



QuadraFNX
MINING LTD

**CRAIG ACCESS ARRANGEMENT
& Q3 PRODUCTION**
October 14, 2011

FORWARD LOOKING STATEMENT



Certain information appearing in this presentation constitutes forward looking information. Forward looking information is subject to known and unknown risks, uncertainties and other factors, including potentially inaccurate assumptions, which may cause the actual results, performance or achievements to be materially different from the results, performance or achievements expected or implied by the forward looking information.

The Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

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.

INTRODUCTION



Delivering on our objectives:

✓ Optimizing our operating base

- Higher production in Q3 2011
 - Records in mine mill production at Robinson
 - Continuing strong performance from Sudbury assets
- Craig Access Arrangement
- Potential for Ni re-start

✓ Growth pipeline on track

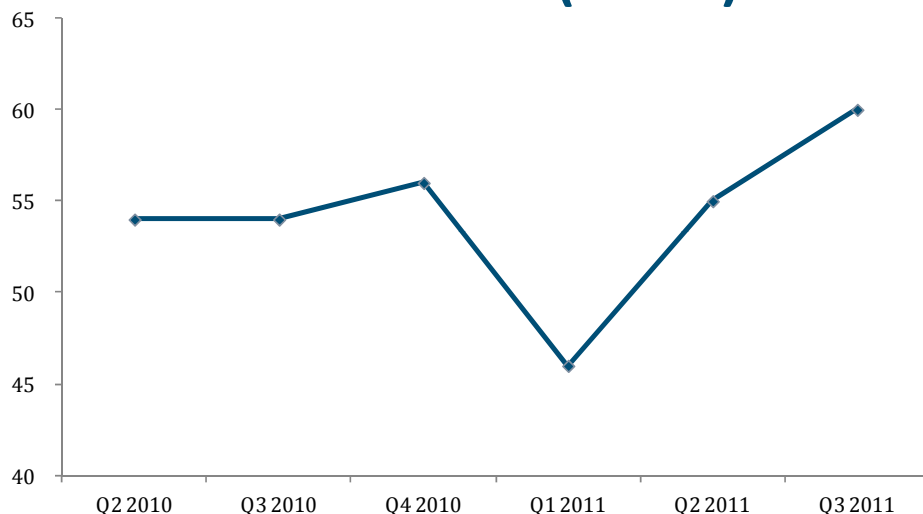
- **Sierra Gorda:** construction progressing on time & on budget
 - Closed JV agreement with Sumitomo
- **Victoria:** engineering, permitting & consultation

✓ A strong balance sheet with ~ \$1.0 Bn in cash

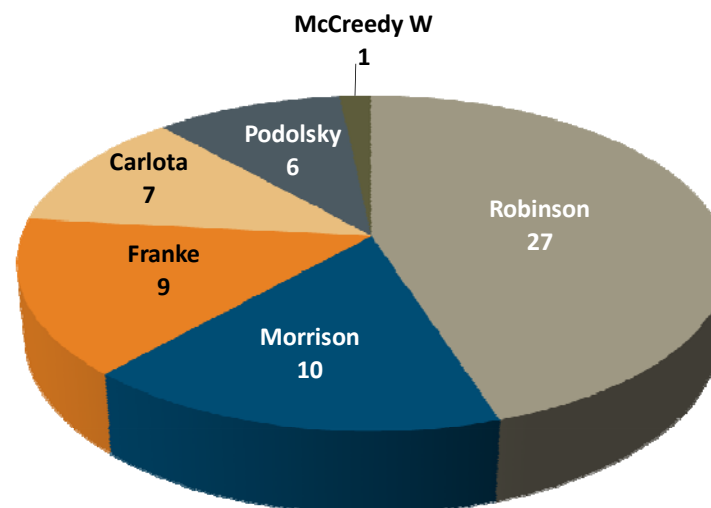
Q3 2011 PRODUCTION RESULTS



Cu Production (M lbs)



Q3 Cu Production (M lbs)



- Q3 2011 production total of 60 M lbs Cu, 26 k oz TPM's & 3 M lbs Ni
- An increase of 9% vs. Q2 & 30% vs. Q1
- Q3 2011 production increase driven by Robinson

2011 PRODUCTION OUTLOOK



2011 Production Expectations

240 M lbs +/- 10% of payable Cu
~ 100 k oz of payable TPMs
8 - 10 M lbs of payable Ni

Main Change: Robinson

- Operating flexibility improvement & higher grades to continue
- Re-sequencing delayed access to a portion of higher grade ores
- Production ~ 95 - 100 M lbs Cu



CRAIG SHAFT ACCESS ARRANGEMENT

ACCESS ARRANGEMENT: KEY TERMS



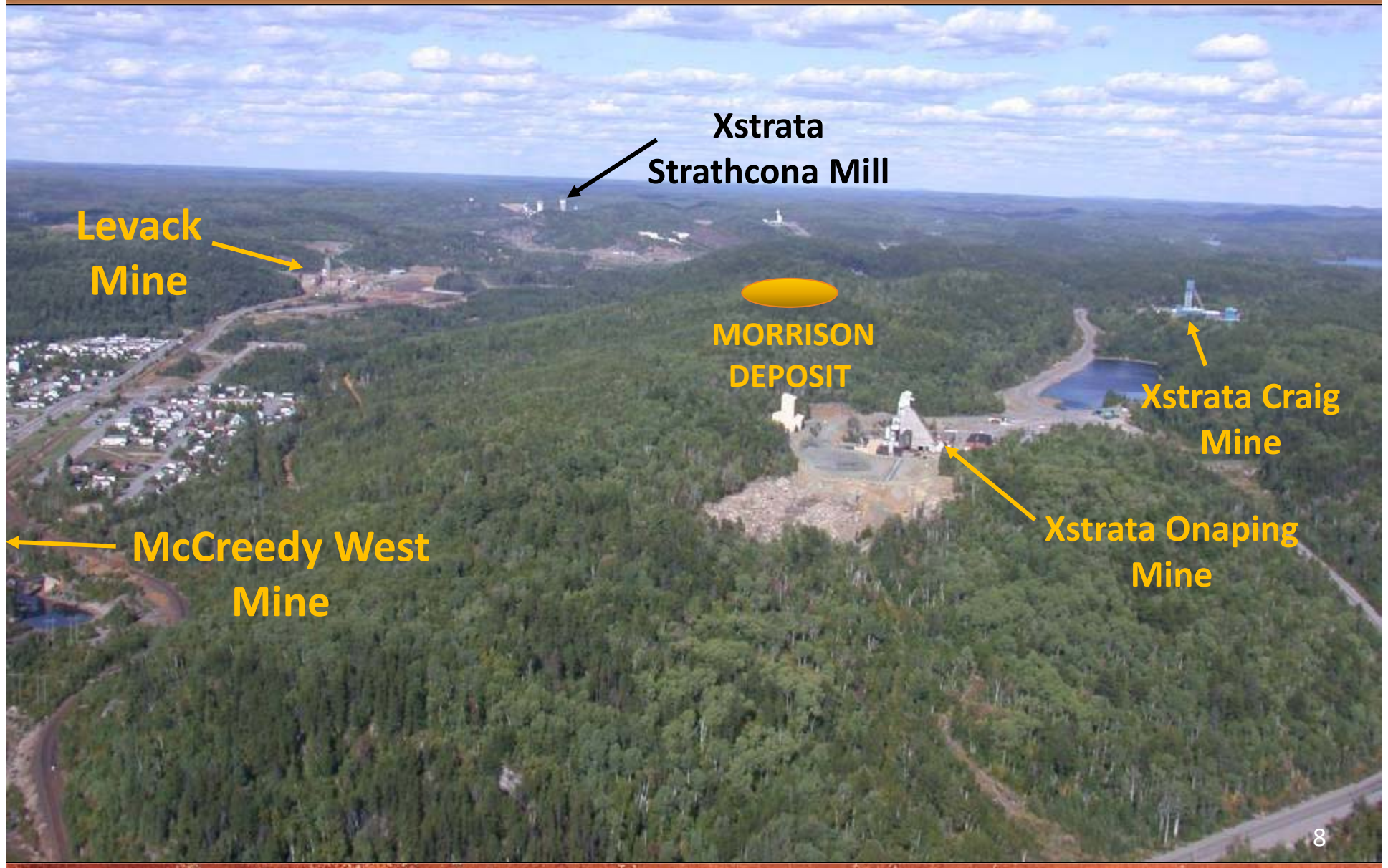
QUX operate the Craig shaft and underground infrastructure

QUX will pay:

- **\$10 M in Yr. 1**
- **\$2 M pa lease fee**
- **A sliding scale payment per tonne of ore hoisted**

Definitive agreement expected to be finalized within 60 days

SHAFT LOCATION (LOOKING NE)



ACCESS ARRANGEMENT: KEY BENEFITS



Immediate cost savings

- Cessation of ongoing rehabilitation work on Levack #2 shaft

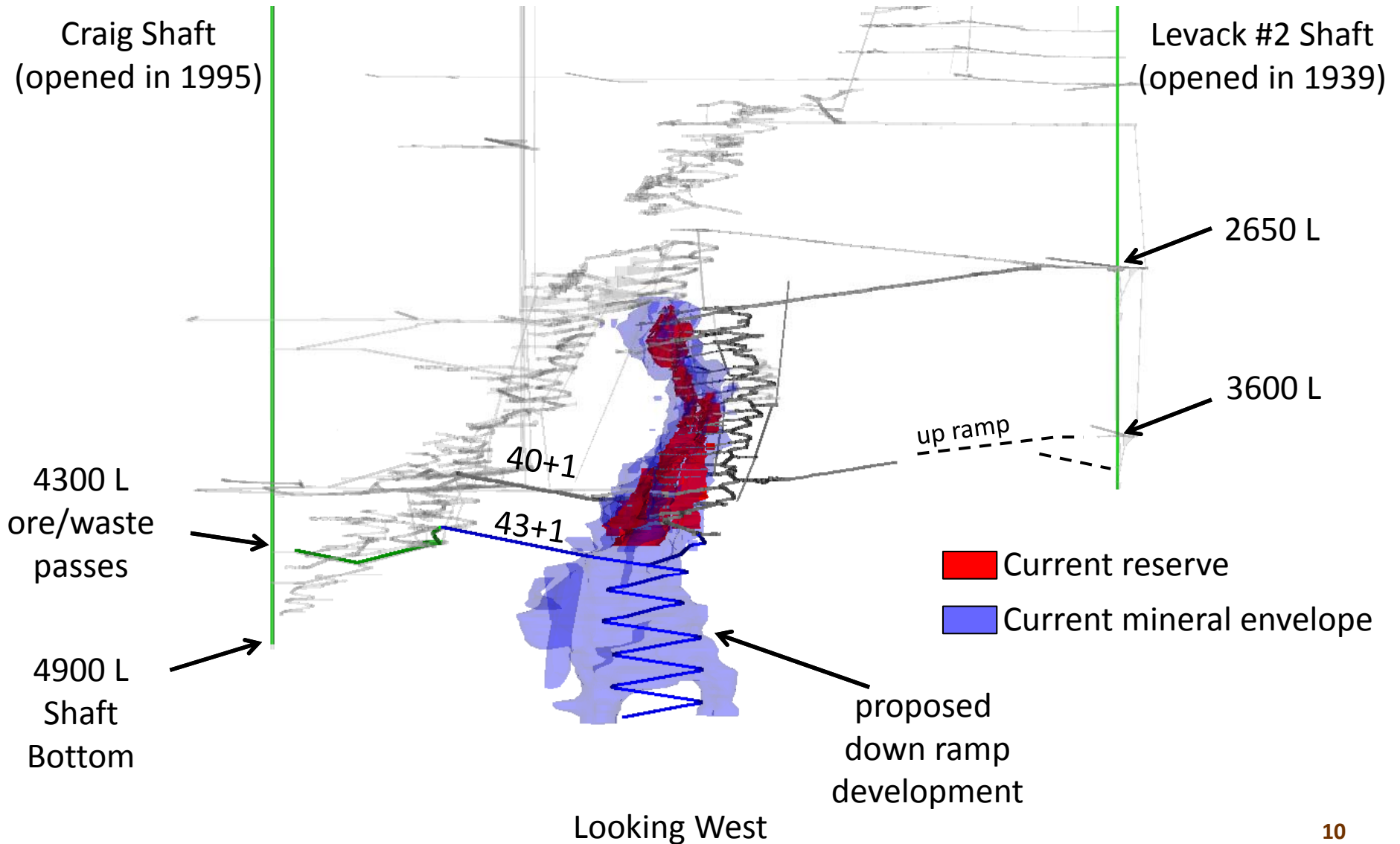
Operating flexibility & efficiencies

- Shorter haulage distance
- Operating efficiencies of Craig infrastructure

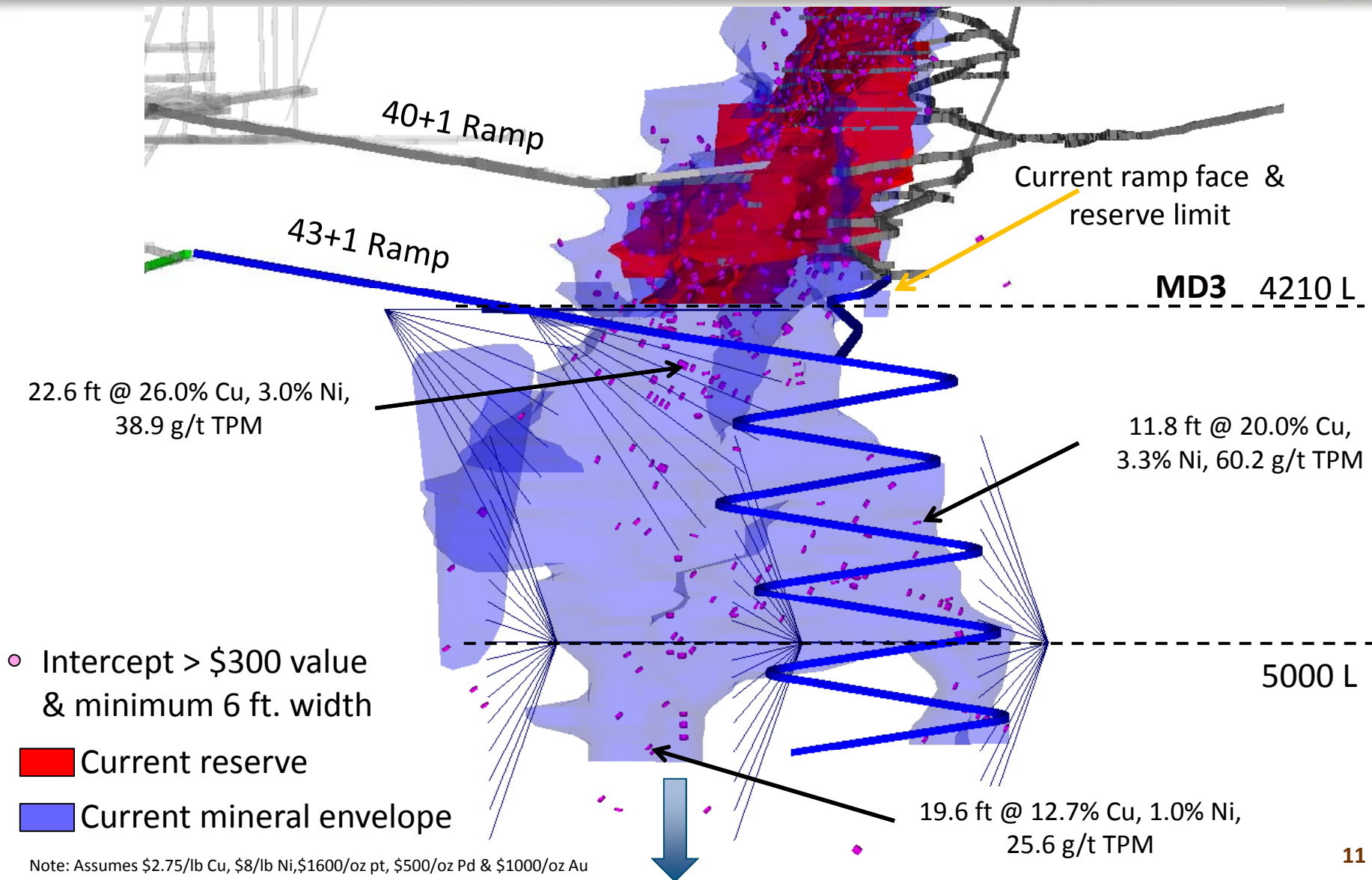
Drill access - reserve/resource growth

- Significant improvement in drill access below current reserves
- Alternative diamond drill platforms to test other targets

OVERVIEW: SHAFT LOCATIONS



RESERVE/RESOURCE GROWTH



SUMMARY



- **Optimization of existing asset base & continuing production improvements in 2012**
 - **Craig Arrangement – positive impact on Morrison**
 - **Robinson flexibility & productivity**
 - **Potential Ni re-start at McCreedy West**
- **Two growth projects continue to advance**
 - **Sierra Gorda: strong partner, fully funded & in construction**
 - **Production targeted in 2014**
 - **Victoria: a high grade discovery, exploration upside**
 - **Engineering study ongoing**
- **A robust balance sheet with approximately \$1 BN in cash**
 - **Growth pipeline fully financed**



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THANK YOU
Questions & Answers