of copper for the same period to \$4.11 per lb.

Nickel sales revenues of \$284 million were 48%, or \$92 million, higher than the comparable period of 2021, reflecting higher net realized metal prices<sup>1</sup> throughout the period, partially offset by decreased nickel sales volumes. Nickel sales revenues include a \$4 million loss on the nickel sales hedge program, or \$0.16 per lb, compared with a \$9 million loss in the first nine months of 2021, or \$0.38 per lb.

The net realized price<sup>1</sup> for nickel of \$11.14 per lb for the first nine months of 2022 was 43% higher than the comparable period in 2021. This compared to a 43% increase in the LME price for the same period to \$11.66 per lb.

Gold sales revenues for the first nine months of 2022 of \$305 million were 14%, or \$51 million, lower than the comparable period in 2021, reflecting lower gold sales volumes partially offset by higher realized metal prices<sup>1</sup>. Lower sales volumes were attributable to lower production at all sites. The cost for the purchase of refinery-backed gold and silver credits recognized within revenues for the first nine months of 2022 was \$171 million, \$5 million lower than the comparable period in 2021.

<sup>1</sup> Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Copper selling price (per lb)				
Average LME cash price	\$3.51	\$4.25	\$4.11	\$4.17
Realized copper price	\$3.43	\$3.68	\$4.01	\$3.48
Treatment/refining charges ("TC/RC") (per lb)	(\$0.12)	(\$0.11)	(\$0.12)	(\$0.11)
Freight charges (per lb)	(\$0.03)	(\$0.04)	(\$0.03)	(\$0.03)
Net realized copper price <sup>1</sup>	\$3.28	\$3.53	\$3.86	\$3.34

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

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Gold selling price (per oz)				
Average LBMA cash price	\$1,729	\$1,790	\$1,824	\$1,800
Net realized gold price <sup>1,2</sup>	\$1,546	\$1,683	\$1,690	\$1,671

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Nickel selling price (per payable lb)				
Average LME cash price	\$10.01	\$8.67	\$11.66	\$8.18
Net realized nickel price <sup>1</sup>	\$9.76	\$8.50	\$11.14	\$7.81

<sup>1</sup> Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information

<sup>2</sup> Excludes gold revenues recognized under the precious metal stream arrangement.

Given the volatility in commodity prices, significant variances may arise between average market price and net realized prices due to the timing of sales during the period. Details of the Company's hedging program and the contracts held are included on page 43.

## Gross Profit

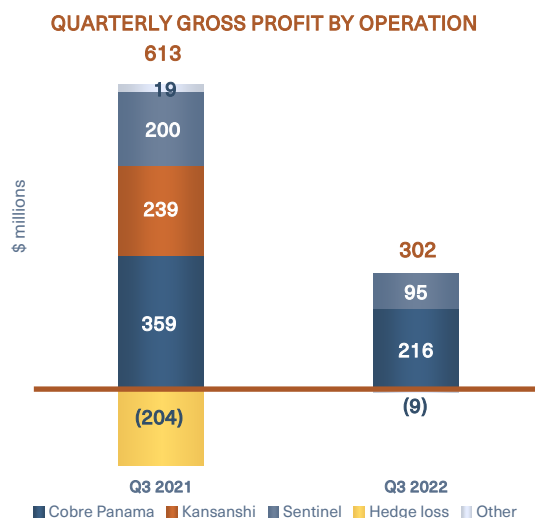
### Third Quarter

Gross profit for the quarter of \$302 million was \$311 million lower than the third quarter of 2021, due to lower realized metal prices<sup>1</sup> and higher cash costs, partially offset by higher copper sales volumes.

Gross profit in Q3 2021	613
Lower net realized prices <sup>1</sup>	(102)
Higher sales volumes and change in sales mix	61
Lower by-product contribution	(14)
Higher cash costs	(274)
Lower royalty expense	42
Higher depreciation	(32)
Positive impact of foreign exchange on operating costs	8
Gross profit in Q3 2022 <sup>2</sup>	302

<sup>1</sup> Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>2</sup> Gross profit is reconciled to EBITDA by including exploration costs of \$9 million, general and administrative costs of \$35 million, share of profit in joint venture of \$6 million, and adding back other expense of \$1 million and depreciation of \$320 million (a reconciliation of EBITDA is included in "Regulatory Disclosures").



Gross profit for the third quarter of 2022 was \$302 million, a decrease of \$311 million, or 51%, from the same period in 2021. The third quarter of 2022 was impacted by higher cash costs and lower copper net realized metal prices<sup>1</sup>. The higher cash costs were due to higher prices for fuel, electricity, explosives, sulphur, steel for grinding media and other consumables, as well as employee costs and freight charges. No hedge gain or loss was recognized for the three months to September 30, 2022, compared to a loss of \$204 million in the comparative quarter of 2021.

### Nine months

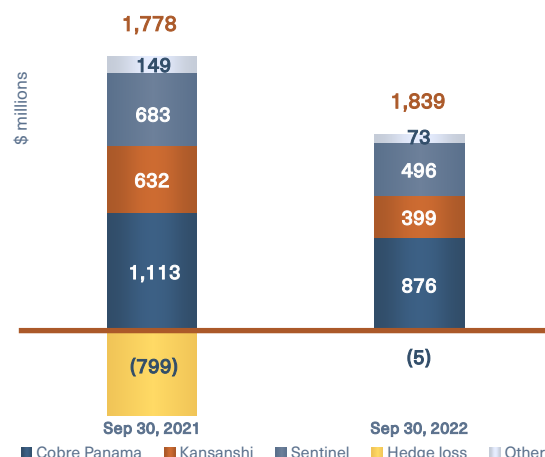
Gross profit for the first nine months of \$1,839 million was \$61 million higher than the comparable period of 2021 due to higher net realized metal prices<sup>1</sup>, partially offset by higher cash costs.

Gross profit first nine months 2021	1,778
Higher net realized prices <sup>1</sup>	830
Lower sales volumes and change in sales mix	(51)
Lower by-product contribution	(22)
Higher cash costs	(668)
Lower royalty expense	10
Higher depreciation	(43)
Positive impact of foreign exchange on operating costs	5
<b>Gross profit first nine months of 2022<sup>2</sup></b>	<b>1,839</b>

<sup>1</sup> Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>2</sup> Gross profit is reconciled to EBITDA by including exploration costs of \$17 million, general and administrative costs of \$96 million, share of profit in joint venture of \$40 million, and adding back depreciation of \$903 million (a reconciliation of EBITDA is included in "Regulatory Disclosures").

### YEAR-TO-DATE GROSS PROFIT BY OPERATION



Gross profit for the first nine months of 2022 was \$1,839 million, an increase of \$61 million, or 3%, from the same period in 2021, and was driven by higher net realized prices<sup>1</sup> following the reduced hedge profile. Gross profit has been impacted by higher prices for fuel, electricity, explosives, sulphur, steel for grinding media and other consumables and freight charges together with higher employee costs as well as lower sales volumes. With the reduction in the corporate sales hedge program, a \$5 million loss was recognized in the nine months to September 30, 2022, compared to a loss of \$799 million in the comparative period of 2021.

<sup>1</sup> Realized metal price is a non-GAAP ratio, does not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information

## Net Earnings

### Third Quarter

Net earnings attributable to shareholders of the Company for the third quarter of 2022 were \$113 million, \$190 million lower than the same period in 2021. Basic earnings per share was \$0.16 during the quarter compared to \$0.44 earnings per share in the same quarter of 2021. Net finance expense of \$137 million was \$17 million lower than the third quarter of 2021 as debt levels continued to decrease. Net finance expense principally consists of interest on debt of \$115 million, related party interest of \$29 million, accretion of deferred revenue of \$16 million, offset by interest capitalized of \$7 million and finance income of \$23 million.

Other income of \$31 million is \$168 million lower than the \$199 million recognized in the comparable period in 2021. Foreign exchange gains of \$26 million were \$154 million lower than the comparative quarter of \$180 million. A \$6 million share of profit in Korea Panama Mining Corporation ("KPMC") was recognized in the quarter, compared to \$19 million recognized in the comparable period of 2021.

An expense of \$6 million, reflecting an adjustment for the expected phasing of the Zambian VAT receivable, was recognized in the quarter, compared with an expense of \$4 million recognized in the comparable quarter of 2021.

An income tax expense of \$34 million was recognized in the third quarter of 2022, compared with a \$235 million expense recognized in the comparable period in 2021, reflecting applicable statutory tax rates that range from 20% to 30% for the Company's operations. The effective tax rate for the quarter was 23%, which included the current Law 9 legislation.

### Nine Months

Net earnings attributable to shareholders of the Company of \$917 million for the first nine months of 2022 was \$332 million higher than the comparable period in 2021. Basic earnings per share was \$1.33 during the first nine months of 2022, compared to earnings per share of \$0.85 in the same period of 2021. Net finance expense of \$435 million was \$60 million lower than the same period of 2021 as debt levels continued to decrease. Net finance expense principally consisted of interest on debt of \$351 million,

related party interest of \$86 million, accretion of deferred revenue of \$48 million, offset by capitalized interest of \$16 million and finance income of \$55 million.

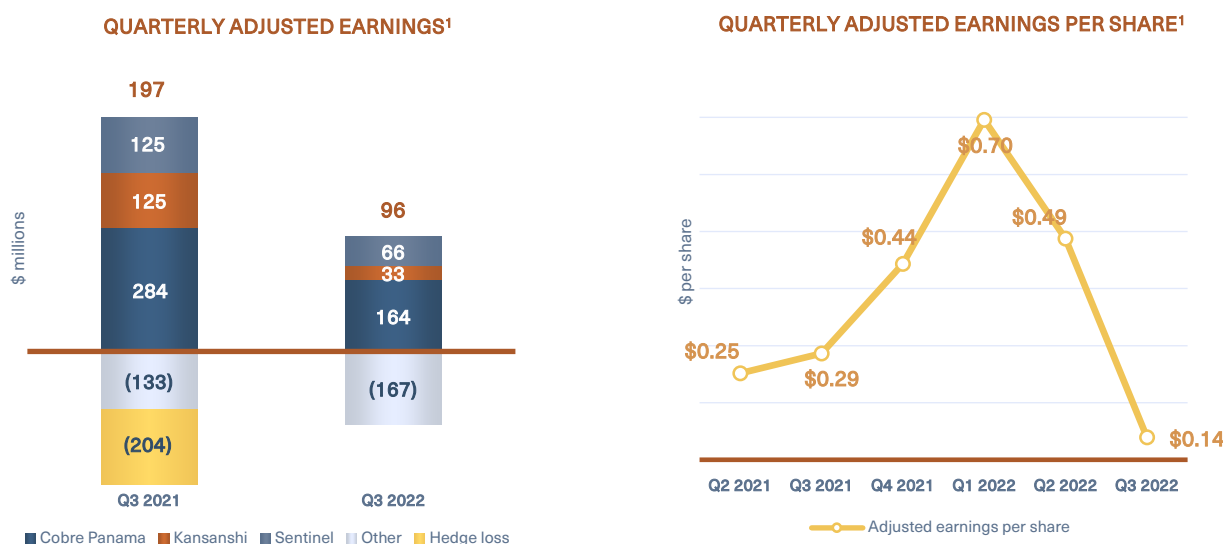
Other income of \$201 million is \$1 million higher than the \$200 million recognized in the comparable period in 2021. Foreign exchange gains of \$209 million include the \$221 million impact of an agreement reached in respect of the outstanding VAT receivable in the second quarter of 2022, compared to a foreign exchange loss of \$146 million in the comparable period. Other expenses for the first nine months of 2022 include a charge of \$40 million for non-recurring costs in connection with previously sold assets. A \$40 million share of profit in KPMC was recognized in the nine months to September 30, 2022, compared to \$58 million recognized in the comparable period of 2021.

An expense of \$134 million reflecting an adjustment for the expected phasing of the Zambian VAT receivable, was recognized in the first nine months of 2022, compared with an expense of \$18 million recognized in the comparable period of 2021.

An income tax expense of \$326 million was recognized in the first nine months of 2022, compared to a \$573 million expense recognized in the comparable period in 2021, reflecting applicable statutory tax rates that range from 20% to 30% for the Company's operations. No tax credits were recognized with respect to losses of \$5 million realized under the Company's copper and nickel sales hedge program in the nine months ended September 2022. The effective tax rate for the nine months to date was 24%, which included the current Law 9 legislation.

## Adjusted Earnings<sup>1</sup>

### THIRD QUARTER

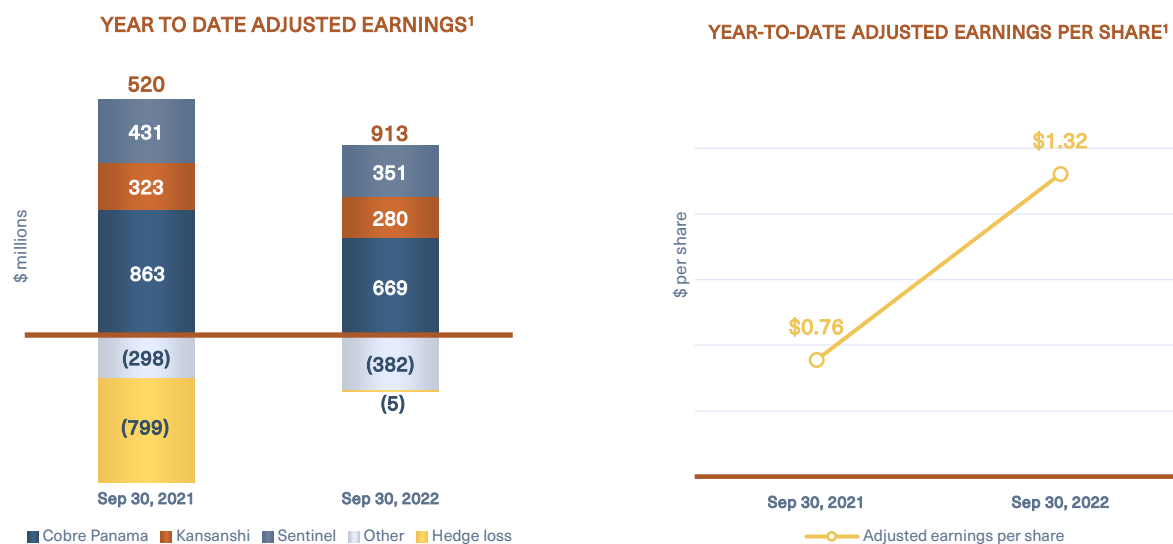


Adjusted earnings<sup>1</sup> for the quarter ended September 30, 2022 of \$96 million is a decrease of \$101 million from the comparative period in 2021. Adjusted earnings per share<sup>2</sup> of \$0.14 in the third quarter compares to adjusted earnings per share<sup>2</sup> of \$0.29 in the same period of 2021. The principal items not included in adjusted earnings<sup>1</sup> in the quarter are foreign exchange gains of \$26 million and the adjustment for expected phasing of Zambian VAT of \$6 million. The effective tax rate, on an adjusted basis, for the quarter ended September 30, 2022 was 25%, which included the current Law 9 legislation. A reconciliation of adjusted metrics is included in "Regulatory Disclosures".

<sup>1</sup>Adjusted earnings is a non-GAAP financial measure, does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings was previously named comparative earnings, and the composition remains the same. See "Regulatory Disclosures".

<sup>2</sup>Adjusted earnings per share is a non-GAAP ratio, do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## NINE MONTHS



Adjusted earnings<sup>1</sup> for the nine months ended September 30, 2022 of \$913 million is an increase of \$393 million from the comparative period in 2021. Adjusted earnings per share<sup>2</sup> of \$1.32 in the first nine months compares to adjusted earnings per share<sup>2</sup> of \$0.76 in the same period of 2021. The principal items not included in adjusted earnings<sup>1</sup> are foreign exchange gains of \$209 million, the adjustment for expected phasing of the Zambian VAT receivable of \$134 million and a charge of \$40 million for non-recurring costs in connection with previously sold assets. The effective tax rate for the nine months ended September 30, 2022, on an adjusted basis, was 23%, which included the current Law 9 legislation. A reconciliation of adjusted metrics is included in *“Regulatory Disclosures”*.

<sup>1</sup>Adjusted earnings is a non-GAAP financial measure, does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Adjusted earnings was previously named comparative earnings, and the composition remains the same. See *“Regulatory Disclosures”*.

<sup>2</sup>Adjusted earnings per share is a non-GAAP ratio, do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See *“Regulatory Disclosures”*.



## LIQUIDITY AND CAPITAL RESOURCES

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Cash flows from operating activities	525	703	2,095	2,125
Cash flows used by investing activities	(293)	(277)	(858)	(719)
Cash flows used by financing activities	(268)	(300)	(1,305)	(402)
Exchange losses on cash and cash equivalents	-	-	(2)	-
Net cash inflow (outflow)	(36)	126	(70)	1,004
Cash balance	1,789	1,918	1,789	1,918
Total assets	24,966	25,200	24,966	25,200
Total current liabilities	1,590	2,059	1,590	2,059
Total long-term liabilities	11,035	11,963	11,035	11,963
Net debt <sup>1</sup>	5,329	6,302	5,329	6,302
Cash flows from operating activities per share <sup>2</sup>	\$0.76	\$1.02	\$3.03	\$3.09

### Cash Flows from Operating Activities

Cash flows from operating activities for the third quarter were \$178 million lower than the same period in 2021, attributable to lower EBITDA<sup>3</sup> partially offset by favourable movements on working capital.

### Cash Flows Used by Investing Activities

Investing activities includes capital expenditures of \$296 million, which were \$22 million higher than the comparative quarter of 2021, reflecting increased expenditure at Cobre Panama on the CP100 Expansion. This was offset partially by reduced capital expenditure at Ravensthorpe as a result of the completion of the commissioning works at Shoemaker Levy in the fourth quarter of 2021.

### Cash Flows from Financing Activities

Cash flows used by financing activities was \$268 million for the third quarter of 2022, which were \$32 million lower than the comparative quarter.

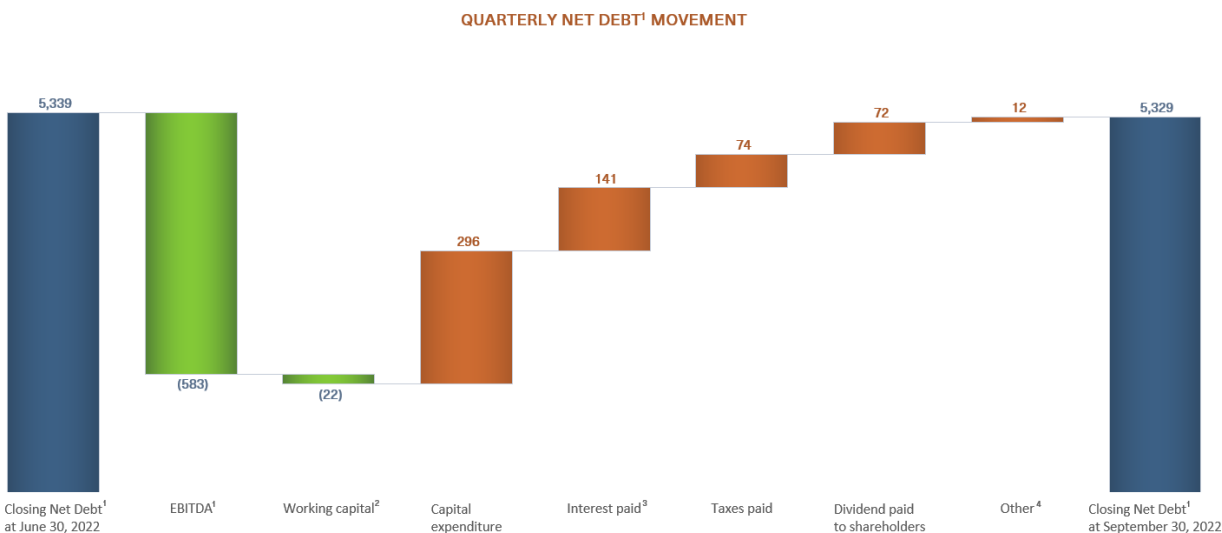
Interest paid of \$134 million is included within cash flows used by financing activities, which excludes \$7 million of capitalized interest, and is \$55 million lower than the \$189 million paid in the third quarter of 2021, reflecting a lower gross debt position offset by rising interest rates on the Company's floating rate debt (excluding the Senior Notes). Net payments of \$9 million were paid to KPMC, a 50:50 joint venture between the Company and Korea Mine Rehabilitation and Mineral Resources Corporation ("KOMIR"). Also included in financing activities was a dividend of \$72 million paid in the quarter.

<sup>1</sup> Net debt is a supplementary financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>2</sup> Cash flows from operating activities per share is a non-GAAP ratio, and does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>3</sup> EBITDA is a non-GAAP financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures" for further information.

## THIRD QUARTER



<sup>1</sup> EBITDA is a non-GAAP financial measure and net debt is a supplementary financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See "Regulatory Disclosures" for further information.

<sup>2</sup> Includes \$34 million outflow related to long-term incentive plans.

<sup>3</sup> Interest paid includes \$7 million of interest capitalized to property plant and equipment.

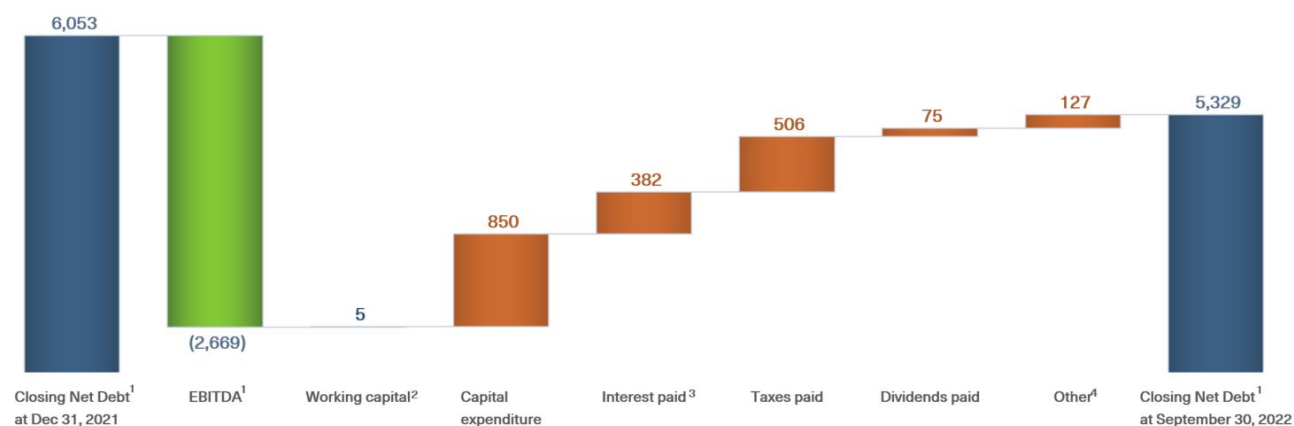
<sup>4</sup> Other includes net payments to joint venture of \$9 million, non-cash adjustments relating to amortization of gold and silver revenue of \$23 million and share of profit in joint venture ("JV") of \$6 million.

Net debt<sup>1</sup> decreased by \$10 million during the quarter to \$5,329 million. At September 30, 2022, gross debt was \$7,118 million.

<sup>1</sup> Net debt is a supplementary financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## NINE MONTHS

### YEAR-TO-DATE NET DEBT<sup>1</sup> MOVEMENT



<sup>1</sup> EBITDA is a non-GAAP financial measure and net debt is a supplementary financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. EBITDA was previously named comparative EBITDA, and the composition remains the same. See “Regulatory Disclosures” for further information.

<sup>2</sup> Includes \$90 million outflow related to long-term incentive plans.

<sup>3</sup> Interest paid includes \$16 million of interest capitalized to property plant and equipment.

<sup>4</sup> Other includes dividends paid to non-controlling interests of \$60 million, net payments to joint venture of \$36 million offset by restricted cash reclassification of \$41 million, non-cash adjustments relating to amortization of gold and silver revenue of \$72 million and share of profit in joint venture (“JV”) of \$40 million.

Net debt<sup>1</sup> decreased by \$724 million during the nine months ended September 30, 2022 to \$5,329 million. At September 30, 2022, gross debt was \$7,118 million.

Following the upgrades by S&P Global Ratings (“S&P”) and Fitch Ratings (“Fitch”) in February to a B+ credit rating, the Company outlook has remained stable at S&P and has been upgraded from stable to positive at Fitch. S&P published a rating and outlook affirmation during the quarter (September 2022). Whilst copper prices have lowered over the course of the year, the medium to long-term outlook for prices and demand continues to be robust. National policies and infrastructure plans supporting green energy across the world are expected to be passed, which are projected to drive the demand for copper, an essential component of both the transition to a low carbon economy and of the socioeconomic development of emerging economies.

The Company had previously entered into derivative contracts to ensure that the exposure to the price of copper on future sales was managed to provide stability of cash flows until an appropriate level of de-leveraging had been achieved. At October 25, 2022, the Company had no outstanding copper or nickel derivatives designated as hedging instruments.

<sup>1</sup> Net debt is a supplementary financial measure which does not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See “Regulatory Disclosures”.

Based on the expected future cash flows, this supports the Company's belief in its ability to meet current obligations as they become due and to have sufficient liquidity through the next 12 months to carry out its operating and capital expenditure plans. The Company was in full compliance with all its financial covenants at September 30, 2022, and expects to remain in compliance throughout the next 12 months. The Company continues to take action to manage operational and price risks and further strengthen the balance sheet, including through strategic initiatives.

At September 30, 2022, the Company had total commitments of \$363 million, all of which is related to the 12 months following the period end.

Contractual and other obligations as at September 30, 2022 are as follows:

	Carrying Value	Contractual Cash flows	< 1 year	1 – 3 years	3 – 5 years	Thereafter
Debt – principal repayments	7,029	7,063	483	3,110	1,970	1,500
Debt – finance charges	-	1,366	422	642	251	51
Trading facilities	89	89	89	-	-	-
Trade and other payables	729	729	729	-	-	-
Derivative instruments	17	17	17	-	-	-
Liability to joint venture <sup>1</sup>	1,245	2,012	-	-	-	2,012
Other loans owed to non-controlling interest <sup>2</sup>	185	249	26	-	-	223
Current taxes payable	55	55	55	-	-	-
Deferred payments	39	39	5	8	8	18
Leases	25	25	9	11	5	-
Commitments	-	363	363	-	-	-
Restoration provisions	701	1,144	3	47	57	1,037
	10,114	13,151	2,201	3,818	2,291	4,841

<sup>1</sup> Refers to distributions to KPMC, a joint venture that holds a 20% non-controlling interest in Minera Panama SA ("MPSA"), of which the Company has joint control, and not scheduled repayments.

<sup>2</sup> Refers to liability with POSCO, an entity that holds a 30% non-controlling interest in FQM Australia Holdings Pty Ltd ("Ravensthorpe"), of which the Company has full control.

## Equity

As at September 30, 2022, the Company had 692,439,603 common shares outstanding.

## Hedging Programs

The Company has hedging programs in respect of future copper and nickel sales and provisionally priced sales contracts. Below is a summary of the fair values of unsettled derivative financial instruments for commodity contracts recorded on the consolidated balance sheet.

As at September 30, 2022, the Company held no derivatives designated as hedging instruments.

## COMMODITY CONTRACTS

	September 30, 2022	December 31, 2021
Asset position	43	38
Liability position	(17)	(57)

### Provisional Pricing and Derivative Contracts

A portion of the Company's metal sales is sold on a provisional pricing basis whereby sales are recognized at prevailing metal prices when title transfers to the customer and final pricing is not determined until a subsequent date, typically two to five months later. The difference between final price and provisional invoice price is recognized in net earnings. In order to mitigate the impact of these adjustments on net earnings, the Company enters into derivative contracts to directly offset the pricing exposure on the provisionally priced contracts. The provisional pricing gains or losses and offsetting derivative gains or losses are both recognized as a component of cost of sales. Derivative assets are presented in other assets and derivative liabilities are presented in other liabilities with the exception of copper and gold embedded derivatives, which are included within accounts receivable.

As at September 30, 2022, the following derivative positions in provisionally priced sales and commodity contracts not designated as hedged instruments were outstanding:

	Open Positions (tonnes/oz)	Average Contract price	Closing Market price	Maturities Through
Embedded derivatives in provisionally priced sales contracts:				
Copper	200,775	\$3.52/lb	\$3.47/lb	January 2023
Gold	56,387	\$1,704/oz	\$1,672/oz	December 2022
Commodity contracts:				
Copper	200,775	\$3.52/lb	\$3.47/lb	January 2023
Gold	56,389	\$1,704/oz	\$1,672/oz	December 2022

As at September 30, 2022, substantially all of the Company's metal sales contracts subject to pricing adjustments were hedged by offsetting derivative contracts.

### Foreign Exchange

Foreign exchange risk arises from transactions denominated in currencies other than the U.S. Dollar ("USD"). The USD/ZMW exchange rate has had the greatest impact on the Company's cost of sales, as measured in USD. A 10% movement in the USD/ZMW exchange rate would impact the Company's cost of sales by approximately \$25 million per year.

## ZAMBIAN VAT

During the second quarter, the Company reached an agreement with the GRZ for repayment of the outstanding VAT claims based on offsets against future corporate income tax and mineral royalty tax payments. This commenced July 1, 2022. As a result of this agreement, the Company was granted offsets of \$52 million and cash refunds of \$45 million during the quarter.

The total VAT receivable accrued by the Company's Zambian operations at September 30, 2022, was \$705 million, of which \$319 million relates to Kansanshi, \$332 million relates to Sentinel, with the balance of \$54 million attributable to other Zambian subsidiaries providing supporting services.

Offsets of \$96 million against other taxes and royalties due have been granted and cash refunds of \$46 million were received during the nine months ended September 30, 2022. In the nine months ended September 30, 2021, offsets of \$52 million were granted.

The Company considers that the outstanding VAT claims are fully recoverable and has classified all VAT balances due to the Zambian operations based on the expected recovery period. As at September 30, 2022, amounts totaling \$128 million are presented as current.

A \$6 million expense adjustment for Zambian VAT receipts was recognized in the quarter ended September 30, 2022, representing the expected phasing of recoverability of the receivable amount. An expense of \$4 million had previously been recognized in the quarter ended September 30, 2021. A foreign exchange adjustment of \$221 million was recognized in the quarter ended June 30, 2022, as a result of the agreement with the GRZ on the receivable amount to be paid.

### ZAMBIAN VAT

#### VAT receivable by the Company's Zambian operations

	September 30, 2022
Balance at beginning of the year	644
Movement in claims, net of foreign exchange movements	195
Adjustment for expected phasing for non-current portion	(134)
At September 30, 2022	705

#### 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	155	375	249	67	136	982
Adjustment for expected phasing	(34)	(140)	(58)	(21)	(24)	(277)
Total VAT receivable from Zambian operations	121	235	191	46	112	705

#### Changes to Zambian VAT Regime

A zero rating order for VAT on petrol and diesel and a suspension on the excise duty on petrol and diesel announced in January 2021 have been removed effective October 1, 2022.

## KPMC JOINT VENTURE

On November 8, 2017, the Company completed the purchase of a 50% interest in KPMC from LS-Nikko Copper Inc. KPMC is jointly owned and controlled with Korea Mine Rehabilitation and Mineral Resources Corporation (“KOMIR”) and holds a 20% interest in Cobre Panama. The purchase consideration of \$664 million comprised the acquisition consideration of \$635 million and the reimbursement of cash advances of \$29 million with \$179 million paid on closing. The final consideration of \$100 million was paid in November 2021.

A \$659 million investment in the joint venture representing the discounted consideration value and the Company’s proportionate share of the profit or loss in KPMC to date. For the nine months ended September 30, 2022, the profit attributable to KPMC was \$81 million (September 30, 2021: \$116 million). The profit in KPMC relates to the 20% equity accounted share of profit reported by Minera Panama S.A. (“MPSA”), a subsidiary of the Company. The material assets and liabilities of KPMC are an investment in MPSA of \$499 million, shareholder loans receivable of \$1,245 million from the Company and shareholder loans payable of \$1,246 million due to the Company and its joint venture partner KOMIR.

At September 30, 2022, the Company’s subsidiary, MPSA, owed to KPMC \$1,245 million (December 31, 2021: \$1,310 million and December 31, 2020: \$1,327 million). Interest is accrued at an annual interest rate of 9%; unpaid interest is capitalized to the outstanding loan on a semi-annual basis. The loan matures on June 30, 2029.

## PRECIOUS METAL STREAM ARRANGEMENT

### Arrangement Overview

The Company, through MPSA, has a precious metal streaming arrangement with Franco-Nevada Corporation (“Franco-Nevada”). The arrangement comprises two tranches. Under the first phase of deliveries under the first tranche (“Tranche 1”) Cobre Panama is obliged to supply Franco-Nevada 120 ounces of gold and 1,376 ounces of silver for each 1 million pounds of copper produced, deliverable within 5 days of eligible copper concentrate sales. Under the first phase of deliveries under the second tranche (“Tranche 2”) Cobre Panama is obliged to supply Franco-Nevada a further 30 ounces of gold and 344 ounces of silver for each 1 million pounds of copper produced, deliverable within 5 days of eligible copper concentrate sales.

Tranche 1 was amended and restated on October 5, 2015, which provided for \$1 billion of funding to the Cobre Panama project. Under the terms of Tranche 1, Franco-Nevada, through a wholly owned subsidiary, agreed to provide a \$1 billion deposit to be funded on a pro-rata basis of 1:3 with the Company’s 80% share of the capital costs of Cobre Panama in excess of \$1 billion. The full Tranche 1 deposit amount has been fully funded to MPSA. Tranche 2 was finalized on March 16, 2018, and \$356 million was received on completion. Proceeds received under the terms of the precious metals streaming arrangement are accounted for as deferred revenue.

In all cases, the amount paid is not to exceed the prevailing market price per ounce of gold and silver.

The Company commenced the recognition of delivery obligations under the terms of the arrangement in September 2019 following the first sale of copper concentrate. Deferred revenue will continue to be recognized as revenue over the life of the mine, which is expected to be 33 years. The amount of precious metals deliverable under both tranches is indexed to total copper-in-concentrate sold by Cobre Panama.

## GOLD STREAM

	TRANCHE 1	TRANCHE 2
Delivered (oz)	0 to 808,000	0 to 202,000
Delivery terms	120 oz of gold per one million pounds of copper	30 oz of gold per one million pounds of copper
Threshold	First 1,341,000 oz	First 604,000 oz
Ongoing cash payment	\$443.93/oz (+1.5% inflation)	20% market price

## SILVER STREAM

	TRANCHE 1	TRANCHE 2
Delivered (oz)	0 to 9,842,000	0 to 2,460,500
Delivery terms	1,376 oz of silver per one million pounds of copper	344 oz of silver per one million pounds of copper
Threshold	First 21,510,000 oz	First 9,618,000 oz
Ongoing cash payment	\$6.66/oz (+1.5% inflation)	20% market price

Under the first threshold of deliveries, the above Tranche 1 ongoing cash payment terms are for approximately the first 20 years of expected deliveries, thereafter the greater of \$443.93 per oz for gold and \$6.66 per oz for silver, subject to an adjustment for inflation, and one half of the then prevailing market price. Under the first threshold of deliveries, the above Tranche 2 ongoing cash payment terms are for approximately the first 25 years of production, and thereafter the ongoing cash payment per ounce rises to 50% of the spot price of gold and silver.

### Accounting

Gold and silver produced by the mine, either contained in copper concentrate or in doré form, are sold to off-takers and revenue recognized accordingly. Cobre Panama gold and silver revenues consist of revenues derived from the sale of metals produced by the mine, as well as revenues recognized from the amortization of the precious metal stream arrangement.

Gold and silver revenues recognized under the terms of the precious metal streaming arrangement are indexed to copper sold from the Cobre Panama mine, and not gold or silver production. Gold and silver revenues recognized in relation to the precious metal streaming arrangement comprise two principal elements:

- the non-cash amortization of the deferred revenue balance.
- the ongoing cash payments received, as outlined in the above section.

Obligations under the precious metal streaming arrangement are satisfied with the purchase of refinery-backed gold and silver credits, the cost of which is recognized within revenues. Refinery-backed credits purchased and delivered are excluded from the gold and silver sales volumes disclosed and realized price<sup>1</sup> calculations.

C1<sup>1</sup> and AISC<sup>1</sup> include the impact of by-product credits, which include both gold and silver revenues earned under the precious metal stream arrangement and revenues earned on the sales of mine production of gold and silver. Also included is the cost of refinery-backed gold and silver credits, purchased at market price, to give a net gold and silver by-product credit.

<sup>1</sup> Realized metal prices, Copper C1 cash cost (copper C1) and copper all-in sustaining costs (copper AISC) are non-GAAP ratios, do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures" for further information.



The Company has amended its accounting in respect of the delivery of non-financial items (refinery-backed gold and silver credits) into its precious metal stream arrangement, from presenting as a cost of sale to net within sales revenues. The years ended December 31, 2021 and December 31, 2020, were revised for this change. Sales revenues and cost of sales have both been reduced for the three and nine months ended September 30, 2021 by \$55 million and \$176 million, respectively, compared to the previous reported values.

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Gold and silver revenue – ongoing cash payments	13	13	41	42
Gold and silver revenue – non cash amortization	23	24	72	74
Total gold and silver revenues – precious metal stream	36	37	113	116
Cost of refinery-backed credits for precious metal stream included in revenue	(50)	(55)	(171)	(176)

## MATERIAL LEGAL PROCEEDINGS

### Panama Constitutional Proceedings

In February 1996, the Republic of Panama and MPSA, now a subsidiary of the Company, entered into a mining concession contract in respect of the Cobre Panama project (“Concession Contract”).

On February 26, 1997, Contract-Law No. 9 (“Law 9”) was passed by the Panamanian National Assembly. Law 9 granted the status of national law to the Concession Contract, establishing a statutory legal and fiscal regime for the development of the Cobre Panama project. On December 30, 2016, the Government of Panama signed and issued Resolution No. 128 by which it extended the Concession Contract held by MPSA for a second 20-year term commencing March 1, 2017 up to February 28, 2037. The Company remains eligible for consideration of a third 20-year term of the Concession Contract commencing March 1, 2037.

In September 2018, the Company became aware of a ruling of the Supreme Court of Panama (“Supreme Court”) in relation to the constitutionality of Law 9. The Company understands that the ruling of the Supreme Court with respect to the constitutionality of Law 9 relates to the enactment of Law 9 and does not affect the legality of the Concession Contract itself, which remains in effect, and allows continuation of the development and operation of the Cobre Panama project by MPSA.

In respect of the Supreme Court ruling on Law 9, the Company notes the following:

- The Supreme Court decision was in respect of ongoing legal filings made since 2009 with regard to specific environmental petitions.
- In reviewing the process of approval of Law 9 of 1997, the Supreme Court found that the National Assembly had failed to consider whether Law 9 complied with applicable legislation at the time, namely Cabinet Decree 267 of 1969.
- The applicable Cabinet Decree of 1969, which was repealed in 1997 by Law 9, required the Ministry of Commerce and Industry (“MICI”) to issue a request for proposals before awarding the Law 9 mining concession.
- The Attorney General of Panama provided two formal opinions favourable to the constitutionality of Law 9 as required in this type of proceedings by Panamanian law.
- The Supreme Court ruling did not make a declaration as to the annulment of the MPSA Concession Contract.

In 2018, MPSA submitted filings to the Supreme Court for ruling, prior to the ruling in relation to the constitutionality of Law 9 taking effect. On September 26, 2018, the Government of Panama issued a news release affirming support for Cobre Panama. The release confirmed that MICI considers that the MPSA Mining Concession contract, and its extension, remains in effect in all its parts (The MICI release is available at [www.twitter.com/MICIPMA/status/1044915730209222657](https://www.twitter.com/MICIPMA/status/1044915730209222657)). In July 2021, the Supreme Court responded to the requests for clarifications submitted by MPSA, ruling them inadmissible. This means that the original ruling that Law 9 is unconstitutional has been upheld. The unconstitutionality ruling was published in the Official Gazette on

December 22, 2021. The Company understands that the ruling's effects are non-retrospective, pursuant to the Code of Judicial Proceedings, which means that the enactment of the contract in 1997 and its extension in 2017 granted until the year 2037 remain unaffected.

The current Government of Panama ("GOP"), inaugurated on July 1, 2019, established a multidisciplinary commission including the Minister of Commerce and Industries (mining regulator), Minister of Environment, and Minister of Employment to discuss the Law 9 matter and seek resolution. In July 2021, the GOP announced the appointment of a high-level commission of senior government ministers and officials, chaired by the Minister of Commerce, to discuss the Company's concession contract. In September 2021, the Ministry of Commerce publicly announced the culmination of the high-level formal discussions on two topics being environmental and labour matters.

During January 2022, the GOP tabled a new proposal and the commission reached an agreement in principle on certain items, namely that the GOP should receive \$375 million in benefits per year from Cobre Panama and that the existing revenue royalty will be replaced by a gross profit royalty. The parties continue to finalize the details behind these principles, including the appropriate mechanisms that would achieve the desired outcome, the necessary protections to the Company's business for downside copper price and production scenarios and ensuring that the new contract and legislation are both durable and sustainable. In the second quarter of 2022, the Minister of Commerce was replaced and discussions have subsequently continued in order, including the installation of a bilateral contractual drafting committee in early September 2022. First Quantum remains committed to a timely conclusion of the Law 9 issue. Once an agreement is concluded and the full contract is documented, it is expected that the newly drafted legislation would be put to the Panamanian National Assembly.

### **Kansanshi Development Agreement**

On May 19, 2020, KMP filed a Request for Arbitration against the GRZ with the International Centre for Settlement of International Disputes ("ICSID"). This arbitration is confidential. KMP's claims concern breaches of certain contractual provisions of a development agreement between GRZ and KMP (the "Development Agreement") and international law. The amount in dispute is to be quantified at a later stage, however it is believed to be material. The Tribunal was fully constituted and held its first Case Management Conference. KMP submitted its Memorial and corresponding documents on January 25, 2021. GRZ filed its Memorial on Jurisdiction and Counter-Memorial of Defence and Counterclaim on July 9, 2021. The parties have exchanged requests and produced documents ordered by the Tribunal on November 1, 2021. KMP submitted its Reply Memorial on February 11, 2022. The hearing in this matter is scheduled for January 2023. Pursuant to the wider reset arrangements recently concluded between the Company and GRZ, the parties have entered into a conditional settlement agreement in respect of this arbitration. The settlement agreement contains several conditions precedent that must be satisfied before the settlement becomes effective.

## **REGULATORY DISCLOSURES**

### **Seasonality**

The Company's results as discussed in this MD&A are subject to seasonal aspects, in particular the wet season in Zambia. The wet season in Zambia generally starts in November and continues through to April, with the heaviest rainfall normally experienced in the months of December, January, February and March. As a result of the wet season, 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.

### **Off-Balance Sheet Arrangements**

The Company had no off-balance sheet arrangements as of the date of this report.

### **Non-GAAP Financial Measures and Ratios**

This document refers to cash cost (C1), all-in sustaining cost (AISC) and total cost (C3) per unit of payable production, operating cash flow per share, realized metal prices, EBITDA, net debt and adjusted earnings, which are not measures recognized under IFRS, do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other issuers. These measures are used internally by management in measuring the performance of the Company's operations and serve to provide additional information which should not be considered in isolation to measures prepared under IFRS.

C1, AISC and C3 are non-GAAP financial measures based on production and sales volumes for which there is no directly comparable measure under IFRS, though a reconciliation from the cost of sales, as stated in the Company's financial statements, and which should be read in conjunction with this Management's Discussion and Analysis, to C1, AISC and C3 can be found on

the following pages. These reconciliations set out the components of each of these measures in relation to the cost of sales for the Company as per the consolidated financial statements.

The calculation of these measures is described below, and may differ from those used by other issuers. The Company discloses these measures in order to provide assistance in understanding the results of the operations and to provide additional information to investors.

### Calculation of Cash Cost, All-In Sustaining Cost, Total Cost, Sustaining Capital Expenditure and Deferred Stripping Costs Capitalized

The consolidated cash cost (C1), all-in sustaining cost (AISC) and total cost (C3) presented by the Company are measures that are prepared on a basis consistent with the industry standard definitions by the World Gold Council and Brook Hunt cost guidelines but are not measures recognized under IFRS. In calculating the C1 cash cost, AISC and C3, total cost for each segment, the costs are measured on the same basis as the segmented financial information that is contained in the financial statements.

C1 cash cost includes all mining and processing costs less any profits from by-products such as gold, silver, zinc, pyrite, cobalt, sulphuric acid, or iron magnetite and is used by management to evaluate operating performance. TC/RC and freight deductions on metal sales, which are typically recognized as a component of sales revenues, are added to C1 cash cost to arrive at an approximate cost of finished metal.

AISC is defined as cash cost (C1) plus general and administrative expenses, sustaining capital expenditure, deferred stripping, royalties and lease payments and is used by management to evaluate performance inclusive of sustaining expenditure required to maintain current production levels.

C3 total cost is defined as AISC less sustaining capital expenditure, deferred stripping, and general and administrative expenses net of insurance, plus depreciation and exploration. This metric is used by management to evaluate the operating performance inclusive of costs not classified as sustaining in nature such as exploration and depreciation.

Sustaining capital expenditure is defined as capital expenditure during the production phase, incurred to sustain and maintain the existing assets to achieve constant planned levels of production, from which future economic benefits will be derived. This includes expenditure for assets to retain their existing productive capacity, and to enhance assets to minimum reliability, environmental and safety standards.

Deferred stripping costs capitalized are defined as waste material stripping costs in excess of the strip ratio, for the production phase, and from which future economic benefits will be derived from future access to ore. Deferred stripping costs are capitalized to the mineral property, and will be depreciated on a units-of-production basis.

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Purchase and deposits on property, plant and equipment	296	274	850	718
Sustaining capital expenditure and deferred stripping	113	126	358	336
Project capital expenditure	183	148	492	382
Total capital expenditure	296	274	850	718

## Non-GAAP Reconciliations

The following tables provide a reconciliation of C1<sup>2</sup>, C3<sup>2</sup> and AISC<sup>2</sup> to the consolidated financial statements:

For the three months ended September 30, 2022	Cobre Panama	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
<b>Cost of sales<sup>1</sup></b>	(491)	(359)	(342)	(50)	(27)	(17)	(8)	(1,294)	(4)	(127)	(1,425)
Adjustments:											
Depreciation	160	59	80	4	-	5	-	308	1	11	320
By-product credits	50	46	-	31	-	5	5	137	-	8	145
Royalties	14	22	40	1	-	1	-	78	-	5	83
Treatment and refining charges	(35)	(6)	(13)	(2)	-	(1)	-	(57)	-	-	(57)
Freight costs	-	-	(9)	-	-	(2)	-	(11)	-	-	(11)
Finished goods	9	24	-	1	-	(1)	-	33	-	2	35
Other <sup>4</sup>	12	28	5	-	4	-	-	49	3	1	53
<b>Cash cost (C1)<sup>2,4</sup></b>	(281)	(186)	(239)	(15)	(23)	(10)	(3)	(757)	-	(100)	(857)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(158)	(54)	(82)	(4)	-	(5)	-	(303)	-	(11)	(314)
Royalties	(14)	(22)	(40)	(1)	-	(1)	-	(78)	-	(5)	(83)
Other	(5)	(2)	(3)	-	(1)	-	-	(11)	-	(2)	(13)
<b>Total cost (C3)<sup>2,4</sup></b>	(458)	(264)	(364)	(20)	(24)	(16)	(3)	(1,149)	-	(118)	(1,267)
<b>Cash cost (C1)<sup>2,4</sup></b>	(281)	(186)	(239)	(15)	(23)	(10)	(3)	(757)	-	(100)	(857)
Adjustments:											
General and administrative expenses	(12)	(7)	(10)	(1)	(1)	-	-	(31)	-	(4)	(35)
Sustaining capital expenditure and deferred stripping <sup>3</sup>	(37)	(37)	(33)	-	-	(2)	-	(109)	-	(4)	(113)
Royalties	(14)	(22)	(40)	(1)	-	(1)	-	(78)	-	(5)	(83)
Lease payments	(2)	-	(1)	-	-	-	-	(3)	-	(1)	(4)
<b>AISC<sup>2,4</sup></b>	(346)	(252)	(323)	(17)	(24)	(13)	(3)	(978)	-	(114)	(1,092)
AISC (per lb) <sup>2,4</sup>	\$1.76	\$3.89	\$2.39	\$2.38	\$4.67	\$2.15	(\$0.04)	\$2.34	-	\$10.41	
Cash cost – (C1) (per lb) <sup>2,4</sup>	\$1.43	\$2.93	\$1.77	\$1.99	\$4.36	\$1.68	(\$0.13)	\$1.82	-	\$9.12	
Total cost – (C3) (per lb) <sup>2,4</sup>	\$2.33	\$4.08	\$2.69	\$2.82	\$4.48	\$2.69	\$0.35	\$2.75	-	\$10.76	

<sup>1</sup> Total cost of sales per the Consolidated Statement of Earnings in the Company's unaudited condensed interim consolidated financial statements.

<sup>2</sup> C1 cash cost (C1), total costs (C3), and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>3</sup> Sustaining capital expenditure and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>4</sup> Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.

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



For the three months ended September 30, 2021	Cobre Panama	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
<b>Cost of sales<sup>1,2</sup></b>	(418)	(267)	(249)	(49)	(18)	(15)	(8)	(1,024)	(15)	(95)	(1,134)
Adjustments:											
Depreciation	151	54	63	6	-	5	-	279	-	9	288
By-product credits <sup>2</sup>	53	61	-	31	-	2	6	153	-	6	159
Royalties	15	53	45	2	1	3	-	119	-	2	121
Treatment and refining charges	(26)	(7)	(13)	(2)	-	(1)	(1)	(50)	-	-	(50)
Freight costs	(1)	-	(11)	-	-	(1)	-	(13)	-	-	(13)
Finished goods	(11)	(12)	(8)	(3)	-	(2)	1	(35)	-	-	(35)
Other	5	-	4	2	-	-	-	11	15	3	29
<b>Cash cost (C1)<sup>3</sup></b>	(232)	(118)	(169)	(13)	(17)	(9)	(2)	(560)	-	(75)	(635)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(157)	(58)	(68)	(5)	-	(4)	-	(292)	-	(9)	(301)
Royalties	(15)	(53)	(45)	(2)	(1)	(3)	-	(119)	-	(2)	(121)
Other	(6)	(1)	(2)	-	-	-	-	(9)	-	(2)	(11)
<b>Total cost (C3)<sup>3</sup></b>	(410)	(230)	(284)	(20)	(18)	(16)	(2)	(980)	-	(88)	(1,068)
<b>Cash cost (C1)<sup>3</sup></b>	(232)	(118)	(169)	(13)	(17)	(9)	(2)	(560)	-	(75)	(635)
Adjustments:											
General and administrative expenses	(11)	(5)	(8)	(2)	(1)	-	-	(27)	-	(4)	(31)
Sustaining capital expenditure and deferred stripping <sup>4</sup>	(24)	(50)	(41)	-	-	(2)	-	(117)	-	(9)	(126)
Royalties	(15)	(53)	(45)	(2)	(1)	(3)	-	(119)	-	(2)	(121)
Lease payments	(1)	-	-	-	-	-	-	(1)	-	-	(1)
<b>AISC<sup>3</sup></b>	(283)	(226)	(263)	(17)	(19)	(14)	(2)	(824)	-	(90)	(914)
AISC (per lb) <sup>3</sup>	\$1.55	\$2.08	\$2.16	\$1.95	\$2.69	\$1.86	\$1.79	\$1.87	-	\$11.66	
Cash cost – (C1) (per lb) <sup>3</sup>	\$1.27	\$1.07	\$1.37	\$1.61	\$2.46	\$1.15	\$1.86	\$1.26	-	\$9.58	
Total cost – (C3) (per lb) <sup>3</sup>	\$2.24	\$2.12	\$2.33	\$2.37	\$2.54	\$2.24	\$2.24	\$2.22	-	\$11.32	

<sup>1</sup> Total cost of sales per the Consolidated Statement of Earnings in the Company's unaudited condensed interim consolidated financial statements.

<sup>2</sup> Delivery of non-financial items (refinery-backed gold and silver credits) into the Company's precious metal stream arrangement have been netted within sales revenues rather than included in cost of sales. Sales revenues and cost of sales for the three months ended September 30, 2021 has been reduced by \$55 million compared to the previously reported values (see "Precious Metal Stream Arrangement").

<sup>3</sup> C1 cash cost (C1), total costs (C3) and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>4</sup> Sustaining capital expenditure and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".



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

For the nine months ended September 30, 2022	Cobre Panama	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
<b>Cost of sales<sup>1</sup></b>	(1,409)	(951)	(949)	(134)	(81)	(52)	(22)	(3,598)	(55)	(302)	(3,955)
Adjustments:											
Depreciation	457	166	223	9	-	15	2	872	2	29	903
By-product credits	143	173	-	88	-	16	18	438	-	23	461
Royalties	45	114	143	4	1	6	-	313	-	13	326
Treatment and refining charges	(97)	(19)	(38)	(5)	-	(5)	(1)	(165)	-	-	(165)
Freight costs	-	-	(29)	-	-	(8)	-	(37)	-	-	(37)
Finished goods	(4)	6	-	(6)	-	1	(3)	(6)	-	(39)	(45)
Other <sup>4</sup>	21	44	16	1	14	-	(1)	95	53	5	153
<b>Cash cost (C1)<sup>2,4</sup></b>	(844)	(467)	(634)	(43)	(66)	(27)	(7)	(2,088)	-	(271)	(2,359)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(460)	(164)	(217)	(10)	-	(14)	(2)	(867)	-	(34)	(901)
Royalties	(45)	(114)	(143)	(4)	(1)	(6)	-	(313)	-	(13)	(326)
Other	(12)	(8)	(7)	(1)	(1)	-	-	(29)	-	(4)	(33)
<b>Total cost (C3)<sup>2,4</sup></b>	(1,361)	(753)	(1,001)	(58)	(68)	(47)	(9)	(3,297)	-	(322)	(3,619)
<b>Cash cost (C1)<sup>2,4</sup></b>	(844)	(467)	(634)	(43)	(66)	(27)	(7)	(2,088)	-	(271)	(2,359)
Adjustments:											
General and administrative expenses	(35)	(19)	(26)	(2)	(2)	(1)	-	(85)	-	(11)	(96)
Sustaining capital expenditure and deferred stripping <sup>3</sup>	(105)	(121)	(107)	(2)	-	(3)	-	(338)	-	(20)	(358)
Royalties	(45)	(114)	(143)	(4)	(1)	(6)	-	(313)	-	(13)	(326)
Lease payments	(4)	-	(1)	-	(1)	-	-	(6)	-	(1)	(7)
<b>AISC<sup>2,4</sup></b>	(1,033)	(721)	(911)	(51)	(70)	(37)	(7)	(2,830)	-	(316)	(3,146)
AISC (per lb) <sup>2,4</sup>	\$1.88	\$2.98	\$2.51	\$2.20	\$4.36	\$1.94	\$0.59	\$2.33	-	\$10.20	
Cash cost – (C1) (per lb) <sup>2,4</sup>	\$1.53	\$1.99	\$1.76	\$1.76	\$4.06	\$1.46	\$0.53	\$1.72	-	\$8.64	
Total cost – (C3) (per lb) <sup>2,4</sup>	\$2.47	\$3.12	\$2.76	\$2.54	\$4.16	\$2.46	\$1.02	\$2.71	-	\$10.38	

<sup>1</sup> Total cost of sales per the Consolidated Statement of Earnings in the Company's unaudited condensed interim consolidated financial statements.

<sup>2</sup> C1 cash cost (C1), total costs (C3) and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>3</sup> Sustaining capital expenditure and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>4</sup> Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.

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

For the nine months ended September 30, 2021	Cobre Panama	Kansanshi	Sentinel	Guelb Moghrein	Las Cruces	Çayeli	Pyhäsalmi	Copper	Corporate & other	Ravensthorpe	Total
<b>Cost of sales<sup>1,2</sup></b>	(1,226)	(750)	(822)	(158)	(72)	(47)	(23)	(3,098)	(20)	(255)	(3,373)
Adjustments:											
Depreciation	425	149	200	30	13	15	1	833	1	26	860
By-product credits <sup>2</sup>	160	157	-	97	-	10	17	441	-	16	457
Royalties	45	135	142	8	2	7	-	339	-	9	348
Treatment and refining charges	(82)	(19)	(41)	(8)	-	(4)	(2)	(156)	-	-	(156)
Freight costs	(4)	-	(30)	-	-	(5)	-	(39)	-	-	(39)
Finished goods	15	(43)	21	3	2	(2)	-	(4)	-	2	(2)
Other	21	4	8	4	-	-	1	38	19	5	62
<b>Cash cost (C1)<sup>3</sup></b>	(646)	(367)	(522)	(24)	(55)	(26)	(6)	(1,646)	-	(197)	(1,843)
Adjustments:											
Depreciation (excluding depreciation in finished goods)	(418)	(164)	(195)	(25)	(10)	(15)	(1)	(828)	-	(26)	(854)
Royalties	(45)	(135)	(142)	(8)	(2)	(7)	-	(339)	-	(9)	(348)
Other	(12)	(6)	(6)	(1)	(1)	-	-	(26)	-	(4)	(30)
<b>Total cost (C3)<sup>3</sup></b>	(1,121)	(672)	(865)	(58)	(68)	(48)	(7)	(2,839)	-	(236)	(3,075)
<b>Cash cost (C1)<sup>3</sup></b>	(646)	(367)	(522)	(24)	(55)	(26)	(6)	(1,646)	-	(197)	(1,843)
Adjustments:											
General and administrative expenses	(31)	(17)	(25)	(2)	(3)	(1)	-	(79)	-	(10)	(89)
Sustaining capital expenditure and deferred stripping <sup>4</sup>	(72)	(135)	(106)	(1)	-	(4)	-	(318)	-	(18)	(336)
Royalties	(45)	(135)	(142)	(8)	(2)	(7)	-	(339)	-	(9)	(348)
Lease payments	(3)	-	-	-	(1)	(1)	-	(5)	-	(1)	(6)
<b>AISC<sup>3</sup></b>	(797)	(654)	(795)	(35)	(61)	(39)	(6)	(2,387)	-	(235)	(2,622)
AISC (per lb) <sup>3</sup>	\$1.51	\$2.06	\$2.15	\$1.18	\$2.54	\$1.66	\$1.24	\$1.83	-	\$9.55	
Cash cost – (C1) (per lb) <sup>3</sup>	\$1.22	\$1.13	\$1.41	\$0.92	\$2.32	\$1.10	\$1.18	\$1.26	-	\$7.99	
Total cost – (C3) (per lb) <sup>3</sup>	\$2.12	\$2.11	\$2.34	\$1.86	\$2.84	\$2.08	\$1.40	\$2.18	-	\$9.57	

<sup>1</sup> Total cost of sales per the Consolidated Statement of Earnings in the Company's unaudited condensed interim consolidated financial statements.

<sup>2</sup> Delivery of non-financial items (refinery-backed gold and silver credits) into the Company's precious metal stream arrangement have been netted within sales revenues rather than included in cost of sales. Sales revenues and cost of sales for the nine months ended September 30, 2021 has been reduced by \$176 million, respectively, compared to the previously reported values (see "Precious Metal Stream Arrangement").

<sup>3</sup> C1 cash cost (C1), total costs (C3) and all-in sustaining costs (AISC) are non-GAAP ratios which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

<sup>4</sup> Sustaining capital expenditure and deferred stripping are non-GAAP financial measures which do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. See "Regulatory Disclosures".

## Realized Metal Prices

Realized metal prices are used by the Company to enable management to better evaluate sales revenues in each reporting period. Realized metal prices are calculated as gross metal sales revenues divided by the volume of metal sold in lbs. Net realized metal price is inclusive of the treatment and refining charges (TC/RC) and freight charges per lb.

## EBITDA and Adjusted Earnings

EBITDA and adjusted earnings, which are non-GAAP financial measures, and adjusted earnings per share, which is a non-GAAP ratio, are the Company's adjusted earnings metrics, and are used to evaluate operating performance by management. These measures do not have a standardized meaning under IFRS and might not be comparable to similar measures disclosed by other issuers. The Company believes that the adjusted metrics presented are useful measures of the Company's underlying operational performance as they exclude certain impacts, which the Company believes are not reflective of the Company's underlying performance for the reporting period. These include impairment and related charges, foreign exchange revaluation gains and losses, gains and losses on disposal of assets and liabilities, one-time costs related to acquisitions, dispositions, restructuring and other transactions, revisions in estimates of restoration provisions at closed sites, debt extinguishment and modification gains and losses, the tax effect on unrealized movements in the fair value of derivatives designated as hedged instruments, and adjustments for expected phasing of Zambian VAT receipts.

## Calculation of Operating Cash Flow per Share and Net Debt

Cash flows from operating activities per share is a non-GAAP ratio and is calculated by dividing the operating cash flow calculated in accordance with IFRS by the basic weighted average common shares outstanding for the respective period.

Net debt is comprised of bank overdrafts and total debt less unrestricted cash and cash equivalents.

### NET DEBT

	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Cash and cash equivalents	1,789	1,825	1,948	1,859
Current debt	572	630	491	313
Non-current debt	6,546	6,534	7,272	7,599
Net debt	5,329	5,339	5,815	6,053

### EBITDA

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Operating profit	289	775	1,927	1,876
Depreciation	320	288	903	860
Other adjustments:				
Foreign exchange gain	(26)	(180)	(209)	(146)
Other expense	3	4	51 <sup>1</sup>	8
Revisions in estimates of restoration provisions at closed sites	(3)	(1)	(3)	1
Total adjustments excluding depreciation	(26)	(177)	(161)	(137)
EBITDA	583	886	2,669	2,599

<sup>1</sup>Other expenses includes a charge of \$40 million for non-recurring costs in connection with previously sold assets.



	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Net earnings attributable to shareholders of the Company	113	303	917	585
Adjustments attributable to shareholders of the Company:				
Adjustment for expected phasing of Zambian VAT	6	4	134	18
Total adjustments to EBITDA excluding depreciation	(26)	(177)	(161)	(137)
Tax and minority interest adjustments	3	67	23	54
Adjusted earnings	96	197	913	520
Basic earnings per share as reported	\$0.16	\$0.44	\$1.33	\$0.85
Adjusted earnings per share	\$0.14	\$0.29	\$1.32	\$0.76

### Significant Judgments, Estimates and Assumptions

Many of the amounts disclosed in the financial statements involve the use of judgments, estimates and assumptions. These judgments and estimates are based on management's knowledge of the relevant facts and circumstances at the time, having regard to prior experience, and are continually evaluated. The significant judgements, estimates and assumptions applied in the preparation of the Company's interim financial statements are consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2021.

### Financial instruments risk exposure

The Company's activities expose it to a variety of risks arising from financial instruments. These risks, and management's objectives, policies and procedures for managing these risks in the interim period are consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2021.

### Market risks

The Company is subject to commodity price risk from fluctuations in the market prices of copper, gold, nickel, zinc and other elements, interest rate risk and foreign exchange risk. These market risks are consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2021.

### Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is communicated to senior management, to allow timely decisions regarding required disclosure.

An evaluation of the effectiveness of the Company's disclosure controls and procedures, as defined under the rules of the Canadian Securities Administrators, was conducted as of December 31, 2021, under the supervision of the Company's Audit Committee and with the participation of management. Based on the results of the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report in providing reasonable assurance that the information required to be disclosed in the Company's annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported in accordance with the securities legislation.

The Company's controls and procedures remain consistent with those disclosed in the Company's annual MD&A for the year ended December 31, 2021.

### Internal Control Over Financial Reporting ("ICFR")

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements in compliance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that accurately and fairly reflect the transactions of the Company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS;
- ensure the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized transactions that could have a material effect on the annual or interim financial statements.

An evaluation of the effectiveness of the Company's internal control over financial reporting was conducted as of December 31, 2021 by the Company's management, including the Chief Executive Officer and Chief Financial Officer, based on the Control - Integrated Framework (2013) established by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Based on this evaluation, management has concluded that the Company's internal controls over financial reporting were effective.

The Company's transactions with its related parties are disclosed in note 16 of the Company's annual financial statements for the year ended December 31, 2021.

There were no changes in the Company's business activities during the interim period ended September 30, 2022, that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

### Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable and not absolute assurance that the objectives of the control system are met. Further, the design of a control system reflects the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

## SUMMARY QUARTERLY INFORMATION

The following unaudited tables set out a summary of certain quarterly and annual results for the Company:

Consolidated operations	Q4 20	2020	Q1 21	Q2 21	Q3 21	Q4 21	2021	Q1 22	Q2 22	Q3 22	2022
<b>Sales revenues<sup>1</sup></b>											
Copper	1,348	4,377	1,445	1,525	1,513	1,849	6,332	1,862	1,670	1,469	5,001
Gold	114	424	113	123	120	114	470	117	101	87	305
Nickel	68	159	29	99	64	62	254	120	55	109	284
Other	32	110	35	35	50	36	156	64	78	62	204
<b>Total sales revenues</b>	<b>1,562</b>	<b>5,070</b>	<b>1,622</b>	<b>1,782</b>	<b>1,747</b>	<b>2,061</b>	<b>7,212</b>	<b>2,163</b>	<b>1,904</b>	<b>1,727</b>	<b>5,794</b>
Cobre Panama <sup>1</sup>	471	1,326	724	838	777	821	3,160	741	837	707	2,285
Kansanshi	416	1,539	418	458	505	633	2,014	596	395	359	1,350
Sentinel	526	1,353	531	525	449	527	2,032	555	453	437	1,445
Guelb Moghrein	84	300	77	112	69	55	313	46	58	54	158
Ravensthorpe	75	156	39	107	71	69	286	132	63	117	312
Sales hedge program loss	(114)	(48)	(257)	(338)	(204)	(103)	(902)	(3)	(2)	-	(5)
Other	104	444	90	80	80	59	309	96	100	53	249
<b>Total sales revenues</b>	<b>1,562</b>	<b>5,070</b>	<b>1,622</b>	<b>1,782</b>	<b>1,747</b>	<b>2,061</b>	<b>7,212</b>	<b>2,163</b>	<b>1,904</b>	<b>1,727</b>	<b>5,794</b>
Gross profit	443	1,077	540	625	613	784	2,562	908	629	302	1,839
EBITDA <sup>4</sup>	725	2,152	811	902	886	1,085	3,684	1,180	906	583	2,669
Net earnings (loss) attributable to shareholders of the Company	9	(180)	142	140	303	247	832	385	419	113	917
Adjusted earnings (loss) <sup>4</sup>	53	(46)	150	173	197	306	826	480	337	96	913
Net debt <sup>4</sup>	7,409	7,409	7,062	6,751	6,302	6,053	6,053	5,815	5,339	5,329	5,329
Basic earnings (loss) per share	\$0.01	(\$0.26)	\$0.21	\$0.20	\$0.44	\$0.36	\$1.21	\$0.56	\$0.61	\$0.16	\$1.33
Adjusted earnings (loss) per share <sup>5</sup>	\$0.08	(\$0.07)	\$0.22	\$0.25	\$0.29	\$0.44	\$1.20	\$0.70	\$0.49	\$0.14	\$1.32
Diluted earnings (loss) per share	\$0.01	(\$0.26)	\$0.21	\$0.20	\$0.44	\$0.36	\$1.20	\$0.56	\$0.60	\$0.16	\$1.32
Dividends declared per common share (CDN\$ per share)	-	\$0.010	\$0.005	-	\$0.005	-	\$0.010	\$0.005	-	\$0.16	\$0.165
Cash flows per share from operating activities <sup>5</sup>	\$0.77	\$2.34	\$1.08	\$0.99	\$1.02	\$1.10	\$4.19	\$0.97	\$1.31	\$0.76	\$3.03
Basic weighted average shares (000's) <sup>3</sup>	688,939	688,469	688,771	688,457	688,852	688,691	688,674	690,130	690,237	690,726	690,335
<b>Copper statistics</b>											
Total copper production (tonnes)	203,171	778,911	205,064	199,689	209,859	201,823	816,435	182,210	192,668	194,974	569,852
Total copper sales (tonnes) <sup>7</sup>	217,041	764,471	210,734	203,790	194,278	213,087	821,889	196,702	187,642	198,980	583,324
Realized copper price (per lb) <sup>5</sup>	\$2.97	\$2.74	\$3.25	\$3.55	\$3.68	\$4.08	\$3.64	\$4.45	\$4.19	\$3.43	\$4.01
TC/RC (per lb)	(0.11)	(0.10)	(0.12)	(0.12)	(0.11)	(0.11)	(0.12)	(0.12)	(0.14)	(0.12)	(0.12)
Freight charges (per lb)	(0.04)	(0.04)	(0.02)	(0.04)	(0.04)	(0.03)	(0.03)	(0.04)	(0.03)	(0.03)	(0.03)
Net realized copper price (per lb) <sup>5</sup>	\$2.82	\$2.60	\$3.11	\$3.39	\$3.53	\$3.94	\$3.49	\$4.29	\$4.02	\$3.28	\$3.86
Cash cost – copper (C1) (per lb) <sup>5,6</sup>	\$1.28	\$1.21	\$1.24	\$1.29	\$1.26	\$1.39	\$1.30	\$1.61	\$1.74	\$1.82	\$1.72
All-in sustaining cost (AISC) (per lb) <sup>5,6</sup>	\$1.77	\$1.63	\$1.72	\$1.91	\$1.87	\$2.05	\$1.88	\$2.27	\$2.37	\$2.34	\$2.33
Total cost – copper (C3) (per lb) <sup>5,6</sup>	\$2.20	\$2.11	\$2.10	\$2.21	\$2.22	\$2.39	\$2.23	\$2.65	\$2.73	\$2.75	\$2.71
<b>Gold statistics</b>											
Total gold production (ounces)	68,747	265,112	78,048	81,375	78,124	74,945	312,492	70,357	74,959	67,417	212,733
Total gold sales (ounces) <sup>2</sup>	70,905	277,291	77,391	85,291	79,773	79,403	321,858	76,195	69,998	65,014	211,207
Net realized gold price (per ounce) <sup>5</sup>	\$1,771	\$1,662	\$1,661	\$1,670	\$1,683	\$1,677	\$1,673	\$1,772	\$1,736	\$1,546	\$1,690
<b>Nickel statistics</b>											
Nickel produced (contained tonnes)	5,603	12,695	4,642	4,543	4,248	3,385	16,818	5,122	4,853	5,849	15,824
Nickel produced (payable tonnes)	4,534	10,215	3,843	3,789	3,531	2,855	14,018	4,743	4,348	4,960	14,051
Nickel sales (contained tonnes)	5,343	12,120	2,357	6,910	4,055	3,756	17,078	4,350	2,892	5,992	13,234
Nickel sales (payable tonnes)	4,342	9,787	1,969	5,777	3,392	3,175	14,313	4,037	2,443	5,072	11,552
Net realized price (per payable lb) <sup>5</sup>	\$7.11	\$7.37	\$6.67	\$7.79	\$8.50	\$8.88	\$8.05	\$13.52	\$10.09	\$9.76	\$11.14

<sup>1</sup> Delivery of non-financial items (refinery-backed gold and silver credits) into the Company's precious metal stream arrangement have been netted within sales revenues rather than included in cost of sales. The periods ended September 30, 2021 has been revised to reflect this change. Sales revenues and cost of sales for the three and nine months ended September 30, 2021 have been reduced by \$55 and \$176 million, respectively, compared to the previously reported values for the periods ended September 30, 2021 (see "Precious Metal Stream Arrangement").

<sup>2</sup> Excludes refinery-backed gold credits purchased and delivered under the precious metal streaming arrangement. See "Precious Metal Stream Arrangement".

<sup>3</sup> Fluctuations in average weighted shares between quarters reflects shares issued and changes in levels of treasury shares held for performance share units.

<sup>4</sup> EBITDA and adjusted earnings (loss) are non-GAAP financial measures and net debt is a supplementary financial measure. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. Adjusted earnings (loss) and EBITDA were previously named comparative earnings (loss) and comparative EBITDA, respectively, and the composition remains the same. See "Regulatory Disclosures" for further information.

<sup>5</sup> All-in sustaining costs (AISC), copper C1 cash cost (copper C1), total copper cost (C3), realized metal prices, adjusted earnings (loss) per share and cash flows from operating activities per share are non-GAAP ratios. These measures do not have standardized meanings under IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>6</sup> Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.

<sup>7</sup> Sales of copper anode attributable to anode produced from third-party purchased concentrate are excluded.

## APPENDICES

### PRODUCTION

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Copper production (tonnes) <sup>1</sup>				
Cobre Panama	91,671	87,242	260,786	250,970
<i>Kansanshi cathode</i>	<i>3,362</i>	<i>10,379</i>	<i>15,624</i>	<i>29,099</i>
<i>Kansanshi concentrate</i>	<i>26,500</i>	<i>40,608</i>	<i>95,856</i>	<i>121,121</i>
Kansanshi total	29,862	50,987	111,480	150,220
Sentinel	64,120	59,931	169,042	172,491
Guelb Moghrein	3,336	4,091	9,832	16,257
Las Cruces	2,341	3,222	7,328	10,847
Çayeli	2,913	3,693	9,022	11,267
Pyhäsalmi	731	693	2,362	2,560
Total copper production (tonnes)	194,974	209,859	569,852	614,612
Gold production (ounces)				
Cobre Panama	34,571	36,649	101,449	108,837
Kansanshi	24,561	32,249	85,138	93,653
Guelb Moghrein	7,439	8,174	23,411	31,879
Other sites <sup>2</sup>	846	1,052	2,735	3,178
Total gold production (ounces)	67,417	78,124	212,733	237,547
Nickel production (contained tonnes) – Ravensthorpe	5,849	4,248	15,824	13,433

<sup>1</sup> Production is presented on a contained basis, and is presented prior to processing through the Kansanshi smelter.

<sup>2</sup> Other sites include Çayeli and Pyhäsalmi.

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

## SALES

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Copper sales volume (tonnes)				
Cobre Panama	92,665	83,261	258,118	254,966
<i>Kansanshi cathode</i>	<i>2,902</i>	<i>8,985</i>	<i>17,970</i>	<i>27,609</i>
<i>Kansanshi anode<sup>3</sup></i>	<i>34,403</i>	<i>39,438</i>	<i>108,541</i>	<i>107,846</i>
Kansanshi total <sup>3</sup>	37,305	48,423	126,511	135,455
<i>Sentinel anode</i>	<i>44,375</i>	<i>30,654</i>	<i>122,196</i>	<i>114,433</i>
<i>Sentinel concentrate</i>	<i>15,683</i>	<i>20,438</i>	<i>47,324</i>	<i>60,292</i>
Sentinel total	60,058	51,092	169,520	174,725
Guelb Moghrein	3,300	4,522	8,757	19,255
Las Cruces	2,346	3,234	7,334	11,408
Çayeli	2,836	2,902	11,180	10,365
Pyhäsalmi	470	844	1,904	2,628
<b>Total copper sales (tonnes)<sup>3</sup></b>	<b>198,980</b>	<b>194,278</b>	<b>583,324</b>	<b>608,802</b>
Gold sales volume (ounces)				
Cobre Panama	35,033	35,914	100,452	110,776
Kansanshi	19,256	33,961	84,859	89,043
Guelb Moghrein	9,754	8,822	22,251	38,472
Other sites <sup>1</sup>	971	1,076	3,645	4,164
<b>Total gold sales (ounces)<sup>2</sup></b>	<b>65,014</b>	<b>79,773</b>	<b>211,207</b>	<b>242,455</b>
Nickel sales volume (contained tonnes) – Ravensthorpe	5,992	4,055	13,234	13,322

<sup>1</sup> Other sites include Çayeli and Pyhäsalmi.

<sup>2</sup> Excludes refinery-backed gold credits purchased and delivered under precious metal streaming arrangement.

<sup>3</sup> Copper sales include third-party sales of concentrate, cathode, and anode attributable to Kansanshi (excluding copper anode sales attributable to Sentinel). Sales exclude the sale of copper anode produced from third-party concentrate purchased at Kansanshi. Sales of copper anode attributable to third-party concentrate purchases were 4,148 tonnes and 4,728 for the three and nine months ended September 30, 2022, nil for the three and nine months ended September 30, 2021).

## SALES REVENUES

		Three months ended September 30		Nine months ended September 30	
		2022	2021	2022	2021
Cobre Panama <sup>1</sup>	- copper	657	725	2,142	2,179
	- gold	41	43	112	129
	- silver	9	9	31	31
Kansanshi	- copper cathode	22	84	170	250
	- copper anode	292	361	1,008	975
	- gold	29	60	148	156
	- other	16	-	24	-
Sentinel	- copper anode	335	281	1,077	1,016
	- copper concentrate	102	168	368	489
Guelb Moghrein	- copper	23	38	70	161
	- gold	16	15	38	66
	- magnetite	15	16	50	31
Las Cruces	- copper	18	30	67	102
Çayeli	- copper	17	21	84	77
	- zinc, gold and silver	5	3	17	10
Pyhäsalmi	- copper	3	8	16	24
	- zinc, pyrite, gold and silver	7	5	18	16
Ravensthorpe	-nickel	109	65	288	201
	-cobalt	8	6	24	16
Corporate <sup>2</sup>		3	(191)	42	(778)
<b>Sales revenues<sup>1</sup></b>		<b>1,727</b>	<b>1,747</b>	<b>5,794</b>	<b>5,151</b>
	Copper	1,469	1,513	5,001	4,483
	Gold	87	120	305	356
	Nickel	109	64	284	192
	Silver	11	11	36	36
	Other	51	39	168	84
		<b>1,727</b>	<b>1,747</b>	<b>5,794</b>	<b>5,151</b>

<sup>1</sup> Delivery of non-financial items (refinery-backed gold and silver credits) into the Company's precious metal stream arrangement have been netted within sales revenues rather than included in cost of sales. The periods ended September 30, 2021 has been revised to reflect this change. Sales revenues and cost of sales for the three and nine months ended September 30, 2021 have been reduced by \$55 and \$176 million, respectively, compared to the previously reported values for the periods ended September 30, 2021 (see "Precious Metal Stream Arrangement").

<sup>2</sup> Corporate sales include sales hedges (see "Hedging Programs" for further discussion).

UNIT CASH COSTS (PER LB)<sup>1,2</sup>

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
<b>Cobre Panama</b>				
Mining	\$0.42	\$0.35	\$0.43	\$0.36
Processing	0.85	0.83	0.92	0.81
Site administration	0.06	0.06	0.07	0.05
TC/RC and freight charges	0.35	0.32	0.36	0.29
By-product credits	(0.25)	(0.29)	(0.25)	(0.29)
Copper cash cost (C1) (per lb)	\$1.43	\$1.27	\$1.53	\$1.22
Copper all-in sustaining cost (AISC) (per lb)	\$1.76	\$1.55	\$1.88	\$1.51
Total copper cost (C3) (per lb)	\$2.33	\$2.24	\$2.47	\$2.12
<b>Kansanshi</b>				
Mining	\$1.57	\$0.56	\$1.13	\$0.56
Processing	1.26	0.65	0.96	0.66
Site administration	0.18	0.10	0.13	0.11
TC/RC and freight charges	0.19	0.15	0.17	0.14
By-product credits	(0.54)	(0.56)	(0.61)	(0.51)
Total smelter costs	0.27	0.17	0.21	0.17
Copper cash cost (C1) (per lb)	\$2.93	\$1.07	\$1.99	\$1.13
Copper all-in sustaining cost (AISC) (per lb)	\$3.89	\$2.08	\$2.98	\$2.06
Total copper cost (C3) (per lb)	\$4.08	\$2.12	\$3.12	\$2.11
<b>Sentinel</b>				
Mining	\$0.67	\$0.46	\$0.63	\$0.45
Processing	0.60	0.50	0.65	0.55
Site administration	0.17	0.10	0.15	0.10
TC/RC and freight charges	0.25	0.24	0.25	0.24
Total smelter costs	0.08	0.07	0.08	0.07
Copper cash cost (C1) (per lb)	\$1.77	\$1.37	\$1.76	\$1.41
Copper all-in sustaining cost (AISC) (per lb)	\$2.39	\$2.16	\$2.51	\$2.15
Total copper cost (C3) (per lb)	\$2.69	\$2.33	\$2.76	\$2.34
<b>Ravensthorpe</b>				
Mining	\$1.52	\$2.22	\$1.54	\$2.17
Processing	7.06	6.92	6.88	5.43
Site administration	0.80	0.87	0.73	0.74
TC/RC and freight charges	0.45	0.31	0.41	0.31
By-product credits	(0.71)	(0.74)	(0.92)	(0.66)
Nickel cash cost (C1) (per lb)	\$9.12	\$9.58	\$8.64	\$7.99
Nickel all-in sustaining cost (AISC) (per lb)	\$10.41	\$11.66	\$10.20	\$9.55
Total nickel cost (C3) (per lb)	\$10.76	\$11.32	\$10.38	\$9.57
<b>Guelb Moghrein</b>				
Copper cash cost (C1) (per lb)	\$1.99	\$1.61	\$1.76	\$0.92
Copper all-in sustaining cost (AISC) (per lb)	\$2.38	\$1.95	\$2.20	\$1.18
Total copper cost (C3) (per lb)	\$2.82	\$2.37	\$2.54	\$1.86
<b>Las Cruces</b>				
Copper cash cost (C1) (per lb)	\$4.36	\$2.46	\$4.06	\$2.32
<b>Çayeli</b>				
Copper cash cost (C1) (per lb)	\$1.68	\$1.15	\$1.46	\$1.10
<b>Pyhäsalmi</b>				
Copper cash cost (C1) (per lb)	(\$0.13)	\$1.86	\$0.53	\$1.18

<sup>1</sup> All-in sustaining costs (AISC), C1 cash cost (C1), C3 total cost (C3) are non-GAAP ratios, and do not have standardized meaning prescribed by IFRS and might not be comparable to similar measures disclosed by other issuers. See "Regulatory Disclosures" for further information.

<sup>2</sup> Excludes purchases of copper concentrate from third parties treated through the Kansanshi Smelter.

## 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, and expected timing of completion of project development at Enterprise and post-completion construction activity at Cobre Panama and are subject to the impact of ore grades on future production, the potential of production disruptions, potential production, operational, labour or marketing disruptions as a result of the COVID-19 global pandemic, capital expenditure and mine production costs, the outcome of mine permitting, other required permitting, the outcome of legal proceedings which involve the Company, information with respect to the future price of copper, gold, nickel, silver, iron, cobalt, pyrite, zinc 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; plans, targets and commitments regarding climate change-related physical and transition risks and opportunities (including intended actions to address such risks and opportunities), greenhouse gas emissions, energy efficiency and carbon intensity, use of renewable energy sources, design, development and operation of the Company's projects and future reporting regarding climate change and environmental matters; the Company's expectations regarding increased demand for copper; the Company's project pipeline and development and growth plans. 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, silver, iron, cobalt, pyrite, zinc and sulphuric acid, anticipated costs and expenditures, the success of Company's actions and plans to reduce greenhouse gas emissions and carbon intensity of its operations, 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 Panama, Zambia, Peru, Mauritania, Finland, Spain, Turkey, Argentina and Australia, adverse weather conditions in Panama, Zambia, Finland, Spain, Turkey, Mauritania, and Australia, labour disruptions, potential social and environmental challenges (including the impact of climate change), power supply, mechanical failures, water supply, procurement and delivery of parts and supplies to the operations, the production of off-spec material and events generally impacting global economic, political and social stability. For mineral resource and mineral reserve figures appearing or referred to herein, varying cut-off grades have been used depending on the mine, method of extraction and type of ore contained in the orebody.

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 as 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 made and information contained herein are qualified by this cautionary statement.