



FIRST QUANTUM
MINERALS

2020
**Tax Transparency
and Contributions to
Government Report**

About First Quantum

First Quantum Minerals Ltd. (“**First Quantum**” or the “**Company**”) is a leading and fast growing copper company founded more than 20 years ago with a strong conviction in the long-term fundamentals for copper. Beginning with the 1996 purchase of a mining licence in Zambia to reprocess tailings from past mining activities, our assets and operations now span nine countries and five continents. Today we are one of the world's top 10 copper producers.

Despite the additional challenges faced in the year, the Company achieved its highest ever annual copper production, attributable to record-breaking production at Sentinel and strong contribution from Cobre Panama. Our 2020 total production of 778,911 tonnes of copper represents an 11% increase on the previous year. In addition, we produced 265,112 ounces of gold. Cobre Panama, in its first full-year of commercial production, was placed on preservation and safe maintenance in April and operated at much reduced levels of activity for most of the second quarter and into the start of the third quarter. The operation successfully ramped up ahead of expectation in August, and in the fourth quarter set new quarterly mill throughput and copper production records.

Corporate Offices

Vancouver (Registered Office),
Toronto, London, Perth, Johannesburg

Ownership

Publicly Traded Company

Exchange Listings

Common Shares:
Toronto Stock Exchange (FM)
Depository Receipts:
Lusaka Stock Exchange (FQMZ)





At a glance 2020

Principal Products

Copper, Gold,
Zinc and Nickel

Sales Revenues

\$5,199 million

Copper Production

778,911 tonnes

Employees

16,753

About this report

First Quantum makes significant contributions to the public finances of the countries in which we operate. We strongly support the various transparency initiatives which provide all stakeholders with clear information of the contributions which First Quantum makes to our host governments. The *2020 Tax Transparency and Contributions to Government Report* highlights First Quantum's contributions to our host Governments which helps to illustrate the positive impact we strive to create everywhere we do business.

This report is intended to meet Canada's *Extractive Sector Transparency Measures Act* ("**ESTMA**") reporting obligations as well as Chapter 10 of the EU Accounting Directive as noted in Appendix A of this report. All amounts in this report are expressed in U.S. dollars unless otherwise noted.



Message from Chief Financial Officer



On behalf of the Board, I am pleased to present First Quantum's *Tax Transparency and Contributions to Government Report* for 2020. This report has been prepared in accordance with Canada's *Extractive Sector Transparency Measures Act* ("ESTMA") and Chapter 10 of the *EU Accounting Directive*, and is intended to provide greater clarity in relation to First Quantum's tax and economic contributions made in the countries that we operate.

In 2020, the strength and resilience of our business enabled us to protect our workforce and the many communities in which we operate, as the challenges of Covid-19 became apparent. In these difficult times in which governments are financing the response against Covid-19 and measures to support those who are severely impacted, we continued to pay taxes and royalties and to invest in our host nations to help improve health infrastructure and education outcomes, support the role of women, address housing issues, protect the environment, and support local communities including business and agriculture.

In addition to our regular CSR programs, we made many additional Covid-19-related contributions in 2020, which included the donation of medical equipment, PPE supplies and other medical resources to local communities. As we learnt to push back the contagion, we formed strong partnerships with various health authorities and community support institutions.

Amongst the Covid-19 contributions we have made across all the countries in which we operate, in Panama the Company has supplied transportable medical modules to assist with triage and treatment of patients at hospitals, and supporting families in need with food and supplies. In Zambia, the Company has provided Covid-19 testing equipment and treatment and isolation facilities for the community. We have created a new ICU and high dependency care unit in a local Zambian hospital. We have pledged financial support for the provision of medical logistics support in the Solwezi and Kalumbila districts of North-Western Zambia, and have contracted the local manufacturing of PPE in Zambia. The Company will continue to work with local health authorities and communities as we join together to overcome the pandemic.

Despite 2020 being an incredibly challenging year, we are proud to have continued to support the countries in which we operate by making total direct contributions to governments of \$1.088 billion, an increase of 4% on 2019.

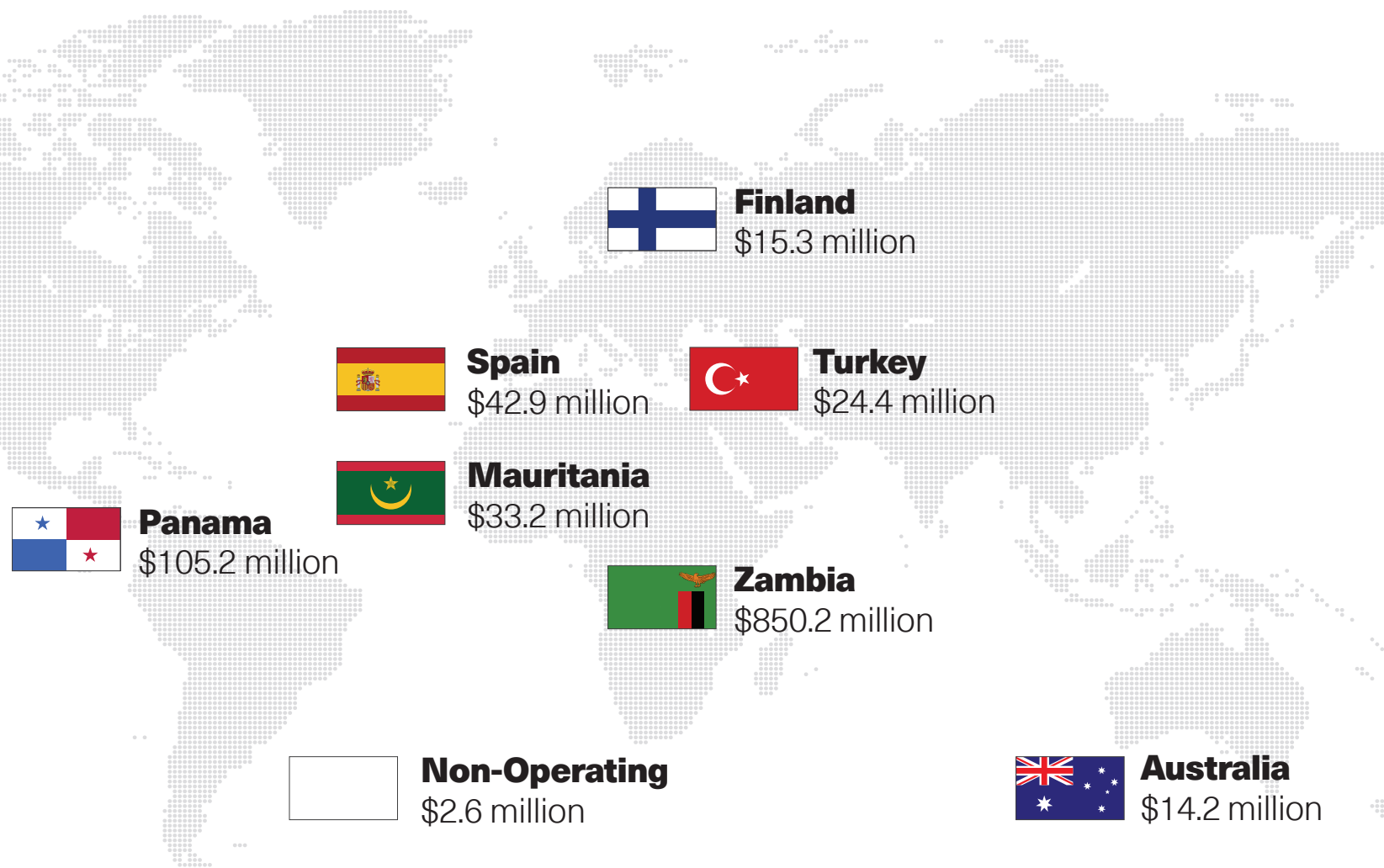
In 2020, our contributions under ESTMA reporting amounted to \$516 million, an increase of more than 12% when compared to 2019. The increased contributions are mostly attributable to higher copper production at our mines in Zambia, Panama and Spain and overall higher commodity prices.

In addition to the \$516 million ESTMA reportable payments, we voluntarily reported payments in respect of consumption and import taxes, payroll taxes, withholding taxes, CSR and infrastructure that are outside the scope of ESTMA reporting. In 2020, our voluntarily reported payments totalled \$571.9 million, which includes \$112.8 million in tax payments made to the Zambian and Turkish governments via offset of VAT refundable. The taxes paid via offset include corporate income taxes, payroll taxes, VAT, withholding taxes and customs. Similar to 2019, the \$571.9 million voluntarily reported payments also includes Zambian VAT payments of \$191.9 million, the refund of which has been significantly delayed and not refunded in 2020. First Quantum's total direct contributions represent a significant tax and economic contribution to the countries in which we operate, giving local governments the opportunity to provide essential services to their citizens and invest in their communities for the future.

Hannes Meyer
Chief Financial Officer

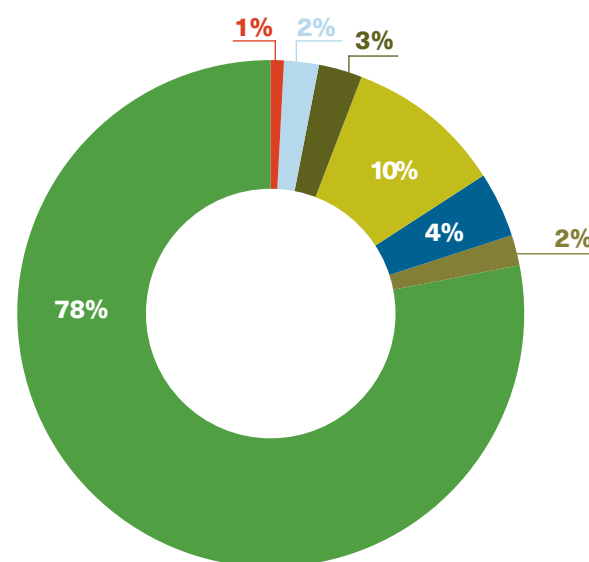
Our global economic contribution in 2020

Total \$1.088 billion

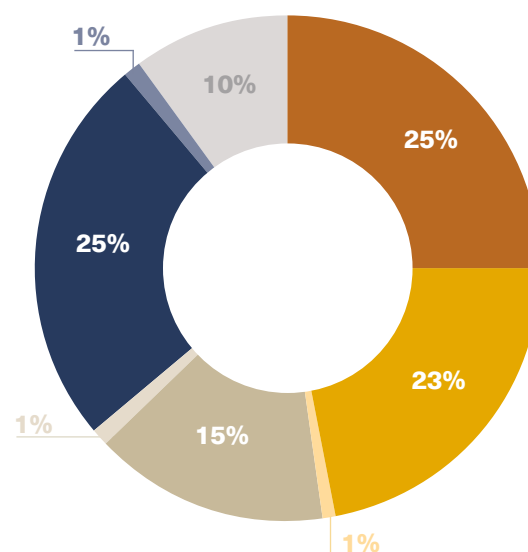


2020 Tax Transparency and Contributions to Government Report

TOTAL BY COUNTRY 2020



TOTAL BY CATEGORY 2020



2020 Tax Transparency and Contributions to Government Report

Country	Project Name	Taxes	Royalties	Fees	Other ESTMA Payments	Total ESTMA Payments ¹	Payroll Taxes ²	Withholding Taxes	Consumption & Import Taxes ³	CSR & Infrastructure ⁴	Taxes Paid Through Offset of VAT Refundable ⁵	Total Contribution
Argentina	Taca Taca	-	-	-	-	-	174,230	-	175,324	-	-	349,554
Australia	Ravensthorpe	1,324,726	2,578,082	265,292	-	4,168,099	9,561,769	384,899	-	125,281	-	14,240,048
Chile	Various early stage exploration	146,672	-	-	-	146,672	151,212	-	-	-	-	297,884
Finland	Pyhäsalmi	5,292,435	-	-	-	5,292,435	3,214,995	-	6,825,034	29,662	-	15,362,126
Mauritania	Guelb Moghrein	10,705,461	7,563,890	-	-	18,269,351	10,331,909	-	3,969,278	688,516	-	33,259,054
Panama	Cobre Panama	-	18,275,466	1,496,764	-	19,772,230	77,358,797	566,445	-	7,521,955	-	105,219,427
Peru	Haquira	-	-	757,081	-	757,081	556,726	21,572	297,940	348,518	-	1,981,837
Spain	Las Cruces	35,632,612	-	-	-	35,632,612	6,908,822	257,064	-	76,681	-	42,875,179
Turkey	Çayeli	11,213,629	3,520,369	-	-	14,733,998	3,753,097	117,431	112,906	128,984	5,524,480	24,370,896
Zambia	FQMO	19,655,044	-	189,441	-	19,844,484	14,157,359	507,429	18,590,810	1,289,902	15,821,054	70,211,038
Zambia	Kansanshi	160,728,166	109,321,721	830,409	2,632,764	273,513,060	22,670,450	2,430,695	119,562,924	2,153,382	75,554,877	495,885,388
Zambia	Sentinel	22,496,582	100,255,288	1,460,037	-	124,211,907	16,811,790	7,151,796	116,957,556	3,108,029	15,911,178	284,152,256
TOTAL		267,195,326	241,514,817	4,999,023	2,632,764	516,341,929	165,651,156	11,437,331	266,491,772	15,470,911	112,811,589	1,088,204,688

¹ Relates to payments reportable under ESTMA.

² Includes employer and employee burden.

³ This figure only includes VAT that is non-refundable and import taxes, except for Zambia where the amount also includes \$191.9m refundable VAT remitted in 2020 and pending repayment. The Company's Zambian operations have continued to accrue VAT receivable amounts with minimal cash refunds received or offsets to other tax liabilities approved. The inclusion of the 2020 VAT in Zambia reflects the risk that VAT repayments owed to the Company have been significantly delayed.

⁴ This figure includes CSR directly to communities and infrastructure improvement payments where the primary user is the Company.

⁵ Taxes are reported net of credits, offsets or refunds. The taxes (including corporate income taxes, payroll taxes, VAT, withholding taxes and customs) paid by way of offsetting VAT refunds owing to the Company are presented separately to illustrate non-cash contributions. The offsets received in relation to the Company's Zambian operations relate to VAT refunds outstanding from prior years.

Extractive Sector Transparency Measures Act - Annual Report

Reporting Entity Name	First Quantum Minerals Ltd.					
Reporting Year	From	2020-01-01	To	2020-12-31	Date Submitted	2021-05-28
Reporting Entity ESTMA Identification Number	E332692		☒ Original Submission ☐ Amended Report			
Other Subsidiaries Included (optional field)	FQM Australia Nickel Pty Ltd., First Quantum Mining & Operations Limited, Kalumbila Minerals Limited, Kansanshi Mining Plc, Mauritanian Copper Mines S.A., Pyhäsalmi Mine Oy, Çayeli Bakir İşletmeleri A.S., Cobre Las Cruces S.A., Minera Panama S.A., Minera Antares Peru S.A.C., Corriente Argentina S.A., FQM Exploration (Chile) S.A.					
Not Consolidated						
Not Substituted						
Attestation by Reporting Entity						

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full Name of Director or Officer of Reporting Entity	Hannes Meyer	Date	2021-05-28
Position Title	Chief Financial Officer		

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year	From	2020-01-01	To	2020-12-31	Date Submitted	2021-05-28
Reporting Entity Name	First Quantum Minerals Ltd.		Currency of the Report		USD	
Reporting Entity ESTMA Identification Number	E332692					
Subsidiary Reporting Entities (if necessary)						

Payments by Payee

Country	Payee Name ¹	Departments, Agency, etc... within Payee that Received Payments ²	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes ³⁴
Australia	Shire of Ravensthorpe		550,008	-	-	-	-	-	-	550,008	
Australia	State of Western Australia	Department of Mines, Industry Regulation & Safety	689,453	2,578,082	175,327	-	-	-	-	3,442,861	
Australia	State of Western Australia	Department of Environment Regulation	-	-	10,917	-	-	-	-	10,917	
Australia	State of Western Australia	Department of Finance	85,265	-	-	-	-	-	-	85,265	
Australia	State of Western Australia	Magistrate Court of WA	-	-	49,020	-	-	-	-	49,020	
Australia	State of Western Australia	Department of Transport	-	-	30,028	-	-	-	-	30,028	
Chile	Government of Chile	General Treasury of the Republic	146,672	-	-	-	-	-	-	146,672	
Finland	Government of Finland	Finnish Tax Administration	5,292,435	-	-	-	-	-	-	5,292,435	Taxes reported do not include cash tax refunds received in 2020 of \$3.4 million.

Extractive Sector Transparency Measures Act - Annual Report

Payments by Payee

Country	Payee Name ¹	Departments, Agency, etc... within Payee that Received Payments ²	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes ³⁴
Mauritania	Government of Mauritania	Ministry of Finance	10,705,461	-	-	-	-	-	-	10,705,461	
Mauritania	Government of Mauritania	Ministry of Mines, Energy, and Petroleum	-	7,563,890	-	-	-	-	-	7,563,890	
Panama	Government of Panama	National Treasury	-	14,841,100	149,726	-	-	-	-	14,990,826	
Panama	Government of Panama	Maritime Authority	-	-	454,132	-	-	-	-	454,132	
Panama	Government of Panama	Environmental Ministry	-	-	486,003	-	-	-	-	486,003	
Panama	Government of Panama	Public Services Authority	-	-	315,186	-	-	-	-	315,186	
Panama	Municipality of Donoso		-	1,717,183	49,858	-	-	-	-	1,767,041	
Panama	Municipality of Especial Omar Torrijos Herrera		-	1,717,183	41,858	-	-	-	-	1,759,041	
Peru	Government of Peru	Mining and Metallurgical Geological Institute	-	-	757,081	-	-	-	-	757,081	
Spain	Gerena Town Hall		861,158	-	-	-	-	-	-	861,158	
Spain	Government of Spain	Spanish Revenue Agency	34,622,463	-	-	-	-	-	-	34,622,463	
Spain	Government of Spain	Hydrographic Confederation	148,992	-	-	-	-	-	-	148,992	
Turkey	Eti Maden Isletmeleri		-	3,520,369	-	-	-	-	-	3,520,369	Eti Maden Isletmeleri is a Turkish majority state owned company.

Extractive Sector Transparency Measures Act - Annual Report

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Turkey	Government of Turkey	Turkish Revenue Agency/Ministry of Finance	10,279,793	-	-	-	-	-	-	10,279,793	Corporate income taxes of \$13,956,311 were paid to the Turkish Revenue Agency, of which \$5,524,480 was paid through offset of VAT refundable, and \$8,431,831 was paid in cash.
Turkey	Madenli Municipality		166,045	-	-	-	-	-	-	166,045	
Turkey	Rize Province		767,791	-	-	-	-	-	-	767,791	
Zambia	Government of Zambia	Zambia Revenue Authority	201,431,695	209,577,010	-	-	-	-	-	411,008,705	Corporate income taxes of \$218,998,191 were paid to the Zambia Revenue Authority, of which \$17,566,496 was paid through offset of VAT refundable, and \$201,431,695 was paid in cash.
Zambia	Government of Zambia	Ministry of Mines and Mineral Development	-	-	275,076	-	-	-	-	275,076	
Zambia	Government of Zambia	Ministry of Lands and Natural Resources	-	-	131,314	-	-	-	-	131,314	
Zambia	Government of Zambia	ZCCM Investments Holdings Plc	-	-	-	-	-	2,300,000	-	2,300,000	ZCCM Investments Holdings Plc is a company majority owned by the Republic of Zambia.
Zambia	Government of Zambia	Mines Safety Department	-	-	2,035,216	-	-	-	-	2,035,216	

Extractive Sector Transparency Measures Act - Annual Report

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Zambia	Government of Zambia	Zambia Environmental Management Agency	-	-	10,293	-	-	-	-	10,293	
Zambia	Government of Zambia	Water Resources Management Authority	48,705	-	-	-	-	-	-	48,705	
Zambia	Government of Zambia	Radiation Protection Authority	-	-	27,987	-	-	-	-	27,987	
Zambia	Solwezi Municipal Government		1,399,392	-	-	-	-	-	332,764	1,732,156	
TOTAL			267,195,326	241,514,817	4,999,023	-	-	2,300,000	332,764	516,341,929	

Additional Notes

¹ Above numbers are reported in USD. When a payment is made in a foreign currency by a subsidiary which uses USD as its accounting functional currency, the payment is generally reported using the exchange rate existing at the time the payment is made. For those subsidiaries whose accounting functional currency is their local currency, payments reported have been translated using the yearly average exchange rates which are as follows:

Currency	USD
Argentine peso	70.5861
Australian dollar	1.4478
Chilean peso	792.0820
Euro	0.8760
Peruvian nuevo sol	3.4948
Turkish lira	7.0213
Zambian kwacha	18.2980

² The Company reported all payments in excess of USD \$78,542 (CAD \$100,000/1.2732 year-end exchange rate) per payee per category.

³ Infrastructure improvement payments include in-kind contributions. The method for calculating the value of the payments is at cost.

Extractive Sector Transparency Measures Act - Annual Report

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Reporting Entity Name	First Quantum Minerals Ltd.		Currency of the Report		USD	
Reporting Entity ESTMA Identification Number	E332692					
Subsidiary Reporting Entities (if necessary)						

Payments by Project

Country	Project Name ¹	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ^{2,3}
Australia	Ravensthorpe	1,324,726	2,578,082	265,292	-	-	-	-	4,168,099	The Ravensthorpe nickel mine recommenced operations in the first quarter of 2020.
Chile	Various early stage exploration	146,672	-	-	-	-	-	-	146,672	
Finland	Pyhäsalmi	5,292,435	-	-	-	-	-	-	5,292,435	Taxes reported do not include cash tax refunds received in 2020 of \$3.4 million.
Mauritania	Guelb Moghrein	10,705,461	7,563,890	-	-	-	-	-	18,269,351	
Panama	Cobre Panama	-	18,275,466	1,496,764	-	-	-	-	19,772,230	
Peru	Haquira	-	-	757,081	-	-	-	-	757,081	
Spain	Las Cruces	35,632,612	-	-	-	-	-	-	35,632,612	

Extractive Sector Transparency Measures Act - Annual Report

Payments by Project

Country	Project Name ¹	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ^{2,3}
Turkey	Çayeli	11,213,629	3,520,369	-	-	-	-	-	14,733,998	Royalty was paid to Eti Maden, a majority state owned company. Corporate income taxes of \$13,956,311 were paid to the Turkish Revenue Agency, of which \$5,524,480 was paid through offset of VAT refundable, and \$8,431,831 was paid in cash.
Zambia	FQMO	19,655,044	-	189,441	-	-	-	-	19,844,484	Corporate income taxes of \$21,978,720 were paid to the Zambia Revenue Authority, of which \$2,323,676 was paid through offset of VAT refundable, and \$19,655,044 was paid in cash.
Zambia	Kansanshi	160,728,166	109,321,721	830,409	-	-	2,300,000	332,764	273,513,060	Dividends were paid to ZCCM Investments Holdings Plc, a company majority owned by the Republic of Zambia. Corporate income taxes of \$169,391,857 were paid to the Zambia Revenue Authority, of which \$10,063,083 was paid through offset of VAT refundable, and \$159,328,774 was paid in cash.

Extractive Sector Transparency Measures Act - Annual Report

Payments by Project

Country	Project Name ¹	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ^{2,3}
Zambia	Sentinel	22,496,582	100,255,288	1,460,037	-	-	-	-	124,211,907	Corporate income taxes of \$27,627,615 were paid to the Zambia Revenue Authority, of which \$5,179,737 was paid through offset of VAT refundable, and \$22,447,877 was paid in cash.
TOTAL		267,195,326	241,514,817	4,999,023	-	-	2,300,000	332,764	516,341,929	

Additional Notes³

¹ Above numbers are reported in USD. When a payment is made in a foreign currency by a subsidiary which uses USD as its accounting functional currency, the payment is generally reported using the exchange rate existing at the time the payment is made. For those subsidiaries whose accounting functional currency is their local currency, payments reported have been translated using the yearly average exchange rates which are as follows:

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² The Company reported all payments in excess of USD \$78,542 (CAD \$100,000/1.2732 year-end exchange rate) per payee per category.

³ Infrastructure improvement payments include in-kind contributions. The method for calculating the value of the payments is at cost.

About this report

Basis of preparation and scope

This report has been prepared as required by the ESTMA and the EU Transparency and Accounting Directive with respect to disclosure of Payments to Governments, along with voluntary additional reporting of contributions relating to payroll tax, consumption tax and social contributions. Taxes, production entitlements, royalties and other payments to governments are presented on a cash-paid basis during the reporting period. In-kind payments are converted into monetary value at the date of settlement. The report includes all such payments for activities which relate to exploration, discovery, development and extraction of minerals for each of our projects.

First Quantum Minerals Ltd., as parent of the group, reports the activity of any of its subsidiary undertakings that are active in the extractive industry. Unless noted otherwise in the report, the following terms have the meanings noted below:

Government

Any national, regional or local authority of a country and includes any department, agency or undertaking controlled by such an authority. Also included are any crown corporations and other state-owned enterprises that are exercising or performing a power, duty or function of government.

Project

Project means the operational activities that are governed by a single contract, license, lease, concession or similar legal agreement and form the basis for payment liabilities with a government. Nonetheless, if multiple such agreements are substantially interconnected, this shall be considered a project.

Tax

Tax generally means any type of government charge that is enforceable by law, imposed under statutory authority, levied by a public body and intended for a public purpose.

Royalties

Payments to governments in respect of revenue or production related to the extraction of mineral reserves.

Fees

Payments to governments where no specific service is attached, but rather 'levies' on the initial or ongoing right to use an area for exploration, development and/or production. Such fees include licenses, rentals, entry fees and other consideration for licences and concessions.

Production Entitlements

A payee's share of mineral production under a production sharing agreement or similar contractual or legislated arrangement should be categorized as a production entitlement under ESTMA. The Company does not currently pay any production entitlements.

Bonuses

Signing, discovery, production and any other type of bonuses paid to a payee in relation to the commercial development of minerals must be reported under the Act.

Dividends

Payments so named to governments, other than dividends to government units in their capacity as ordinary shareholders in an enterprise.

Infrastructure Improvements

Payments to governments, comprising of the provision of public access infrastructure, such as roads and bridges. Payments are either in the form of cash or in kind contributions (the completed infrastructure). Payments in respect of social or community programs such as building/providing a hospital, school or playground are excluded.

Disclosure threshold - payments to the "same payee" that meet or exceed CAD \$100,000 in one category of payment are disclosed.

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