

Extractive Sector Transparency Measures Act Report

Reporting Year **From:** 2016-01-01 **To:** 2016-12-31
Reporting Entity Name *Teck Resources Limited*

Reporting Entity ESTMA Identification Number *E452660*

Subsidiary Reporting Entities (if necessary)

Teck Metals Ltd. - E097974
Fording Partnership - E022630
Teck Resources Coal Partnership - E428456
Teck Coal Partnership - E694485
Elkview Mine Limited Partnership - E916164
TCL US Holdings Ltd. - E433973
Teck Highland Valley Copper Partnership - E561040

Attestation: Please check one of the the boxes below and provide the required information

Attestation (by Reporting Entity)

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Attestation (through independent audit)

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest that I engaged an independent auditor to undertake an audit of the ESTMA report for the entity(ies) and reporting year listed above. Such an audit was conducted in accordance with the Technical Reporting Specifications issued by Natural Resources Canada for independent attestation of ESTMA reports.

*The auditor expressed an unmodified opinion, dated **2017-05-29**, on the ESTMA report for the entity(ies) and period listed above.
The independent auditor's report is on **page 7** of the ESTMA report which can be found at:*

<http://www.teck.com/investors/financial-reports/public-filings-archive/public-filings-archive/2016-2017->

Director or Officer of Reporting Entity Full Name:

Ronald A. Millos

Position Title:

**Senior Vice President, Finance and
Chief Financial Officer**

Date: **2017-05-29**

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year
Reporting Entity Name

From: 2016-01-01 To: 2016-12-31
Teck Resources Limited

Reporting Entity ESTMA Identification Number

E452660

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Payments by Payee

Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada	Government of Canada	\$ 2,000,000	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 2,700,000	Payees include recipients: Department Of Environment And Conservation, Department Of Natural Resources, Industry Canada, Receiver General For Canada Note 1
Canada	Government of British Columbia	\$ 128,480,000	\$ -	\$ 4,410,000	\$ -	\$ -	\$ -	\$ -	\$ 132,890,000	Payees include recipients: Ministry Of Energy And Mines, Ministry Of Finance British Columbia
Canada	Government of Alberta	\$ 4,680,000	\$ -	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 4,790,000	Payees include recipients: Alberta Environment And Parks, Government Of Alberta, Minister Of Finance Alberta Note 1
Canada	District of Sparwood	\$ 11,920,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,920,000	Payees include recipients: District Of Sparwood, Elkford, Fernie, Regional District Of East Kootenay
Canada	District of Logan Lake	\$ 3,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,300,000	Payees include recipients: District Of Logan Lake
Canada	District of Tumbler Ridge	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,000	Payees include recipients: The District Of Tumbler Ridge
Canada	City of Kimberley	\$ 210,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,000	Payees include recipients: City Of Kimberley
United States	Government of United States	\$ 104,190,000	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ 104,330,000	Payees include recipients: Department Of Labor & Industries, Internal Revenue Service, Mine Safety And Health Administration, U.S. Department Of Treasury, U.S. Nuclear Regulatory Commission Note 2
United States	State of Alaska	\$ 25,680,000	\$ -	\$ 1,280,000	\$ -	\$ -	\$ -	\$ -	\$ 26,960,000	Payees include recipients: Alaska Department Of Natural Resources, Alaska Department Of Revenue, State Of Alaska Note 1, Note 2
United States	State of Washington	\$ -	\$ 720,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 720,000	Payees include recipients: Washington Department Of Natural Resource Note 2

Payments by Payee

Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
United States	State of California	\$ 620,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 620,000	Payees include recipients: California Franchise Tax Board Note 2
United States	State of Oregon	\$ -	\$ -	\$ 270,000	\$ -	\$ -	\$ -	\$ -	\$ 270,000	Payees include recipients: Bureau Of Land Management - Oregon & Washington Note 2
United States	State of Minnesota	\$ -	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ 170,000	Payees include recipients: Minnesota Department Of Natural Resources Note 2
United States	District of Northwest Artic Borough	\$ 15,060,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,060,000	Payees include recipients: Northwest Arctic Borough, Northwest Arctic Borough School District Note 2
United States	City of Pend Oreille	\$ 380,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 380,000	Payees include recipients: Pend Oreille County Treasurer Note 2
Chile	Government of Chile	\$ 17,100,000	\$ -	\$ 1,210,000	\$ -	\$ -	\$ 4,160,000	\$ -	\$ 22,470,000	Payees include recipients: Corporacion De Capacitacion, Empresa Nacional De Minería, Ministerio De Bienes Nacionales, Tesorería General De La Republica Note 1, Note 2
Chile	Municipality of Las Condes	\$ 1,040,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,040,000	Payees include recipients: Ilustre Municipalidad De Las Condes Note 2
Chile	Municipality of Andacollo	\$ 730,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 730,000	Payees include recipients: Ilustre Municipalidad De Andacollo Note 2
Chile	Municipality of Pica	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 700,000	Payees include recipients: Ilustre Municipalidad De Pica Note 2
Chile	Quechua Indigenous Community of Huatacondo	\$ -	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000	Payees include recipients: Comunidad Indígena Quechua De Huatacondo Note 2
Turkey	Government of Turkey	\$ 830,000	\$ -	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ 1,190,000	Payees include recipients: Competition Authority Agency, General Directorate Of Mining Affairs, Ministry Of Finance - Segmenler Tax Office, Ministry Of Finance - Yegenbey Tax Office Note 2
Turkey	Province of Çanakkale	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000	Payees include recipients: Çanakkale Regional Directorate Of Forestry Note 2

Payments by Payee

Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Peru	Government of Peru	\$ -	\$ -	\$ 230,000	\$ -	\$ -	\$ -	\$ -	\$ 230,000	Payees include recipients: Instituto Geologico Minero y Metalurgico, Ministerio De Agricultura Note 2
Mexico	Government of Mexico	\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ 240,000	Payees include recipients: Federal Bureau Of Economy Note 2
Australia	Government of Australia	\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ 240,000	Payees include recipients: Australian Taxation Office, Department Of Mines And Energy, Department Of Natural Resource And Mines Note 2
Ireland	Government of Ireland	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	Payees include recipients: Commission For Communication Regulation, Companies Registration Office, Department Of Communications, Energy & Natural Resources, Environmental Protection Agency Note 2
TOTAL		\$ 317,060,000	\$ 720,000	\$ 9,710,000	\$ -	\$ -	\$ 4,160,000	\$ -	\$ 331,650,000	

Note 1 Taxes reported above do not include cash tax refunds received during 2016. Below is a summary of cash tax refunds received during 2016 and net tax payments for 2016.

Payee Name	Taxes Reported Above	Cash Tax Refunds Received	Net Tax Payment made in 2016
State of Alaska	\$ 25,680,000	\$ (4,510,000)	\$ 21,170,000
Government of Alberta	\$ 4,680,000	\$ (2,930,000)	\$ 1,750,000
Government of Canada	\$ 2,000,000	\$ (5,770,000)	\$ (3,770,000)
Government of Chile	\$ 17,100,000	\$ (74,350,000)	\$ (57,250,000)
Government of Ontario	\$ -	\$ (2,360,000)	\$ (2,360,000)
State of Indiana	\$ -	\$ (210,000)	\$ (210,000)

Note 2 Payments denominated in a foreign currency is translated the closing spot rate on December 31, 2016. Exchange rates used for translation are as followed:

Currency Symbol	Exchange Rate (per \$1 Canadian Dollar)
ARS	\$ 0.0848
AUD	\$ 0.9681
BRL	\$ 0.4130
CAD	\$ 1.0000
CLP	\$ 0.0020
CNY	\$ 0.1936
EUR	\$ 1.4146
MXN	\$ 0.0648
NAD	\$ 0.0979
PEN	\$ 0.4008
TRY	\$ 0.3813
USD	\$ 1.3443

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year
Reporting Entity Name
Reporting Entity ESTMA
Identification Number

From: 2016-01-01 To: 2016-12-31
Teck Resources Limited

E452660

Teck Metals Ltd. - E097974
Fording Partnership - E022630
Teck Resources Coal Partnership - E428456
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Elkview Mine Limited Partnership - E916164
TCL US Holdings Ltd. - E433973
Teck Highland Valley Copper Partnership - E561040

Subsidiary Reporting Entities (if
necessary)

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Canada	Fording River	\$ 41,890,000	\$ -	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 42,230,000	
Canada	Elkview	\$ 32,920,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 32,940,000	
Canada	Greenhills	\$ 21,610,000	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 21,690,000	
Canada	Coal Mountain	\$ 12,660,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 12,680,000	
Canada	Line Creek	\$ 12,310,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 12,320,000	
Canada	Cardinal River	\$ 4,140,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 4,160,000	
Canada	Quintette	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000	
Canada	Corporate Office - Coal	\$ 12,620,000	\$ -	\$ 2,880,000	\$ -	\$ -	\$ -	\$ -	\$ 15,500,000	Note 3
Canada	Highland Valley Copper	\$ 9,400,000	\$ -	\$ 990,000	\$ -	\$ -	\$ -	\$ -	\$ 10,390,000	
Canada	Frontier	\$ 540,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,040,000	
Canada	Bullmoose	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 280,000	
Canada	Duck Pond	\$ 190,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
Canada	Sullivan	\$ 210,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,000	
Canada	Head Office - Canada	\$ 20,680,000	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 20,980,000	Note 1, Note 2
US	Red Dog	\$ 25,010,000	\$ -	\$ 780,000	\$ -	\$ -	\$ -	\$ -	\$ 25,790,000	Note 1, Note 2
US	Pend Oreille	\$ 380,000	\$ 720,000	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 1,220,000	Note 2
US	Noatak	\$ -	\$ -	\$ 580,000	\$ -	\$ -	\$ -	\$ -	\$ 580,000	Note 2
US	San Antonio	\$ -	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ 170,000	Note 2
US	Mesaba	\$ -	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000	Note 2
US	Corporate Office - US	\$ 101,710,000	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ -	\$ 101,800,000	Note 1, Note 2
Chile	Carmen de Andacollo	\$ 14,400,000	\$ -	\$ 290,000	\$ -	\$ -	\$ 4,160,000	\$ -	\$ 18,850,000	Note 1, Note 2
Chile	Quebrada Blanca	\$ 2,380,000	\$ -	\$ 710,000	\$ -	\$ -	\$ -	\$ -	\$ 3,090,000	Note 1, Note 2
Chile	Corporate Office - Chile	\$ 2,790,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,790,000	Note 2
Chile	Sierra Jardin	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000	Note 2
Chile	Sierra Gorda	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000	Note 2
Chile	Quebrada Blanca Exploration Projects	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	Note 2
Chile	Chile Exploration Properties	\$ -	\$ -	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ 160,000	Note 2, Note 4
Turkey	Halligala	\$ -	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ -	\$ 90,000	Note 2
Turkey	Kavaklitepe	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000	Note 2
Turkey	Turkey Exploration Properties	\$ -	\$ -	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ 340,000	Note 2, Note 5
Turkey	Corporate Office - Turkey	\$ 820,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 850,000	Note 2
Peru	Tinajas	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	Note 2
Peru	Santo Tomas	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	Note 2

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Peru	Peru Exploration Properties	\$ -	\$ -	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ 160,000	Note 2, Note 6
Mexico	Alacran	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	Note 2
Mexico	San Nicolas	\$ -	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ 140,000	Note 2
Australia	Nicholson	\$ -	\$ -	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ 18,000	Note 2
Australia	Reward/Teena	\$ -	\$ -	\$ 52,000	\$ -	\$ -	\$ -	\$ -	\$ 52,000	Note 2
Australia	Yalco	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ 35,000	Note 2
Australia	Australia Exploration Properties	\$ -	\$ -	\$ 135,000	\$ -	\$ -	\$ -	\$ -	\$ 135,000	Note 2, Note 7
Ireland	Ireland Exploration Properties	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	Note 2, Note 8
TOTAL		\$ 317,060,000	\$ 720,000	\$ 9,710,000	\$ -	\$ -	\$ 4,160,000	\$ -	\$ 331,650,000	

Note 1 Taxes reported above do not include cash tax refunds received during 2016. Below is a summary of cash tax refunds received during 2016 and net tax payments for 2016.

Project Name	Taxes Reported Above	Cash Tax Refunds Received	Net Tax Payment made in 2016
Head Office - Canada	\$ 20,680,000	\$ (11,060,000)	\$ 9,620,000
Red Dog	\$ 25,010,000	\$ (4,320,000)	\$ 20,690,000
Corporate Office - US	\$ 101,710,000	\$ (400,000)	\$ 101,310,000
Carmen de Andacollo	\$ 14,400,000	\$ (64,880,000)	\$ (50,480,000)
Quebrada Blanca	\$ 2,380,000	\$ (9,470,000)	\$ (7,090,000)

Note 2 Payments denominated in a foreign currency is translated the closing spot rate on December 31, 2016. Exchange rates used for translation are as followed:

Currency Symbol	Exchange Rate (per \$1 Canadian Dollar)
ARS	\$ 0.0848
AUD	\$ 0.9681
BRL	\$ 0.4130
CAD	\$ 1.0000
CLP	\$ 0.0020
CNY	\$ 0.1936
EUR	\$ 1.4146
MXN	\$ 0.0648
NAD	\$ 0.0979
PEN	\$ 0.4008
TRY	\$ 0.3813
USD	\$ 1.3443

Note 3 Payments made under Corporate Office - Coal are lump sum payments made in relation to Teck's Coal projects including Fording River, Elkview, Greenhills, Coal Mountain, Line Creek, and Cardinal River. As these payments are not attributable to a specific project, they are reported in aggregate under Corporate Office - Coal.

Note 4 Chile Exploration Properties include the following properties in Chile: Fenix, Juan, Cisne and Picacho, Clara, Virna, Turba, Sun, Lenci, Copaqueire.

Note 5 Turkey Exploration Properties include the following properties in Turkey: Demir, K2, Bakirdag, Kestanbol, Azuman, Aladag, Hamamozu, Lapseki, Belen, Anka, Sindirgi, Kizildam, Kilickaya.

Note 6 Peru Exploration Properties include the following properties in Peru: Miocene, Quellopunta.

Note 7 Australia Exploration Properties include the following properties in Australia: Bluebush, Lawn Hill, Kamarga, Carrara.

Note 8 Ireland Exploration Properties include the following property in Ireland: Midlands.

Extractive Sector Transparency Measures Act Report
For the year ended December 31, 2016
(All amounts expressed in Canadian Dollars)



INTRODUCTION

Teck Resources Ltd. and its subsidiaries (collectively “Teck” or “we”) have prepared the following audited consolidated report (“the Report”) of payments made to government entities for the year ended December 31, 2016 as required by the Extractive Sector Transparency Measures Act S.C. 2014, c.39, s.376 (“ESTMA” or “the Act”).

BASIS OF PREPARATION

This report is presented in Canadian Dollars has been prepared in accordance with the requirements of the Act and the Natural Resources Canada (“NRCan”) Technical Reporting Specifications. The following is a summary of judgments and definitions that we have made for the purpose of preparing the report.

Cash and In-kind Payments

Payments are reported on a cash basis and have been reported in the period in which the payment was made. In-kind payments are converted to an equivalent cash value based on cost or, if cost is not determinable, the in-kind payment is reported at the fair market value. The valuation method for in-kind payments, if any, has been disclosed in the notes section of the Report.

Payments to the “same payee” that meet or exceed \$100,000 CAD in one category of payment are disclosed. Payments are rounded to the nearest \$10,000.

Payee

For the purposes of the Act, a payee is:

- a) Any government in Canada or in a foreign state;
- b) A body that is established by two or more governments; or
- c) Any trust, board, commission, corporation or body or other authority that is established to exercise or perform, or that exercises or performs, a power, duty or function of a government for a government referred to in paragraph (a) above or a body referred to in paragraph (b) above.

Payees include governments at any level, including national, regional, state, provincial, local, or municipal levels. Payees may include non-governmental entities if the benefit bestowed would have otherwise been provided by the government. Payees also include any government-owned or government-controlled entities that exercise or perform a power, duty or function of government.

Aboriginal and indigenous groups and organizations may also be regarded as a payee under the Act. The Act has deferred the requirement to report on payments made to Aboriginal governments in Canada, with reporting on these payments commencing on June 1, 2017. The Act does require that payments to foreign Aboriginal governments be reported as January 1, 2016.

The individual department, agency or other body of the payee that received the payment has been disclosed in the notes section of the Report.

Reportable Payments

A reportable payment for ESTMA purposes is one that:

- a) Is made in relation to the commercial development of oil, gas or minerals; and
- b) Totals, as a single or multiple payments, \$100,000 CAD or more in the year in one of the following prescribed seven payment categories.

Taxes

Taxes include corporate income taxes, resources taxes, property taxes, withholding taxes on cross border dividends, and other levied taxes, excluding consumption and personal income taxes. Corporate income and resource taxes are payments to governments based on income, profits or production under legislated income tax rules in relation to the commercial development of oil, gas or minerals. In the Consolidated Statement of Income (Loss), prepared in accordance with International Financial Reporting Standards and included in our Annual Report, corporate income taxes and resource taxes are both presented as income tax. If a refund or credit is received via an offset against reportable taxes paid to the same payee, then that refund or credit is included in taxes paid to reflect the net cash payment to the payee. Refunds received in cash separately are excluded.

Royalties

Royalties paid to governments in relation to the rights to extract oil, gas and mining resources. In the Consolidated Statement of Income (Loss), prepared in accordance with International Financial Reporting Standards and included in our Annual Report, royalties are presented as expenses, not income tax.

Fees

Fees are amounts levied on the initial or ongoing right to use a geographical area for commercial development of oil, gas and minerals. Fees include license fees, permit fees, entry fees, regulatory charges and other payments for license and/or concessions. Amounts paid for goods and services in the ordinary course of commercial transactions are excluded.

Production entitlements

Production entitlements are payee's share of oil, gas or mineral production under a production sharing agreement or similar contractual or legislated arrangement. For the year ended December 31, 2016, there were no reportable production entitlement payments to a payee.

Bonuses

Bonuses are payments to government for signing, discovery, production, and any other type of bonus paid in relation to commercial development of oil, gas, or minerals. For the year ended December 31, 2016, there were no reportable bonus payments to a payee.

Dividends

Dividends are payments to governments with an ownership interest in Teck's subsidiaries, excluding payments to governments that are ordinary shareholders of Teck or its subsidiaries.

Infrastructure improvement payments

Infrastructure improvements are payments for the construction of infrastructure, such as public roads, libraries, and hospital facilities, excluding payments made in circumstances where the infrastructure is expected to be primarily used for operational purposes. For the year ended December 31, 2016, there were no reportable infrastructure improvement payments to a payee.

Payments by Project Level

Payments have been reported at the project level as required by the Act. A “project” means the operational activities are governed by a single contract, license, lease, concession or similar legal agreement that forms the basis for a payment liability with a payee. If multiple such agreements are substantially interconnected, they would be considered a single project. “Substantially interconnected” means forming a set of operationally and geographically integrated contracts, licenses, leases or concessions or related agreements with substantially similar terms that are signed with a government and give rise to payment liabilities.

We have determined that the operational activities governed by surface or mineral lease contracts related to key operational areas are substantially interconnected and has reported payments related to each such area as a single project. We have considered geographical location and common infrastructure as two key indicators for making this determination.

Payments presented on a by project basis represents payments made by an entity when specifically attributable to a project. Payments that are not specifically attributable to projects are presented as ‘Corporate Head Office’. There are instances where two or more projects report and make payments under one tax entity, and the tax payment may not be attributable to a specific project. As permitted under the ESTMA Technical Reporting Specifications, when a payment is not attributable to a specific project, it may be reported without disaggregation by project and by reporting only at the payee disclosure level.

Commercial Development

The Act defines ‘commercial development of oil, gas or minerals’ as:

- a) The exploration or extraction of oil, gas or minerals;
- b) The acquisition or holding of a permit, license, lease or any other authorization to carry out any of the activities referred to in paragraph (a); or
- c) Any other prescribed activities in relation to oil, gas or minerals.

Payments made to payees relating to the commercial development of oil, gas or minerals (“commercial development”) are disclosed in this Report. The Report excludes payments that are not related to commercial development activities. Commercial development does not include ancillary and preparatory activities such as construction of an extraction site. Commercial development also excludes post-extraction activities such as marketing, distribution, transportation, refining, smelting or processing of minerals once they have left the mine gate.

Significant Judgements

The preparation of the Report in accordance with the Act requires the use of judgements and assumptions.

Joint control and attribution

The Act requires the reporting of payments made by entities that are controlled by the Reporting Entity. This report includes only those payments made by entities controlled by Teck, directly or indirectly as assessed under International Financial Reporting Standards. Payments made by joint arrangements which we do not control are not included in the Report.

Accordingly, payments made by joint arrangements in which we have an interest, including Compania Minera Antamina S.A., Fort Hills Energy Limited Partnership, Galore Creek Partnership, and NuevaUnión SpA have been excluded from the Report.

Government Payee

Any payments to a payee that is not a payee under the Act are not reported. We have determined that Alaska Native Corporations (“ANC”) created under the Alaska Native Claims Settlement Act are not considered a government payee based on the criteria in the Act. ANCs are for-profit corporations with shareholders of shared Indigenous heritage. ANCs do not assume any regulatory, licensing, or taxing roles which would grant them the power, duty or function of a government. ANCs are also not federally or state recognized tribes by the United States Bureau of Indian Affairs. As such, payments made to ANCs, including NANA Regional Corporation have been excluded from the Report.

Corporate Social Responsibility (“CSR”) Payments

The ESTMA Report only includes CSR payments that we are obligated to make to a payee, or to another party under the direction of a payee, relating to the commercial development of oil, gas or minerals.



May 29, 2017

Independent Auditor's Report

To those charged with ESTMA governance at Teck Resources Limited

We have audited the accompanying Extractive Sector Transparency Measures Act – Annual Report of Teck Resources Limited (“Teck”) which comprise the schedules of payments by payee and payments by project for the year ended December 31, 2016, and the related notes, which comprise a summary of judgements and definitions (the “ESTMA Report”). The ESTMA Report has been prepared by management using the basis of accounting described in the notes, which is in accordance with the Extractive Sector Transparency Measures Act S.C. 2014, c.39, s 376 (the “Act”).

Management's responsibility for the ESTMA Report

Management is responsible for the preparation of the ESTMA Report in accordance with the basis of accounting described in the notes, and for such internal control as management determines is necessary to enable the preparation of an ESTMA Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the ESTMA Report based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the ESTMA Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the ESTMA Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the ESTMA Report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the ESTMA Report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the ESTMA Report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*PricewaterhouseCoopers LLP
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T: +1 604 806 7000, F: +1 604 806 7806, www.pwc.com/ca*

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Opinion

In our opinion, the Extractive Sector Transparency Measures Act – Annual Report of Teck for the year ended December 31, 2016 is prepared, in all material respects, in accordance with the basis of accounting described in the notes.

Basis of accounting

Without modifying our opinion, we draw attention to the notes to the ESTMA Report, which describes the basis of accounting. The ESTMA Report is prepared to assist Teck to comply with the reporting requirements of the Act. As a result, the ESTMA Report may not be suitable for another purpose.

PricewaterhouseCoopers LLP

Chartered Professional Accountants