



# FIRST QUANTUM MINERALS LTD.

14 January, 2013

## Dear Holders of Inmet Common Shares,

On 11 January 2013, First Quantum delivered a letter to Mr. David Beatty, Chairman of the Board of Directors of Inmet Mining Corporation, in response to concerns raised with us by a number of you regarding a potential sale of a further minority stake in the Cobre Panama project.

Our letter put on record with the Inmet Board our opposition to any proposed sale of a further minority stake during the currency of our offer for the Inmet common shares (the "Offer"), noting that such a sale could compromise completion of our Offer. Accordingly, we encouraged the Inmet Board not to take steps to proceed with such a sale prior to your having a proper chance to evaluate the significant opportunity represented by our Offer. Given our belief, confirmed through discussions with a number of you, that the potential loss of this significant opportunity is a matter of serious concern to all Inmet shareholders, we subsequently published the letter by way of press release.

In reaction to our letter, Inmet issued a press release on 12 January 2013, in which Mr. Beatty made the following statement: "We note that, while First Quantum says it wishes to engage in friendly discussions, it is simply not."

First Quantum feels compelled to address that statement, which may raise doubt regarding our continuing desire to work together on a friendly basis with Inmet's management and directors in an effort to turn our vision of a new premier global copper company into a reality. We wish to assure you that First Quantum has made, and will continue to make, all reasonable efforts to engage Inmet in a constructive dialogue regarding the merits of a combination of our respective businesses.

Our past efforts in this regard are a matter of public record: from the time of delivering our initial proposal to Inmet on 28 October 2012, we have consistently and repeatedly expressed to Mr. Beatty and Mr. Jochen Tilk, Chief Executive Officer of Inmet, our desire to engage in friendly, constructive and additive dialogue. Such dialogue as we have had, while always cordial, professional and frank, has also been limited.

We have stated many times, privately and publicly, that we would eagerly welcome the opportunity to exchange confidential business information, including through mutual site visits, in an effort to identify additional improvements to our exciting plans for the combined entity and, if warranted, to our proposals. We have been told that, having rejected our proposals, the Inmet Board was unprepared to exchange information and work with us on moving our vision forward. With the greatest respect, in our view this places the cart before the horse: the value of each of our proposals, including the Offer, could only ever be properly assessed after exchanging information and engaging in comprehensive dialogue regarding our vision and our plan.

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On 9 January, 2013 First Quantum took the significant step of bringing our Offer directly to you, knowing that many of you were already supportive of our vision for a combined company. As the owners of Inmet, we believe you have a right to make your own determination regarding the merits of our Offer and the significant opportunity it presents to all of us. However, it was never our intention in taking this step to cut off any further engagement between First Quantum and Inmet's management team and directors. Our strong preference continues to be for a friendly, negotiated transaction supported by the Inmet Board.

Our letter of 11 January 2013 highlights this by once more inviting the Inmet Board to engage in a constructive dialogue and exchange of information. Indeed, we believe that such an engagement has now become a matter of some urgency, given the Inmet Board's duty to make a proper assessment of First Quantum's business in connection with making a recommendation to you in respect of our Offer by 24 January, 2013. We also believe that engagement is a matter of fairness, both to us and to you, since it is the only way in which our Offer can be properly evaluated against all other strategic alternatives that might be available to Inmet, including any proposed sale of an additional minority interest in Cobre Panama that could prevent our Offer from being completed.

I have personally reached out to Mr. Beatty over the past few days in an effort to emphasise our ongoing desire to engage. I will continue to do so since I believe that the best outcome for all of us will be achieved by the directors and management teams of both companies working together on a friendly and open basis.

We urge those of you who share our vision and support the idea of an open dialogue and exchange of information between our two companies, and we know that includes many of you, to likewise appeal to the Inmet Board to reconsider its current position and engage with us. We also encourage you, as part of those communications, to make known to the Inmet Special Committee your views regarding any proposed sale of a further minority interest in Cobre Panama during the currency of our Offer, and the threat that such a sale might pose to your opportunity to make your own determination in respect of our Offer.

Yours truly,



Philip Pascall.  
Chairman and Chief Executive Officer  
First Quantum Minerals Ltd.

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