First Quantum Minerals and Rio Tinto Form Partnership to Progress the La Granja Copper Project in Peru

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TORONTO, March 30, 2023 - First Quantum Minerals Ltd. ("First Quantum" or "the Company") (TSX: FM) is pleased to announce that it has entered into an agreement with Rio Tinto to progress the next phase of the La Granja copper project (the "Project") in Peru.

The Project is located in the district of Querocoto in the northern region of Cajamarca, Peru, approximately 90 kilometers northeast of Chiclayo, the capital of Lambayeque region, at an altitude of between 2,000 and 2,800 meters. La Granja is one of the largest undeveloped copper resources in the world with a published Inferred mineral resource of 4.32 billion tonnes at 0.51 percent copper and potential for substantial expansion. Rio Tinto has operated the Project since 2006, carrying out an extensive drilling program that has significantly expanded the resource and has managed a world-class community relations program that has ensured strong local support for the Project. First Quantum will acquire a majority stake in the Project and will undertake the feasibility study and possible further development of what has the potential to be a large, long-life operation.

"I am very pleased to announce today's partnership with Rio Tinto, a global leader in the mining industry. Rio Tinto's work on La Granja has been extensive to date and we share our partner's view that the Project has the potential to be a Tier 1 copper mine. We look forward to working together to build on this foundation, leveraging First Quantum's core strengths in mine design, project development and community engagement. This partnership will provide First Quantum access to an attractive copper project, offering additional future optionality in the Company's project pipeline while we focus on strengthening the balance sheet in the interim," said Tristan Pascall, Chief Executive Officer of First Quantum. "First Quantum is excited about broadening our existing relationships in Peru and we are appreciative of the support provided by the Government of Peru to this important partnership for its future investment in the country."

"La Granja is an exciting but complex project that has the potential to be a significant new source of the copper that is needed for the energy transition. We are pleased to enter into this agreement with First Quantum, that will bring our combined development capabilities and deep knowledge of La Granja to progress the Project," said Bold Baatar, Chief Executive of Rio Tinto Copper. "This partnership underscores not only La Granja's potential to be a significant copper producer, but Peru's position as one of the world's most important mining investment destinations."

KEY TERMS OF THE AGREEMENT

Upon completion, First Quantum will acquire a 55% interest in La Granja for a consideration of $105 million and will become the operator of the Project. Following the acquisition, the Company will be responsible for $546 million of funding (the "initial funding"). Part of the initial funding will be used to complete a feasibility study after which the remaining majority of the initial funding is expected to be spent on construction of the Project following a positive investment decision. Upon satisfaction of this initial funding amount, all subsequent expenditures will be applied on a pro-rata basis according to the share ownership of the Project.

The completion of the transaction is subject to certain conditions, including regulatory approvals by the Government of Peru that are currently underway. The transaction is expected to close before the end of Q3 2023.

WORK PLAN AND GUIDANCE

Work over the initial years will continue to progress community engagement and the feasibility study. The

feasibility study will focus on developing an updated geological resource and reserve model, which will require additional infill drilling to upgrade Inferred resources to Measured and Indicated categories. Additional metallurgical studies to establish optimal processing configurations are expected to be carried out in parallel, together with a high-level project layout and configuration of associated infrastructure requirements and logistical routes.

With work on La Granja focused mainly at the studies level, there is no change to the Company's three-year guidance provided in January 2023 on capital expenditures.

Further to the agreement on La Granja, First Quantum and Rio Tinto have also entered into a memorandum of understanding to support co-operation in relation to base metals development opportunities and the sharing of technology and know-how on certain mining methods, such as the application of trolley-assist and autonomous mining fleets.

For further information, visit our website at www.first-quantum.com or contact:

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CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION
Certain statements and information herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. The forward-looking statements in this news release include statements regarding the expected timing for closing of the transaction; the satisfaction of closing conditions in respect of the Acquisition, including regulatory approvals; the work, including feasibility and metallurgical studies, to be completed to progress the Project; the funding of expenditures related to the Project; the impact and expected benefits of the Acquisition and the Company's partnership with Rio Tinto on the Company's business and operations; and expectations regarding the future demand for copper. With respect to forward-looking statements and information contained herein, the Company has made numerous assumptions, including as to the receipt of necessary regulatory approvals required to complete Acquisition; Rio Tinto and the Company maintaining strong local support for the Project; the successful completion of the feasibility and metallurgical studies required to progress the Project; and the ability of the Company to fund the Acquisition, including the first $546 million in study and development work and subsequent expenditures related to the Project. 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 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, political stability in Peru, joint venture risks, potential social and environmental challenges, and events generally impacting global economic, political and social stability. There may also be other factors that cause actual results, performance, achievements or events not as anticipated, estimated or intended, including the risks, uncertainties and other factors discussed in the Company's Annual Information Form. 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.

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