

# Frontier Forward

## Second Edition

February 2014



Welcome to the second edition of Frontier Forward, a newsletter designed to keep you informed on the latest news about Teck's Frontier oil sands project and our Energy business unit. Editions of Frontier Forward are available online at [www.teck.com](http://www.teck.com)

### About Teck

We are Canada's largest diversified resource company, focused on providing products—copper, steelmaking coal, zinc, and energy—that are critical to building a better quality of life for people around the world. Our head office is in Vancouver, British Columbia, and our Energy business unit is based in Calgary, Alberta.

In 2013 we were named to the Dow Jones Sustainability World Index (DJSI) for the fourth straight year, confirming that our sustainability practices rank in the top 10% of the world's 2,500 largest public companies. In January 2014, we were named for the second year in a row to the Global 100 most sustainable corporations list.

We are a proud member of Canada's Oil Sands Innovation Alliance (COSIA); an alliance of oil sands producers focused on accelerating the pace of environmental performance in the oil sands in four Environmental

Priority Areas—tailings, water, land and greenhouse gases.

### Our Energy Business

Our energy business includes a 20% interest in the Fort Hills oil sands project and 100% ownership of the Frontier oil sands project. Both of these properties are located in the Athabasca oil sands region of Alberta, Canada. We also have a 30% interest in the Wintering Hills Wind Power Facility near Drumheller, Alberta.



Our Wintering Hills Wind Power Facility near Drumheller, AB

# Teck

## Fort Hills Update

On October 30, 2013, the Fort Hills partners—Suncor, Teck and Total E&P Canada—announced they were proceeding with the construction of Fort Hills.

### Quick Facts:

- Suncor is the project operator
- Located 90 kilometres north of Fort McMurray
- Over 50-year mine life
- Approximately 5,400 construction jobs
- First oil as early as Q4 2017
- Significant opportunity for Aboriginal businesses and employment

For more information, please visit [www.forthills.com](http://www.forthills.com)

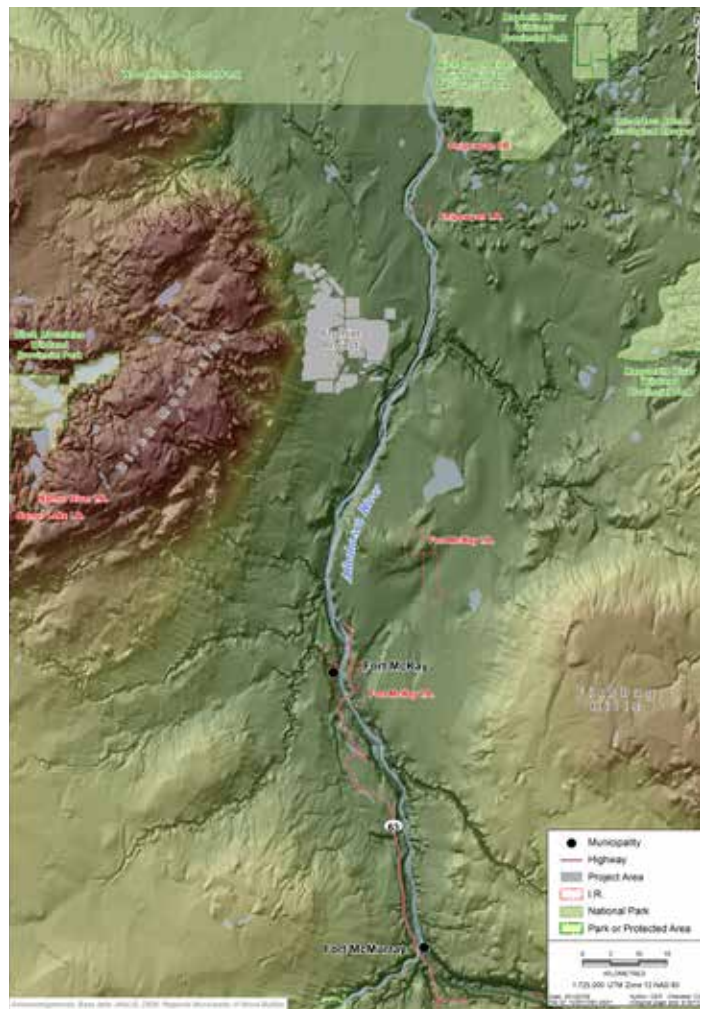


## Frontier Oil Sands Project

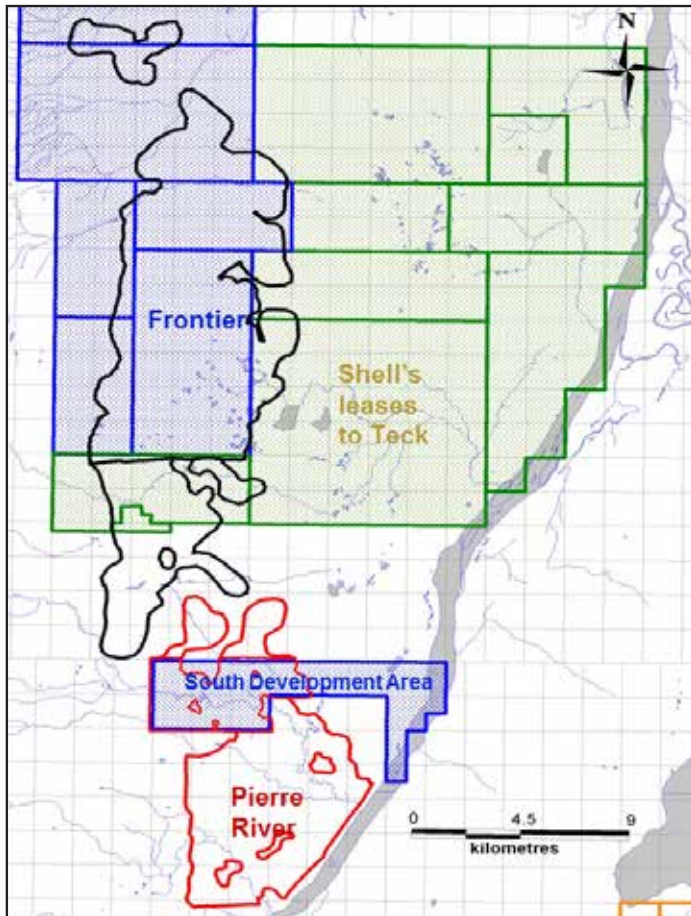
The Frontier oil sands project is a proposed truck-and-shovel mine located about 100 kilometres north of Fort McMurray, and 110 kilometres south of Fort Chipewyan, in the Regional Municipality of Wood Buffalo (RMWB). The project application was submitted to regulators in November 2011 and is currently moving through a joint federal/provincial review. It has been designed for up to three production lines with a total capacity of approximately 277,000 barrels per day of bitumen. For additional information on the project, please visit [www.teck.com/frontier](http://www.teck.com/frontier).

The Frontier project will make use of best practices for sustainable and responsible development, including the latest technology for tailings treatment, seepage control, off-stream water storage capacity allowing water withdrawal from the Athabasca River to be stopped during low-flow periods, and a plan for full reclamation of the project site.

In June 2013, we announced the exchange of certain oil sands leases relating to the Frontier project with Shell Canada Energy (Shell). The leases we acquired are generally situated east of the Frontier project area and form a continuous series with our existing Frontier leases. The area formerly known as the Frontier Project South Development Area now belongs to Shell.







## Benefits of Lease Exchange

- Reduced project footprint
- Fewer haul trucks and less distance for trucks to travel (reduced air emissions)
- Improved environmental performance, based on emissions from haul truck operations, reduction in long-term impacts to the landscape, streamlined tailings management, etc.
- Agreement with Shell to explore regional infrastructure sharing
- Increased efficiency of ore recovery

## Teck Academic Foundations Entrance Awards at Keyano College

We are pleased to announce a new \$25,000 scholarship with Keyano College in Fort Chipewyan. The scholarship will help five students per year for the next five years with awards of \$1,000 each. To apply, please visit: <http://www.keyano.ca/CurrentStudents/FinancialAid/AwardsScholarships/BrowseAwards>



Aerial photo of the Frontier Winter Drilling Camp

## Teck 2014 Winter Drilling Program

The purpose of our 2014 Winter Drilling Program, which consists of exploratory drilling of 120 core holes and 193 geotechnical samples, is to further understand, assess and collect:

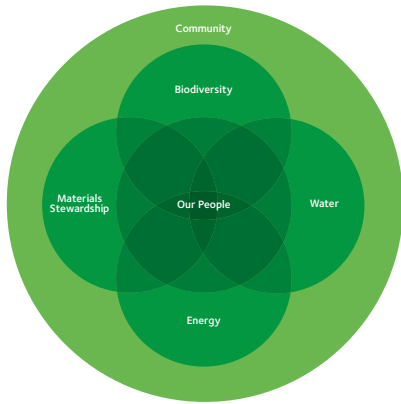
- characteristics of the oil sands deposits
- the geotechnical properties of the land where the project will be located
- additional baseline data to support the development of environmental mitigation measures for the project

The program is located within the Teck leases on the west side of the Athabasca River, east of the Birch Mountains, approximately 100 km north of Fort McMurray and 110 km south of Fort Chipewyan. It is a temporary and limited disturbance and vegetation is re-established in 3–4 years.

We use low-impact construction methods and all roads are constructed by snow packing and watering to freeze a base for traffic, resulting in minimal ground disturbance.



In the event of an emergency on the Fort Chipewyan Winter Road, please contact our Emergency Response team at **403.718.3279**.



## Our Vision for Sustainable Mining

We recognize that our activities have the potential to affect the natural environment and the well-being of nearby communities. We are committed to managing these effects and collaborating with communities so they benefit in a sustainable way. Our sustainability strategy has six focus areas: our people (including health & safety); community; water; biodiversity; energy; and materials stewardship.



### The Frontier Project: Taking Off

Our proposed project is a fly-in/fly-out operation, which will help reduce the use of public infrastructure in the area and minimize Teck's contribution to vehicle traffic on Highway 63.

## Reducing Fuel Consumption at our 2014 Winter Drilling Program

At Teck, we incorporate sustainable practices into our operations and projects. At the camp site for our 2014 winter drilling program, for example, we are testing seven new solar-hybrid light towers to help illuminate the site. These towers use low energy LED lights powered by deep cell batteries charged by a combination of solar panels and a diesel engine. In contrast, conventional light towers run only from a diesel generator and must be manually started and stopped and frequently refueled. Preliminary

tests have shown a 70% reduction in the amount of fuel used by the solar-hybrid towers compared to the conventional towers. The solar-hybrid towers are also quieter to run, require less maintenance and less frequent fueling. Incorporating solar-hybrid light towers is just one way that we are making our 2014 winter drilling program more sustainable.

## Contact Us—We Look Forward to Hearing From You

As we prepare for the Frontier project, we continue to build relationships with communities in the region. We believe it is important that community members are engaged throughout the process about the issues that are important to them. That is why we have put in place feedback mechanisms to ensure you can reach us with any concerns or questions. You can reach us in any one of the following ways:



1.855.222.4154 (Toll Free)



1.403.837.1518



frontier.feedback@teck.com



[www.teck.com/feedback](http://www.teck.com/feedback)



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