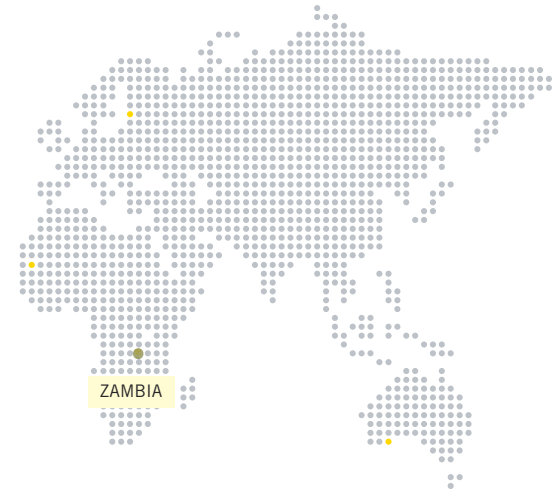


KANSANSHI COPPER-GOLD MINE, ZAMBIA

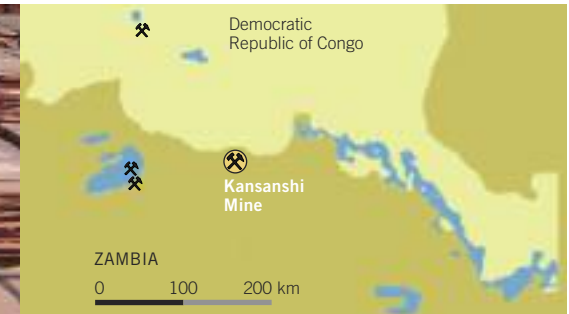
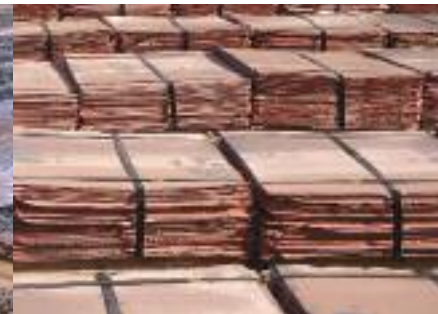
The Kansanshi mine, the world's 8th largest copper mine, is 80% owned by Kansanshi Mining PLC, a First Quantum subsidiary. The remaining 20% is owned by a subsidiary of ZCCM. The mine is located approximately 10 kilometres north of the town of Solwezi and 180 kilometres to the northwest of the Copperbelt town of Chingola.



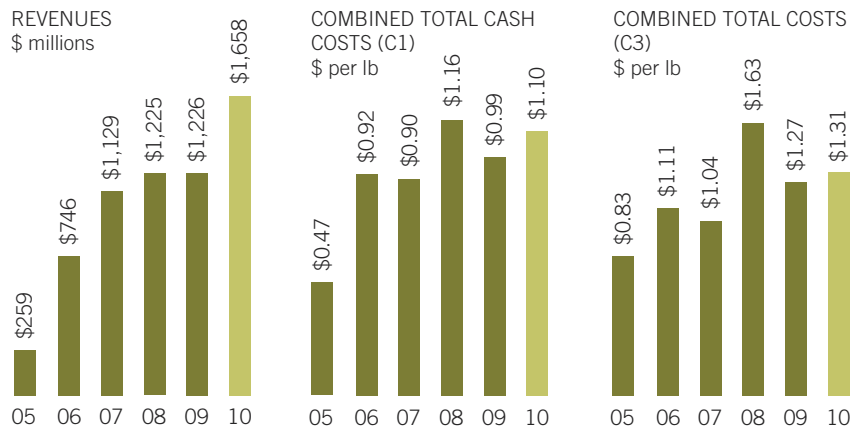
FIRST QUANTUM
MINERALS LTD.



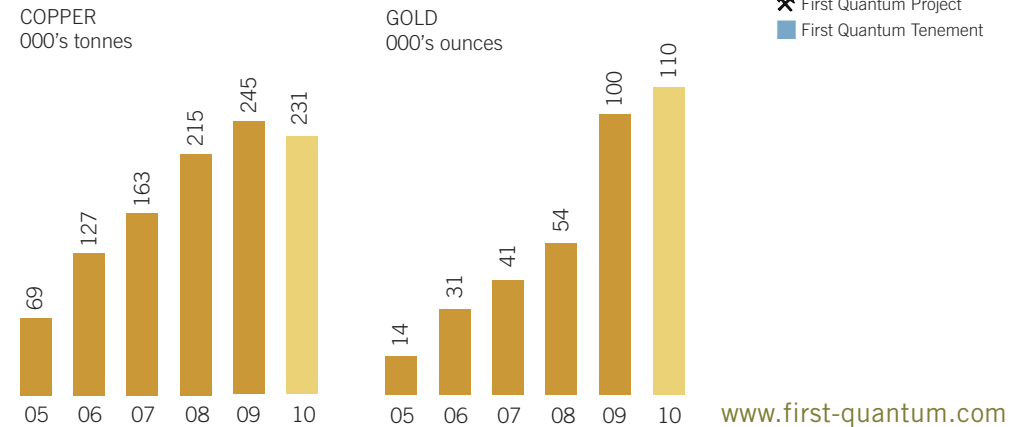
Kansanshi



Financial Summary



Total Production



KANSANSHI PRODUCES COPPER IN CONCENTRATES, COPPER CATHODES AND GOLD.

Production

Key 2010 production statistics

MINING

Ore mined (000's tonnes)	23,045
Ore grade (%)	1.3

PROCESSING

Sulphide ore processed (000's tonnes)	10,382
Sulphide ore grade processed (%)	0.8
Sulphide ore recovery (%)	93
Mixed ore processed (000's tonnes)	5,462
Mixed ore grade processed (%)	1.3
Mixed ore recovery (%)	67
Oxide ore processed (000's tonnes)	5,674
Oxide ore grade processed (%)	2.2
Oxide ore recovery (%)	86
Copper cathode produced (tonnes)	86,682
Copper cathode tolled produced (tonnes)	97,501
Copper in concentrate produced (tonnes)	46,941
Total copper production	231,124
Concentrate grade (%)	24.9
Gold produced (ounces)	109,629

Minelife

As at December 31, 2010, Kansanshi had an estimated mine life of 12 years using the identified Mineral Reserves and a copper price of \$2.00/lb and \$800/oz gold price.



Mineral Reserves – Combined MAIN and NW Deposits – as at December 31, 2010

Overall cut-off grade - 0.28% total copper

Class	Leach ore				Mixed float				Sulphide		
	Tonnes (millions)	Total copper (%)	Acid soluble copper (%)	Gold (grams per tonne)	Tonnes (millions)	Total copper (%)	Acid soluble copper (%)	Gold (grams per tonne)	Tonnes (millions)	Total copper (%)	Gold (grams per tonne)
Total Proved	20.42	2.02	1.42	0.19	17.83	0.97	0.19	0.33	27.84	0.73	0.12
Total Probable	45.32	1.99	1.41	0.21	50.40	1.10	0.23	0.19	118.80	0.82	0.10
Total Reserve	65.74	2.00	1.41	0.20	68.23	1.07	0.22	0.23	146.64	0.80	0.11

The final pit designs utilized to identify the Mineral Reserve as at December 31, 2010, have been developed by independent consulting Mining Engineer, Anthony Cameron of A&J Cameron and Associates based in Perth Australia. Anthony Cameron is a qualified person under 43-101 and holds the following valid qualifications: BE (Mining), Grad Dip Bus, M Comm. Law and is a fellow of the AusIMM.

Geological Setting and Mineralization

The deposit at Kansanshi occurs within a broad, northwest trending, north-west closing antiform, which can be traced for approximately 12 kilometres. Kansanshi is a vein deposit developed within a tectonised rock sequence and, as such, constitutes a major mineralization control. The main veins and vein swarms dip subvertically, perpendicular to the fold axes, in the plane of maximum extension.

A major north-south trending and well mineralized zone of complicated faulting, abundant vein injection, breccia development and down-dropped rock units lie within the area delineated by Kansanshi's mining license. Copper mineralization at Kansanshi occurs as vein-specific mineralization within and immediately adjacent to mesoscopic veins; as stratiform or concordant mineralization in thin bands and veinlets parallel to bedding/foliation; and as disseminated mineralization associated with albite-carbonate alteration. Brecciated zones may also be mineralized, but usually only within oxidized and supergene enrichment horizons, which display a complicated spatial distribution of secondary copper minerals.

Primary copper sulphide mineralization is dominated by chalcopyrite, with very minor bornite, accompanied by relatively minor pyrite and pyrrhotite. Oxide mineralization is dominated by chrysocolla with malachite, limonite and cupriferous goethite. The mixed zone includes both oxide and primary mineralization but also carries significant chalcocite, minor native copper and tenorite. Some copper appears to be carried in clay and mica minerals, where it is essentially refractory.

Mining and Processing

Mining is carried out in two open pits, Main and Northwest ("NW"), using conventional open pit methods and employing hydraulic excavators and a fleet of haul trucks. Ore treatment is flexible to allow for variation in ore type either through an oxide circuit, a sulphide circuit and a transitional ore "mixed float" circuit with facilities to beneficiate flotation concentrate to final cathode via the HPL circuit.

Sulphide ore is treated via crushing, milling and flotation to produce copper in concentrate. The expansion of the sulphide milling circuit was approved to maintain finished copper production as oxide ore is depleted and sulphide ore grades begin to fall as the mining horizon deepens. The capital expenditure commenced in early 2006 which increased production capacity significantly from Q4 2008. The successful achievement of production goals with the sulphide expansion circuit and successful completion of test work aimed at achieving economic recoveries from transitional mixed ores allowed a switch to mixed ore treatment through the original sulphide circuit, with dedicated treatment of sulphide ore in the expansion circuit only. This positioned Kansanshi to economically process all significant in situ ore types and significantly reduced mining costs as transitional ores are no longer moved to stockpile and value is realized immediately. Extensive stockpiles of mixed ore are available and will provide low cash cost mining as the stockpiles are recovered. Additional cleaning capacity, in conjunction with added capacity provided by in-circuit crushing for the new mill circuit, was added in Q1 2010, which further increased capacity, flexibility and efficiency.

Oxide ore is treated via crushing, milling, flotation, leaching and the SX/EW process to produce a sulphidic and gold bearing flotation concentrate as well as electro-won cathode copper. The construction of a fourth electro winning facility commenced in 2007 and was commissioned early Q3 2008, and, alongside a third SX train, provides extra capacity to handle the additional copper input from the HPL circuit.

Kansanshi has also developed a gold circuit to process post HPL circuit solids through cyanide leaching and elution to recover contained gold and produce gold bullion. The gold plant has not been placed in operation due to technical issues with the HPL residue. A gravity gold processing route was developed in 2009 that significantly increased the recovery of gold into bullion and other saleable products. The circuit combines efficient gravity concentration with pyro-metallurgical processing of lower grade gravity products, thus minimizing losses and improving recovery. This process complements the additional gravity concentrate streams being developed, thus raising overall gold recovery and improving revenue realized

from the gold stream. The pyrometallurgical stage is still in development, but additional gravity processing capacity is installed and running well, with an additional 35% extra capacity installed in Q1 2010 and two smaller units to extract additional gold from flotation concentrate installed in Q4 2010.

The HPL is used to treat a portion of the increased copper concentrate by processing the concentrate in the autoclaves by oxidation and leaching. In 2009, HPL switched from treating Kansanshi concentrate to Frontier concentrate on a toll treatment basis. The change in processing concentrate from Kansanshi avoided the loss of payable gold in the concentrate treated. After the closure of Frontier operations, testwork indicated that gravity gold recovery was possible on HPL residues and an acid resistant gravity concentrator was installed. An additional unit is scheduled for installation in Q2 2011.

At the Kansanshi operation, an expansion project is now underway to expand annual copper production capacity from the current 250,000 tonnes to 400,000 tonnes of copper in 2015. The expansion project will be implemented in three phases. Phase 1, which is currently underway, is expected to increase annual production capacity to approximately 285,000 tonnes. It is focused on expanding the treatment capacity of the oxide circuit by about 20% to 7.2 million tonnes. The expansion will include the use of equipment from Bwana Mkubwa copper SX/EW plant as well as new installations. This phase of the expansion project has a capital budget of \$25 million and construction completion is scheduled for Q4 2011.

Phase 2 is expected to increase oxide treatment capacity to 12 million tonnes per annum and is scheduled to be completed by the end of 2012. Capital costs estimates for this phase of the work are currently being developed.

Workforce

At December 31, 2010, Kansanshi employed 1,512 persons. The local labour force is unionized.