

June 10, 2025

Tristan Pascall, Chief Executive Officer, and Robert Harding, Chairman
First Quantum Minerals Ltd.
1133 Melville Street, Suite 3500,
The Stack, Vancouver, British Columbia,
V6E 4E5, Canada

CC:

Ambassador of Canada in Panama, Patricia Atkinson
The Honourable Maninder Sidhu, Minister of International Trade

Dear Tristan Pascall and Robert Harding,

In 2018, the Panamanian Supreme Court of Justice [found](#) that the original concession contract for First Quantum Minerals' Cobre Panama mine violated five articles of the Panamanian Constitution and was therefore null and void. The primary cause of the violations was the lack of a required bidding process for the concession. In 2021, the Court [dismissed](#) a series of briefs filed by the company and the Ministry of Commerce and Industry against this unappealable decision, stating that these were dilatory actions and contrary to the Panamanian Constitution.

The Mineral Resources Code of Panama establishes that mining operations can only be carried out pursuant to a mining concession. However, the Cobre Panama project [continued](#) to operate until the end of 2023 without a contract. Meanwhile, First Quantum Minerals (FQM) and the Panamanian government negotiated a new contract, again without a bidding process, that awarded the mining concession to its subsidiary, Minera Panama, in open contempt of the decision of the Supreme Court of Justice.

In 2023, [Panamanians took to the streets](#) for 39 days of historic protest against the illegalities surrounding FQM's contract and operations, and the renewal of the Cobre Panama contract. In response to this public pressure, the Panamanian government declared a moratorium on new mining concessions, applications under review, and for concessions that had expired by November 3, 2023. At the end of that month, on November 28, Panama's Supreme Court unanimously ruled that FQM's new mining contract was unconstitutional, having violated 25 articles of the Constitution. This resulted in its cancellation and the suspension of your operations in Panama.

The Supreme Court's ruling warns, among other things, “that the social, economic and environmental impacts of an open-pit mine, such as the one under concession, will directly affect a segment of the population. In this case, rural populations, informal settlements and peasants, whose risk of environmental damage is high as a result of this activity.”

According to information from the Ministry of the Environment, Minera Panamá has been sanctioned for environmental violations on ten occasions¹ and has five ongoing sanctioning processes. In one of the pending processes for infractions detected across three inspections in 2019, the company filed twelve different legal appeals against the opening of the sanction process, which could be seen as an attempt to delay the process.

In November 2023, FQM [submitted](#) a notice to Panama of its intent to initiate international arbitration. The company was seeking at least US \$20 billion under the Investor-State Dispute Settlement (ISDS) mechanisms included in the Canada-Panama Free Trade Agreement. Many of your [partners](#) also began [notifying](#) Panama of their own intent to file lawsuits through the ISDS and International Commercial Court systems. Despite a lack of public support for the mine, concerns about the environmental impacts of the mine, problems with the contract for a second time, and a moratorium that prevented the company from attaining a new contract, FQM still chose to seek billions from the Panamanian State.

Now, despite the Supreme Court ruling of unconstitutionality, there is speculation that FQM's mining contract could be renewed or that it could enter into an agreement with the Panamanian government to restart operations. Panama's new president, José Raúl Mulino, stated that the Canadian company must [drop the arbitration](#) against Panama as a condition of negotiating the reopening of the mine. Just last month, FQM [advised](#) its lawyers to suspend the arbitration against Panama in order "[to discuss the reopening of the mine.](#)"

With rumors circulating about a potential reopening, there have already been [protests](#) as civil society makes it clear that they still believe Panama is worth more without mining. At the end of April 2025, the president introduced the idea of a partnership between the Panamanian government and FQM to operate the mine. Members of the [National Assembly](#), [unions](#), community members, and civil society organizations have spoken out in rejection of this idea in part because it ignores calls for a definitive closure. President Mulino has also discussed the idea of "[reopening to close](#)" the mine, without a clear explanation of how this would work or why the mine must be reopened for the closure process. This lack of clarity from the government and FQM has only served to fuel unrest and discontent in the country, which is already facing a [national strike](#) over social security reforms and mining.

It concerns us that FQM appears to be willing to resume operations, which would violate the law and court decisions. Reopening the mine would require overturning the indefinite mining moratorium on new mining concessions from November 2023. Currently, the mine does not have the required contract to resume operations. Neither the current government nor your company have clarified how a new contract would differ from the previous two, both declared

¹ Resoluciones DRCC-053-10-2020 de 1 de octubre de 2020, DRCC-057-10-2020 de 1 de octubre de 2020; DRCC-056-10-2020 de 1 de octubre de 2020, DRCC-059-10-2020 de 2 de octubre de 2020, DRCC-062-10-2020 de 5 de octubre de 2020, DRCC-064-10-2020 de 5 de octubre de 2020, DRCC-054-10-2020 de 1 de octubre de 2020, DRCC-058-10-2020 de 2 de octubre de 2020, DRCC-060-10-2020 de 2 de octubre de 2020, DRCC-061-10-2020 de 2 de octubre de 2020, y DRCC-057-10-2020 de 19 de julio de 2021.

unconstitutional. If FQM is unable or unwilling to follow the constitution, national laws, and regulations of Panama, then it should not operate in the country.

Panamanians are demanding that FQM develop a safe and transparent closure process, carried out in coordination with the Panamanian government. As stated in FQM's 2023 [ESG Report](#), "Our closed properties use a comprehensive approach that incorporates safety, environment, community, and cost factors to identify risks and establish site specific targets." It states that "engagement with local stakeholders" is a part of your approach, something that communities in Panama have also been requesting regarding closure planning.

A [report](#) published in December 2024 by the Environmental Law Alliance Worldwide (ELAW) concluded, after reviewing the *Ninth Monitoring Report* for the Cobre Panama mine, that the possibility of failure of the tailings dam is a "very serious and immediate concern." It also found that the mine has triggered acid mine drainage without adequate water monitoring at the site. In 2022, CEO Tristan Pascall [stated](#) that, "All First Quantum's Tailings Storage Facilities comply with internationally recognised standards and are carefully managed with operational controls, regular inspections and close monitoring to improve safety and reduce risks." Nonetheless, the ELAW report concludes that the Cobre Panama mine is not in full compliance of the GARD Guidelines or the Global Industry Standard on Tailings Management.

We are concerned that First Quantum Minerals is using the ISDS cases to delay or halt regulatory reforms that protect communities and the environment from harmful projects. Similarly, we are concerned that the company is using this mechanism to pressure the Panamanian government to reopen the mine. Multiple United Nations bodies and experts have [warned](#) that ISDS shackles states in their efforts to combat climate change and to uphold their international human rights obligations.

In support of Panamanian civil society, we echo their demands and call on First Quantum Minerals to:

1. Work with the Panamanian Government and civil society to update the closure plan for the Cobre Panama mine. The plan must work towards a definitive closure of the mine that follows the strictest environmental and social guidelines for closure. Furthermore, FQM must be responsible for paying all of the closure and monitoring costs for the mine.
2. Definitively drop all international arbitration proceedings against Panama. These cases often have a chilling effect on a country's ability to uphold or pass environmental regulations, and have been denounced by the UN. In the case of Cobre Panama, FQM's contract has been found to be in violation of the Panamanian constitution, and the economic consequences of that are the company's responsibility not that of the Panamanian government.
3. Respect the 2023 Supreme Court decision and the national laws of Panama, including the mining moratorium. The Panamanian government has decided that mining is not in

its country's best interests and has adopted protective measures to reflect that. FQM must respect these decisions and uphold the law.

4. Implement and fund an environmental remediation plan as part of the mine closure process to ensure that the biodiverse region where the mine is located and nearby communities are not left with a degraded environment.
5. Allow the environmental sanctioning process to move forward, and commit to only submitting an appeal if you have evidence that an environmental infraction did not occur.

Panamanians have clearly expressed that the Cobre Panama mine does not align with their vision for their country and economy. It is time for FQM to respect the decision by the Supreme Court, the national mining moratorium, and the demands for closure of nearby communities and civil society. As international organizations, we join the call of Panamanians for a safe closure and for the ISDS lawsuit to be dropped.

Additional Resources on Safe Mine Closure

- [Safety First](#): Guidelines for Responsible Mine Tailings Management
- [Closure and Responsible Exit](#): A requirement for environmental and climate justice in Latin America. Full report available in [Spanish](#).

Signatories,

ARGENTINA

1. ATTAC Argentina
2. Espacio Cultural y Biblioteca Popular La Escuelita

BELGIUM

3. University of Liege

BOLIVIA

4. Terra Justa

CANADA

5. Americas Policy Group (APG)
6. Action citoyenne pour la justice fiscale, sociale et écologique - Attac Québec
7. Canadian Centre for Policy Alternatives (CCPA)
8. Canadian Network on Corporate Accountability (CNCA)
9. Common Frontiers
10. Climate Action Network Canada (CAN-Rac)
11. Comité pour les droits humains en Amérique latine (CDHAL)
12. Friends of the Earth Canada
13. Le Groupe de Recherche Interdisciplinaire sur les Territoires d'Extractivisme (GRITE)
14. Mining Injustice Solidarity Network
15. Mining Justice Alliance
16. Mining Watch Canada
17. Le Lagopède

18. Le Journal des Alternatives
19. Observatoire violence, criminalisation et démocratie
20. Réseau international pour l'innovation sociale et écologique
21. Rights Action
22. Simcoe County Honduras Rights Monitor
23. Victoria Central America Support Committee

CHILE

24. Fundación Terram
25. Observatorio Latinoamericano de Conflictos Ambientales (OLCA)

COLOMBIA

26. Familias sembradoras de Territorios, Aguas y Autonomías y prácticas de autocuidado-Comunidades SETAA
27. Comité para la Defensa del Agua y del Páramo de Santurbán
28. HUMAN CONET
29. Movimiento Social en Defensa de los Ríos Sogamoso y Chucuri - Movimiento Ríos Vivos

COSTA RICA

30. Sindicato de Salud y Seguridad Social
31. PRT
32. Seccional del SITUN Escuela de Planificación Universidad Nacional de Costa Rica

ECUADOR

33. Acción Ecológica
34. Colectivo Ecologista Yasunidos Guapondelig
35. Pueblo Kichwa Karanki
36. Instituto de Estudios Ecologistas del Tercer Mundo (IEETM)
37. Clínica Ambiental
38. Territorio Indígena de los Pueblos y Nacionalidades de la Unión de Organizaciones Indígenas de Cotopaxi Residentes en Quito-Ecuador (UNORIC R.Q.E)

DOMINICAN REPUBLIC

39. Comité por la Unidad y los Derechos de la Mujer (CUDEM)

GERMANY

40. PowerShift e.V.
41. Rettet den Regenwald

GUATEMALA

42. Consejo de autoridades ancestrales
43. Consejo de Pueblos Maya CPO
44. Frente Norte del Área Metropolitana -FRENAM-, San Pedro Ayampuc

LATIN AMERICA

45. Asociación Interamericana para la Defensa del Ambiente (AIDA)

MEXICO

46. Coordinadora de Pueblos del Oriente del Estado de México
47. Otros Mundos Chiapas
48. Perspectivas Interdisciplinarias en Red, asociación civil
49. WITNESS

NETHERLANDS

50. Transnational Institute (TNI)

PANAMA

51. Adopta Bosque

52. Asociación Biológica de Panamá

53. Alianza de Mujeres de Panamá

54. Asociación Espacio Encuentro de Mujeres

55. Asociación de profesores de Panamá (Asopro)

56. Centro de Capacitación Social de Panamá

57. Centro de Incidencia Ambiental (CIAM)

58. Colibrí Asociación Ecológica de Panamá

59. Coalición Internacional de Mujeres y Familias (Cimuf)

60. Colectivo YA ES YA

61. Colectivo Voces Ecológicas (COVEC)

62. Colegio de Biólogos de Panamá

63. Comité Despierta Donoso y Omar Torrijos

64. Comité Pro rescate de La Barqueta

65. Congreso General Ngäbe-Buglé, Comisión de Asuntos Legales

66. Congreso General de Wargandi

67. Coordinadora Campesina por la Tierra-Donoso

68. Fundación Naturaleza Panamá

69. Fundación para el Desarrollo Integral, Comunitario y Conservación de los Ecosistemas en Panamá (FUNDICCEP)

70. Fundación Rescate de Alimentos

71. Epica Fundación

72. Espacio Encuentro de Mujeres

73. Fundación Pro Eco Azuero

74. Instituto de la Mujer UP

75. Mesa Técnica UICN

76. Movimiento Campesino Munä

77. Misioneros Claretianos de Panamá

78. Movimiento Democrático Popular

79. Movimiento Juventud Kuna

80. Movimiento Otro Camino (MOCA)

81. Movimiento Panamá Vale Más Sin Minería

82. Movimiento Vigilia Nueva Soberanía

83. Mujeres campesinas de Boca de tulu

84. Proyecto Primates Panamá

85. Red contra la VDYS de Veraguas

86. SOMI Santuario Nacional

87. Smithsonian Tropical Research Institute of Panama

88. Sal de las Redes

89. Unión Nacional de Mujeres Panameñas (UNAMUP)

PERU

90. Cinecolibri

SPAIN

91. Asociación Cultural Potamolls

92. Garaldea Ecofeminista

93. Salva la Selva

UNITED STATES

94. Batani Foundation

95. Center for International Environmental Law (CIEL)

96. Earthworks

97. Institute for Policy Studies - Global Economy Program

98. Malach Consulting

99. Poets, Artists, Mothers

100. Sisters of Mercy of the Americas Justice Team

101. Western Shoshone Defense Project