



FQM AUSTRALIA NICKEL

15 January 2024

MEDIA STATEMENT

First Quantum Minerals (FQM) will reduce its operating activities at Ravensthorpe Nickel Operation (RNO) with suspension of mining operations at the Shoemaker Levy ore body and bypassing the high-pressure acid leach (HPAL) circuit.

Existing ore stockpiles will continue to be processed through the Atmospheric Leach circuit providing significant mining and processing cost reductions.

This new operating model represents a three-year plan under which RNO will maintain production of nickel concentrate from ore stockpiles before recommencing mining activities at Hale Bopp and Halley's ore bodies. The three-year plan represents the anticipated period for weaker nickel prices.

The decision results from the significant downturn in the nickel price experienced during 2023, combined with currently higher operating costs in Western Australia, and a requirement to improve the financial viability of RNO at current nickel prices.

The cessation of mining and associated processing activities at RNO will reduce the company's directly employed workforce at the site by approximately 30%, with contractors to be redeployed by their employers.

RNO General Manager Scott Whitehead said reducing the mine's operating activities for a sustained period was the best decision for the company, workforce and local region.

"Transitioning to a new operating model will allow us to continue to produce and export our nickel product, which is a critical mineral and has a lower carbon footprint than other suppliers. The operational changes will ensure RNO remains viable longer term and we will retain most of our residential and FIFO workforce, thereby supporting the communities of Hopetoun and Ravensthorpe and providing income for the region and Western Australia," Mr. Whitehead said.

"It's important we position ourselves to respond in a timely manner to future improvements in the nickel price by being able to reactivate our mining activities at the preferred time."

RNO will remain a significant local nickel concentrate exporter, expecting to produce on average approximately 16,000 contained tonnes per annum over the next three years. RNO produces an ESG-focused, compliant battery grade nickel which is in the lowest quartile of CO2 emissions globally and will be increasingly critical to industries and consumers in the United States and European Union as part of the transition to a decarbonized economy.

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