

# LATIN AMERICA DOWNUNDER

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MEDIA ALERT

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## **First Quantum's Cobre Panama investment compared to historic canal expansion by Deputy Minister**

First Quantum Minerals decision to continue with counter-cyclical investments in large scale infrastructure to support the development of the Cobre Panama copper project is now paying dividends for the company as it embarks on a staged mining development in Panama.

Cobre Panama is located about 20km inland, by sealed road, from the port and power facility and associated infrastructure developed on the Caribbean coast. The infrastructure includes two 150MW power generation units; two marine terminals; a deep-sea port that will accept the Panamax vessels for copper concentrate export and coal import; and bulk commodity storage facilities.

First Quantum took the decision to progress the construction of this infrastructure back in 2016, despite a conscious move to slow the mining project down as a result of prevailing market conditions, but it will now enable the company to have the power and port facilities commissioned ahead of the start of mining and processing operations.

First Quantum Project Manager Gavin Ashley said Cobre Panama had a long, 40-year mine life at a relatively low grade of 0.37% copper, but with a very low strip ratio – ultimately it was a numbers and volume game.

“We have recently increased the capacity of the project in the middle of executing and we are now targeting production of 350,000tpa of copper. The project is 72% complete and we have expended over 72 million manhours,” Mr Ashley said.

“The focus right now is around construction completion, with some elements in commissioning and heading toward operation at the end of the year. In term of the operations team, we've got just over 1,200 people on board and targeting about 3,200 people, with 90% being Panamanian at start-up.

Republic of Panama Deputy Minister of Internal Trade and Industry Eduardo Palacios backed up First

Quantum Minerals' confidence in resources development in Panama, highlighting the country's mining potential, despite being a small country, particularly in regard to its known copper mineralised systems.

"The progress of the Cobre Project has allowed us to see the first positive impacts in the country through the generation of jobs," Mr Palacios said.

"What's been going on with First Quantum with Cobre will become the largest private investment in the history of Panama by far – the first one is the canal expansion, but that is a public investment.

"We want to create a mining tradition and to overcome the challenges with the indigenous populations. Once we have the legal framework, we are planning on creating a Ministry of Mining and Natural Resources.

"The Panamanian Government is open to foreign direct investment. I know that Panama is not a mining powerhouse and probably never will be because we are a small country, but we have natural resources and we welcome investment in mining.

"We have depended too long on the canal and financial sector. Panama is an open economy and we want to keep going with the mining business."



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