



QuadraFNX
MINING LTD

RBC CAPITAL MARKETS
2011 GLOBAL MINING & MATERIALS CONFERENCE
JUNE 21ST – 22ND , 2011

FORWARD LOOKING STATEMENT



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No invitation to purchase securities is being made.

For additional disclosure about the Company, including a detailed discussion of the risks, assumptions and uncertainties relating to the Company, please see our Annual Information Form, Financial Statements and other materials available from www.sedar.com or our website, www.quadrafnx.com.

All figures except per share amounts are in US\$ unless otherwise stated or unless the context requires otherwise.

WHERE WE ARE NOW



Two company transformational growth projects:

- **Sierra Gorda in Chile:** home of the largest copper mines and projects in the world
- **Victoria in Canada:** some of the highest grade polymetallic copper projects in the world

*both located in low political risk jurisdictions
both in areas of well established infrastructure
both in global copper districts*

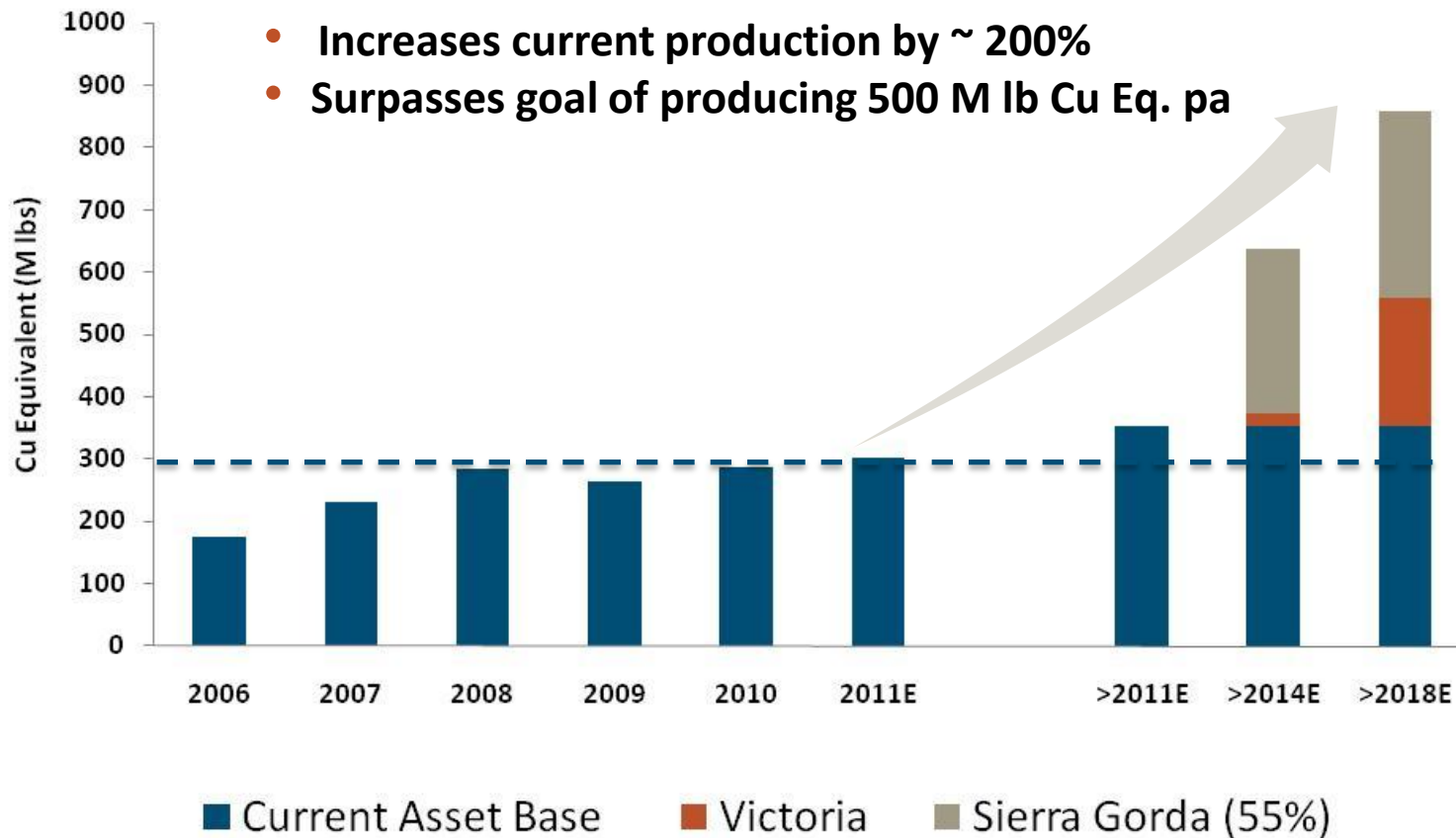
Operations that are delivering: on track to improve performance in 2011 and beyond

Robust financial & human resources: we have the balance sheet & people to deliver

TWO WORLD CLASS GROWTH PROJECTS



Impact of Sierra Gorda & Victoria



Note: Cu Equivalent and in-situ value calculation assumes three-month trailing average commodity prices; Cu at US\$4.34/lb, Ni at US\$12.27/lb, Pt at US\$1784/oz, Pd at US\$778/oz and Au at US\$1426/oz and US\$17.26 Mo. Historical production figures include historical production from FXN. Conceptual production from Victoria based on throughput ranges outlined in the April 19, 2011 press release.

COPPER MARKET – CHALLENGES & OPPORTUNITIES

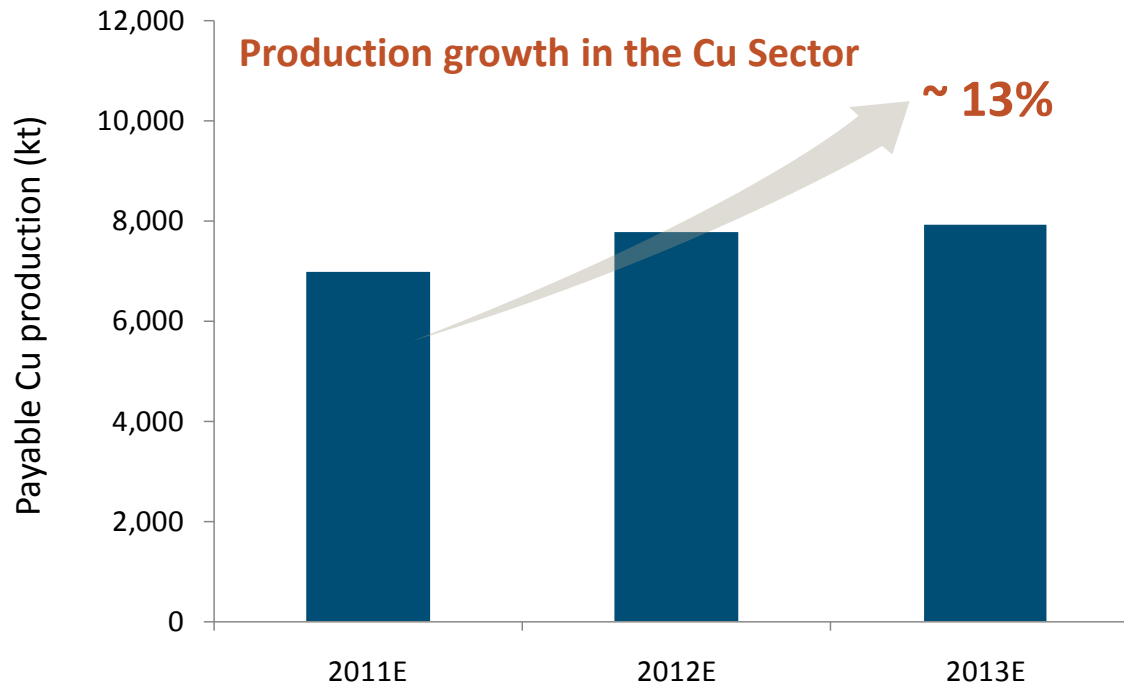


Over the next decade

- **H1 (2011 – 2015):** Lack of supply response supports robust prices
- **H2 (+2015):** Supply side responds with larger Cu projects coming on stream

Implications for corporate strategy

- Production from Sierra Gorda in 2014 to take advantage of robust Cu prices



Source: RBC Global Mining Trends & Values Report dated June 15, 2011

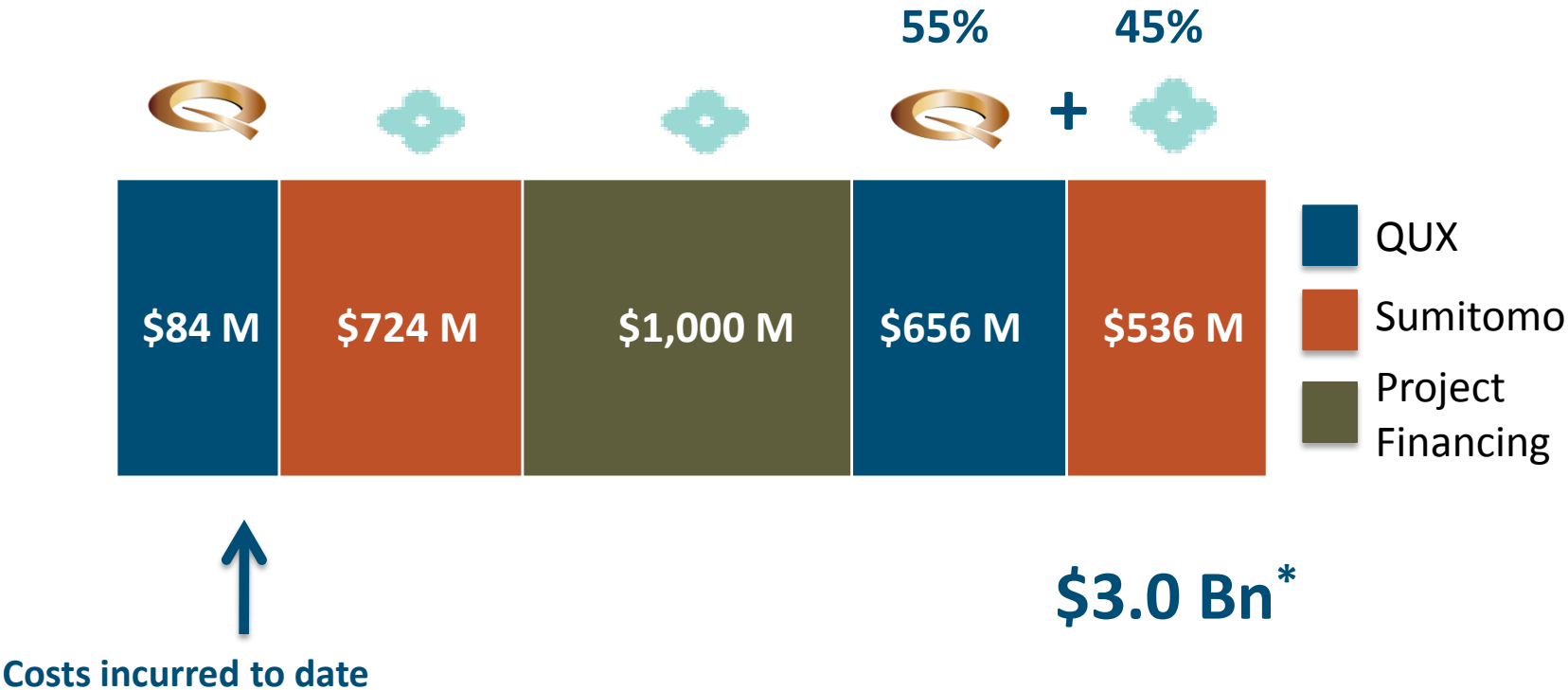
Note: Cu sector defined as AAL L, BLT L, CS T, FM T, FCX N, HBM T, IMN T, LUN T, OZL A, PNA A, QUX T, RIO L, TCK.B T, VALE N, XTA L

SIERRA GORDA



- **A Joint Venture Partnership with Sumitomo (“SMM”):**
A financially strong and technically experienced partner with over four centuries of mining experience
 - Quadra FNX retains 55% of the project
 - The JV funding structure provides the capital to build the project
 - No equity dilution to Quadra FNX shareholders
 - Non-recourse debt – maintains Quadra FNX’s balance sheet flexibility
- **Sierra Gorda Technical Report:**
Highlights a long life and low cost, large Cu project in a mining friendly jurisdiction, which will transform Quadra FNX
- **Our Team is in Place:**
The right JV partner & the team to deliver the project
 - Targeting production in 2014

JV ARRANGEMENT: FUNDING TO PRODUCTION



**Quadra FNX's additional funding requirement is ~ \$656 M
Funded through \$500 M bond financing**

* Including capex + working capital + interest during construction + costs to date. Note: Does not reflect the chronological order



Short Term Timeline & Milestones:

- Closing is dependent on normal course anti-trust approvals
- QUX continues to fund until Aug. 1, 2011. If closing by Aug. 1, 2011 has not occurred, Sumitomo provides a loan to QUX for \$360 M

Offtake & Marketing:

- Sumitomo has right and obligation to take 50% of Cu concentrate

Governance:

- The JV will be governed by a shareholders' counsel
- Normal dilution provisions post production, punitive dilution beforehand



SIERRA GORDA: PROJECT OVERVIEW



Key Operating Parameters:

- **Production:** up to 500 M lbs Cu pa & up to 54 M lbs pa in Mo
- **Mine Life:** 20 years
- **Initial Capex:** \$2.877 Bn
- **LOM C1 Costs***: \$1.15/lb Cu

Status:

- ✓ Feasibility Study completed
- ✓ Investment Agreement with JV partner Sumitomo signed
- ✓ \$500 M bond financing
- EIA approval
- Construction to commence in H2/11
- Pre-stripping in 2012
- Production in 2014

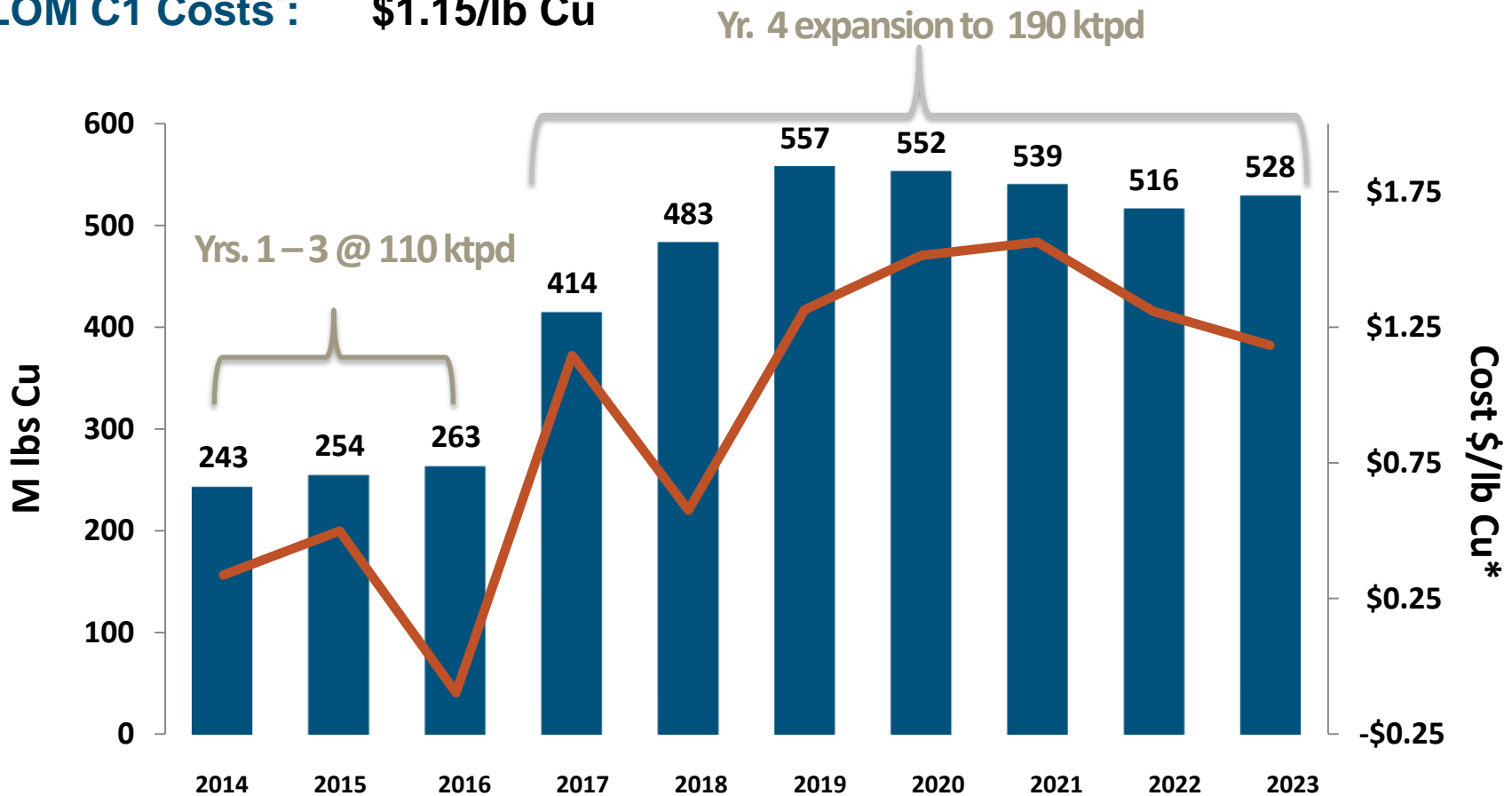
*Assuming US\$2.50/lb Cu, US\$12.00/lb Mo and US\$1,000/oz Au

SIERRA GORDA: PRODUCTION & COSTS



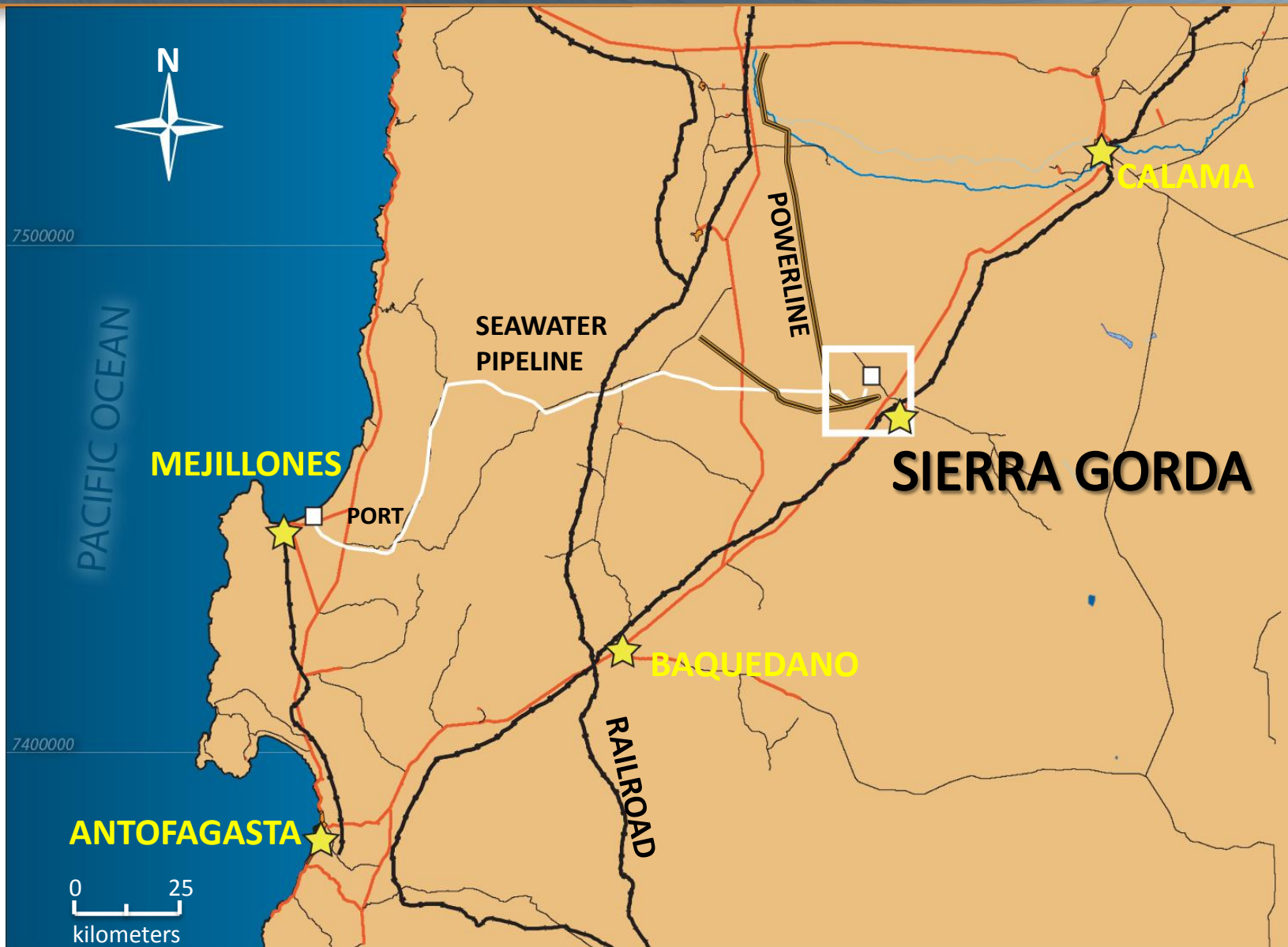
Years 1 – 5 Costs*: \$0.56/lb Cu

LOM C1 Costs*: \$1.15/lb Cu



Source: Based on Information from the Technical Report. *costs net of by product revenue, assuming \$12/lb Mo and \$1,000/oz Au

SIERRA GORDA: INFRASTRUCTURE



SIERRA GORDA: UPSIDE OPPORTUNITIES



Oxides:

- Significant oxides resources, not included in economics
- Permitted under EIA
- Not part of JV agreement. Sumitomo retains right of first refusal

Longevity & Operating Flexibility:

- Mine design allows flexibility to mine the Salvadora deposit
- Exploration drill targets & resource upside

On site Pilot Plant:

- To be commissioned in H2/11
- Optimization of recoveries & de-risking the ramp-up phase



SIERRA GORDA: KEY MILESTONES



- ✓ Fluor Financing Study
- ✓ Partnership Arrangement
- ✓ 43-101 Technical Report
- ✓ US\$500 M Bond Financing

- EIA Approval Permit: mid-2011
- Critical Path Orders: Q2 2011
- Pre-stripping: H1 2012



Production target: 2014

VICTORIA

VICTORIA: PROJECT LOCATION



Sudbury

Toronto

Levack

Fraser Morgan Deposit
Onaping Depth

McCreeedy W

Podolsky

Victor Deposit
Nickel Rim

Garson Mine

Thayer-Lindsley Mine
Bleazard Deposit

Copper Cliff N Mine
Frood-Stobie Mine

Creighton Mine

Copper Cliff South Mine
Kelly Lake Deposit

• QUX Mines

○ Vale Mines

○ Xstrata Mines

○ Totten Mine

Victoria

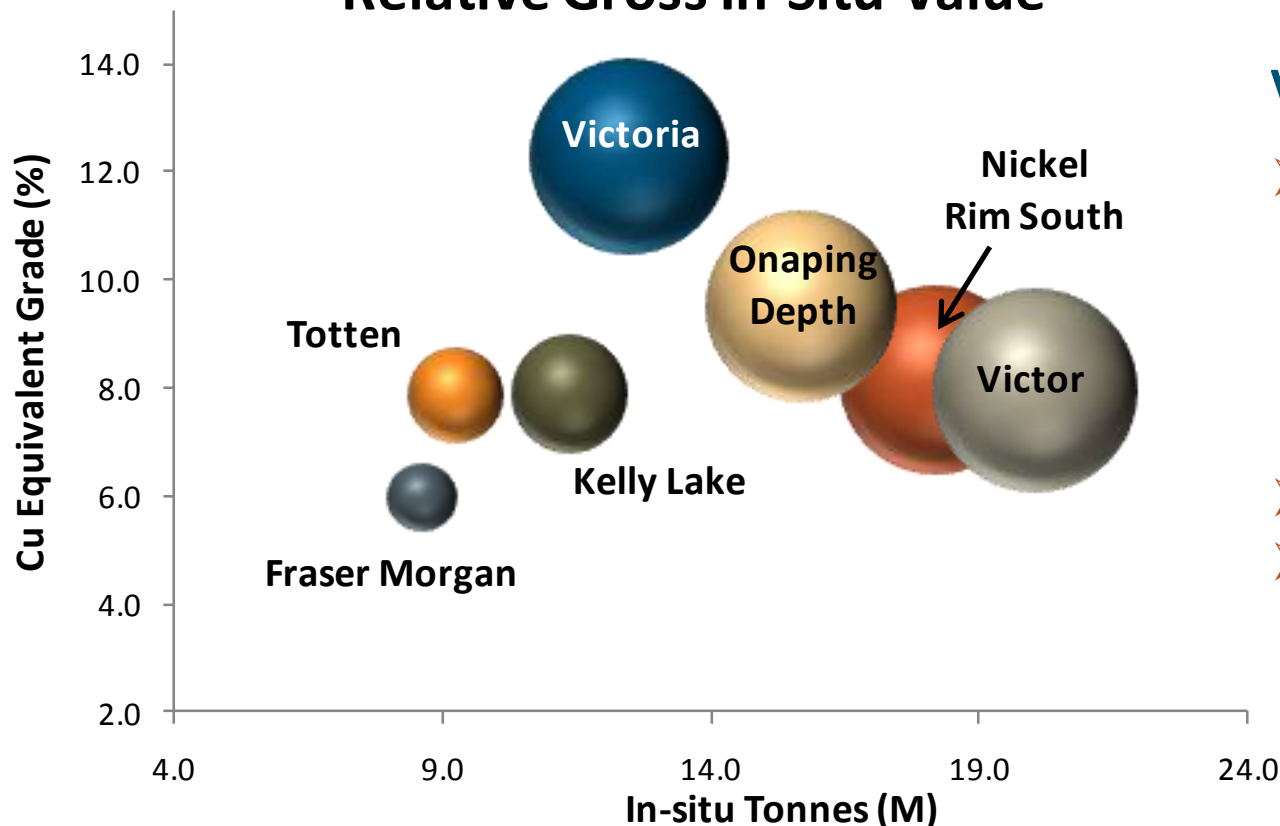


10 km

VICTORIA: ONE OF THE BEST IN SUDBURY



Relative Gross In-Situ Value



Victoria Resource ¹

- 12.5 M tonnes @2.3 % Cu @2.2% Ni @8.5 g/t TPM's
- Cu Eq: 3.4* Bn lbs
- Ni Eq: 1.2* Bn lbs

**VICTORIA
REMAINS OPEN**

¹Please see Press Release dated April 19th, 2011

*Cu Equivalent and in-situ value calculation assumes three-month trailing average commodity prices; Cu at US\$4.34/lb, Ni at US\$12.27/lb, Pt at US\$1784/oz, Pd at US\$778/oz and Au at US\$1426/oz. Onaping Depth and Fraser Morgan resources are as of June 30, 2010. Nickel Rim South, Totten, Kelly Lake and Victor resources are as of December 31, 2005.

VICTORIA: PROJECT OVERVIEW



Shape:

- appears amenable to lower cost bulk tonnage mining methods

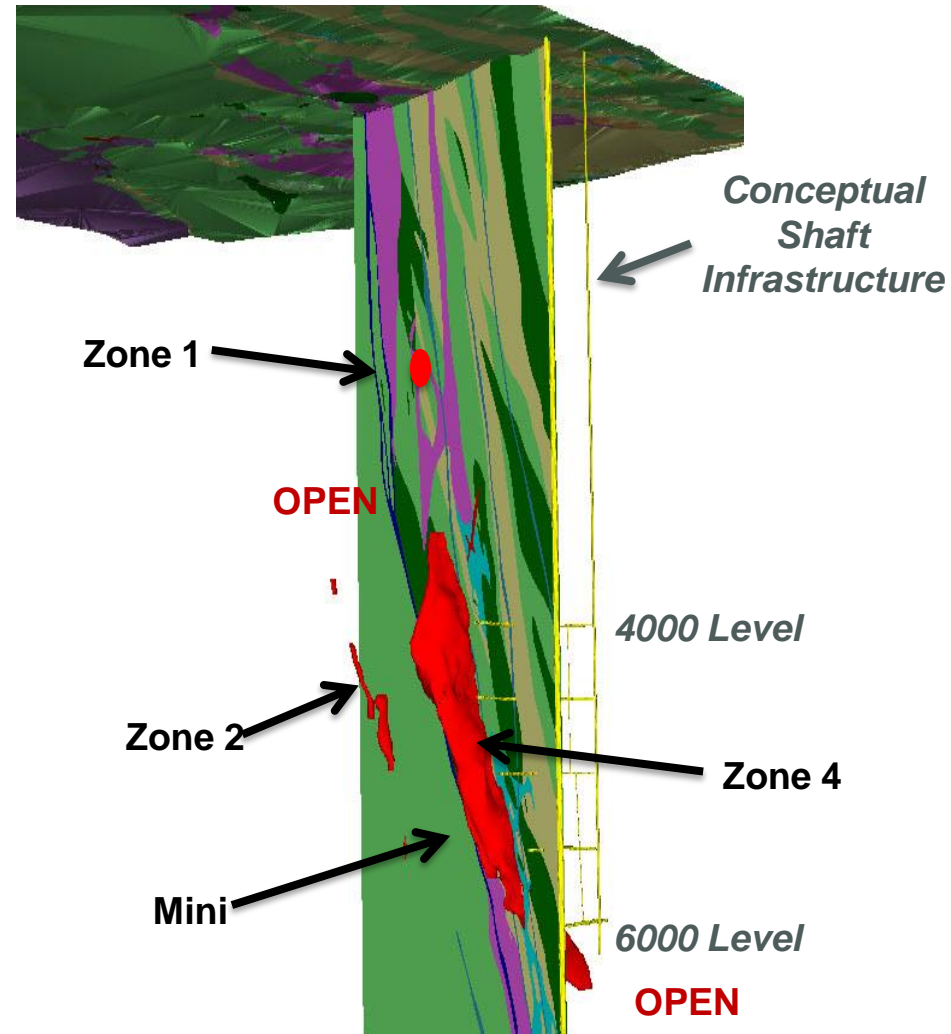
Capex:

- Preliminary capital estimate:
- ~ \$ ¾ Bn range over 7 years

Timeline:

- Gearing up with DMC Mining for shaft sinking in 2012
- Development dependent on First Nation negotiations & permitting
- Discussions with Vale are ongoing

Long Section (looking NE)



OPERATIONS

DIVERSIFIED ASSETS & LOW POLITICAL RISK



Robinson



Carlota



Franke



Sierra Gorda



Morrison/Levack



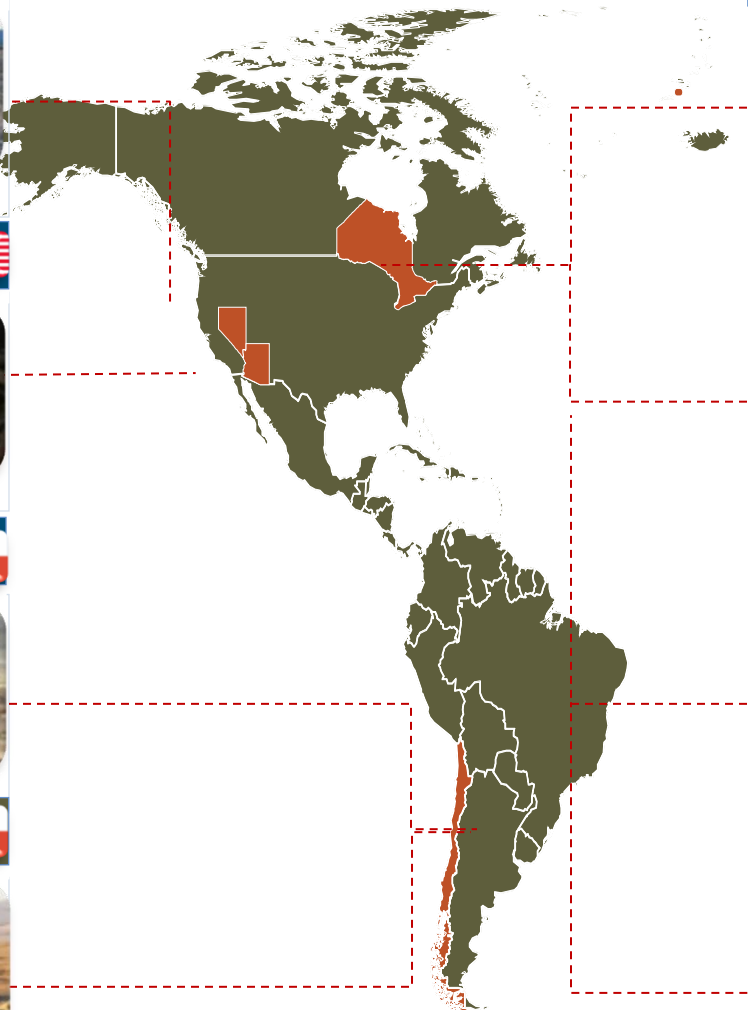
McCreehy W



Podolsky



Victoria



OPERATING PROFIT & PRODUCTION PROFILE



Focus in H2/11:

Robinson: operating flexibility & grade profile

Morrison: shaft rehabilitation & ramp up

Franke: owner mining & stacking

Carlota: conveyor stacking

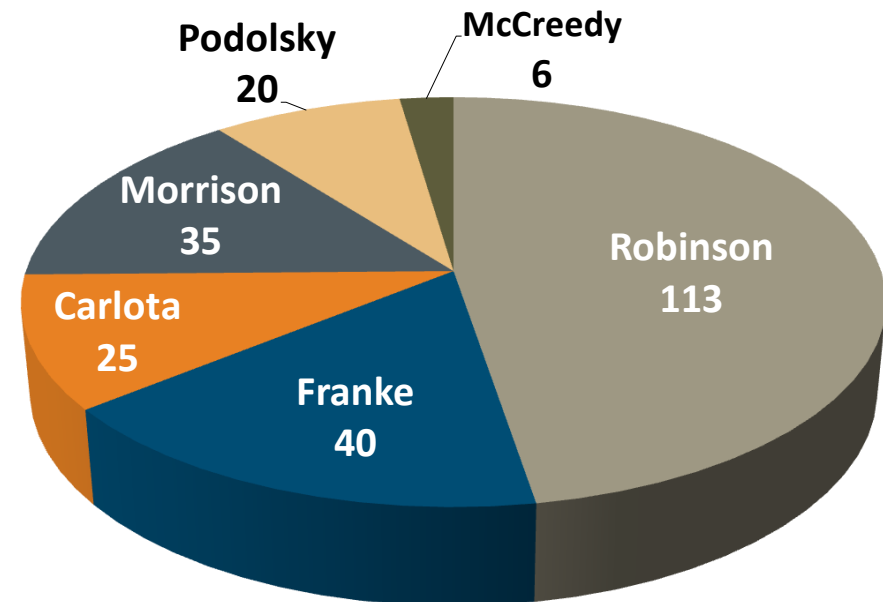
McCreeedy W: potential Ni re-start

2011 Production Expectations[#]

240 M lbs +/- 10% of payable Cu

115 k oz of payable TPMs

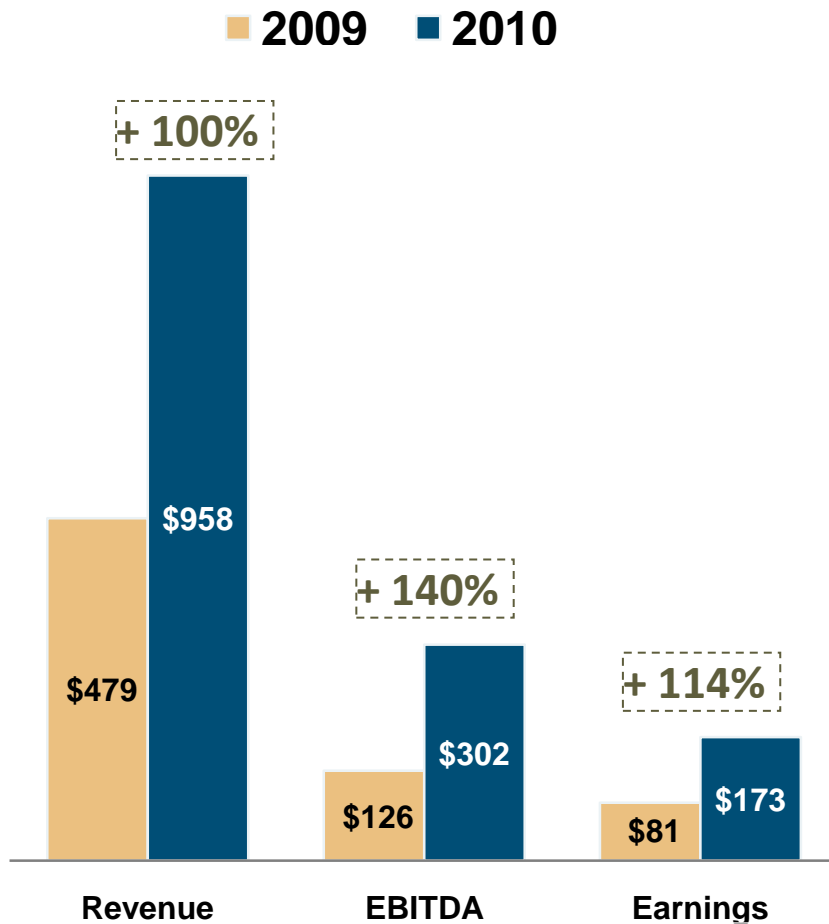
7 M lbs of payable Ni



[#] Graph illustrates the mid-point of the guidance range

FINANCIAL PERFORMANCE

QUX: ROBUST BALANCE SHEET



Strong financial performance 2010

- \$958 M in revenue
- \$ 302 M in EBITDA
- C1 cost: \$1.57 /lb Cu

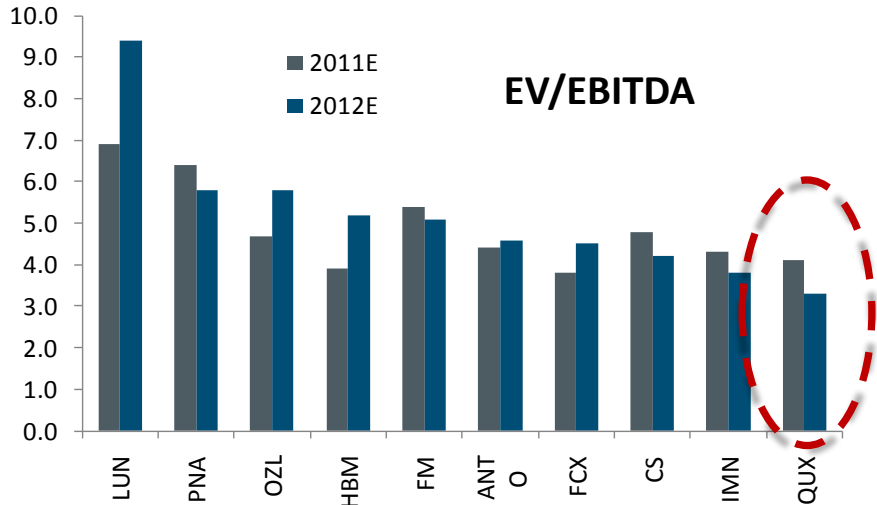
A balance sheet to fund growth Q1 2011

- \$577 M in cash
- Zero debt

Q2 2011

- US\$500 M bond financing

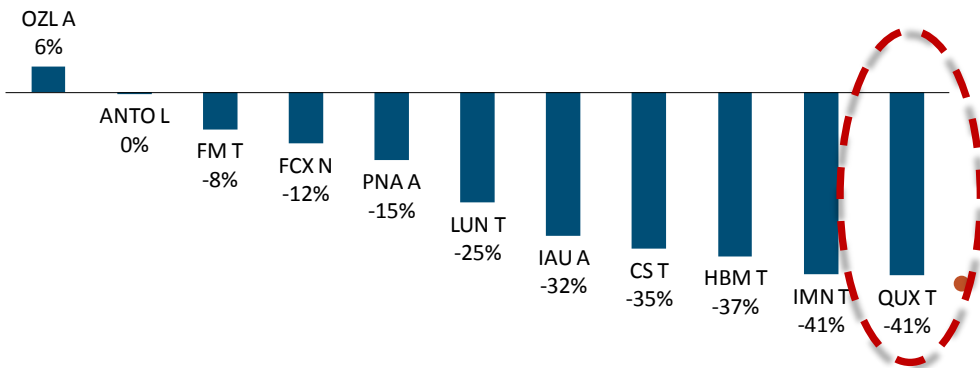
QUX: A VALUE PROPOSITION



A Compelling Valuation:

- QUX is trading at a discount to its peers on NAV and forward EV/EBITDA multiples
- Discount valuation implies that QUX's growth profile is not yet factored into the share price

Share price premium (discount) to NAV



Sell Side Analyst Rating: 100% Buy

CONCLUSION



- **Copper Sector :** Lack of supply response supports robust prices in the near term. A supply side response in H2 of this decade
- **Quadra FNX:**
 - Two growth projects: Sierra Gorda production in 2014 & Victoria to follow
 - Six operating mines provide near term cash flow
 - A robust balance sheet
 - Compelling valuation





QuadraFNX
MINING LTD

THANK YOU