Red Dog - Suvisi

2010, Q4

FROM THE

General Manager

Mike Bonneau



As I look back at last year and forward to next year, I feel satisfied and optimistic.

Satisfaction for what we accomplished in 2010. The initiation of

Aqqaluk's mining was a huge hurdle that we cleared.

In addition, it was an extremely busy year for projects. We completed the back dam's trenching, finished the new tailings pumping system and got started on the ISA mill foundations.

We met our production goals and kept costs near target (slightly above due to the accelerated mining of Aqqaluk – a good thing).

Our safety performance continued to improve. The incident frequency for all Red Dog employees (including contractors) was 1.8 - tied for our lowest year on record. Although we had four lost time incidents their severity was minor.

My optimism comes from knowing what we can do. Sure, the challenges will be there. The construction of the ISA mill, Aqqaluk stripping, a big diamond drill program and a number of other projects will fill our plate.

Our production goals are comparable to last year. We will further improve our safety performance to ensure everyone going home safe and healthy every day.

We will continue to grow in the area of community and social responsibility. Employee health and well-being are also at the top of our list. Nevertheless, my optimism prevails for I know the Red Dog team will turn these challenges into another successful year.

Red Dog Firefighters Share Skills

Fritz Westlake

Red Dog's Fire Department and Community Relations have teamed up to work with the Northwest Arctic Borough (NAB) to train local firefighters in the eleven surrounding communities. "This is an opportunity for Teck and Red Dog to provide a valuable service to our surrounding communities; one that may save lives", says Jim Kulas, Manager Environmental & Public Affairs.

Fire Chief Bob Chandler (Loss Control), Lieutenant



Red Dog Firefighter Lucille Wright handing out workbooks to Kobuk students.

Travis Anderson (Mill Operations) firefighters Billy Lee (Building Maintenance), Lucille Wright (Administration), and Fritz Westlake (Community Relations) are working closely with NAB's Regional Fire Chief Hiram Walker to deliver training on how to operate their Code Red system (fire fighting foam). In addition, they are visiting elementary schools to teach children "stop, drop and roll" and home evacuation.

Lucille Wright recognized the opportunity and submitted a proposal to management for this outreach. "We've become a well-oiled firefighter training machine and have skills and knowledge to share with our region. It's been especially rewarding to work with the elementary school students", said Lucille.

Chief Chandler is passionate about building confidence in each volunteer firefighter

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Future Tradesmen

Bob Chesham

One of the many aspects that we are very proud of at our operation is the development of our future tradesmen. This is done through the apprenticeship program.

We recognize that to stay ahead in a competitive global market place requires highly skilled and motivated trade's people. One area gaining popularity is cross-training within the various trade groups. The intention is to give individuals exposure to the other trades and ultimately further

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Pete Lambert, Heavy Equipment Mechanic, working with electrical apprentices Sigwien Riley and Thomas Bernhardt.

Turnover

Robert Sheldon

Mmmm. The best turnovers I know are delicious apple, blueberry, cherry and blackberry. They are made right here at Red Dog by NANA Management Services. But let's look at the word in a different context. The term 'turnover' to an employer can be good or not so good. This usually depends on whether it is "low" or "high" turnover. Low is good and high is costly.

Does a company retain most of its employees, or do a large number of employees regularly leave the company? When a company such as ours has a high rate of turnover, it literally ends up costing thousands and even millions of dollars. Factors that lower or increase turnover are remoteness, rotation schedules, moral, training and development, mentoring, and leadership to name a few. Wages and benefits are most often at the bottom of the list of why people leave their jobs.

While mining and industry have existed for many generations, the Northwest Arctic has much to learn and develop in this cultural adaptation.

Quite honestly, we do not have to dig very deep to see that part of turnover is a result of a number of employees who have simply not returned to work. Frankly, we must strive to make positive and good changes not only here at the mine but also at home with families and communities. Easier said than done, however, everyone can make a difference if we are willing to encourage rather than discourage, build up rather than tear down, teach rather than preach, intervene rather than ignore, and so forth.

The manpower roster at the end of 2010 was 568 employees between Teck, NMS and NANA Lynden. It has taken every single one of us in our respective roles to do our part that somehow translates to 1.3 million tons of zinc and lead concentrate bound for countries around the world annually.

If all 568 of us decided that we are willing to put a few ounces of effort toward helping or developing a struggling employee on or off-site, I am quite positive that at the end of 2011 we will see a marked difference in turnover. While we immensely enjoy all those tasty treats from Red Dog's own bakery, maybe you'll agree with me that the very, very best turnover is...no turnover.



Della Booth, Human Resources Administrative Assistant.

CONGRATULATIONS!

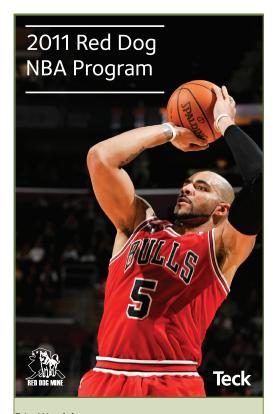


Back row: Scott Rouwhorst, Sigwien Riley, Casey Strzelewicz, William Lewis. Front row: Joe Cook, Brandon McMillan, Guy Ambrosio, Eric Eckard

On November 4, the Electrical and Instrumentation Department completed 11 years without a Lost Time Incident (LTI).

Fourteen individuals, many of them new to the crew, have been able to achieve this milestone while working with high-voltage equipment.

Supervisor Dan Smith is happy to be part of this accomplishment and recognizes the contribution of the entire crew including some individuals who have left our employment. He attributes their success to communication, particularly pre-shift meetings where they discuss and plan how to do the job safely.



Fritz Westlake

The 2011 Red Dog National Basketball Association (NBA) program is a student incentive program that uses the NBA as a reward for outstanding performance in school and the community.

Teck will sponsor one student athlete from each of the eleven villages to travel to Portland, Oregon to watch an NBA game and visit several colleges and universities in late March. The students will also have an opportunity to visit a NANA owned company and tour the Oregon coast.

In the second phase, the group will travel to Juneau, Alaska to attend the Carlos Boozer basketball camp in the fall.

One of the most important aspects of the program is to create a platform for students to engage in local village community service. This falls in line with the program's vision which is to help develop productive and responsible citizens through athletics, education, and community service.

Culture of Safety

Sean Forrester

Something has been happening around here. Have you noticed anything different? Can't put your finger on it?

It's the "Safety Culture and Attitude" of our Red Dog family.

Red Dog people are stepping up to the plate and improving our culture of safety. We are reporting incidents (no matter how minor), stopping fellow workers from doing unsafe acts, and taking the time to do proper risk assessments.

Our vision of "Everyone Going Home Safe and Healthy Every Day" is absolutely worth making an extra effort to achieve our goal. Whether it's a class with increased interaction or enthusiasm, people taking the appropriate steps to minimize and manage their work hazards, or individuals asking for help from others - it all makes a noticeable difference.

One measure of success comes from outside companies that come to Red Dog and receive safety training or observe workers demonstrating safe working practices. They ask how and what we're doing to get this culture shift. Most obvious are the tools, resources and manpower that we have put in place to help cultivate, nurture and sustain this culture.

A contractor who had not been to Red Dog in 5 years commented on how he was impressed by the change in attitude and culture that now exists at Red Dog, one where safety starts with the individual. This is the culture that is thriving at Red Dog. Teck is a company that invests time and effort in developing a safety culture that encourages and empowers employees to speak up. It's no surprise that people enjoy working at Red Dog.

We are a 24 hour operation. We work in a unique and remote environment. We have family members working side by side: husbands and wives, fathers and sons, mothers and daughters. We all have loved ones waiting for us at home. We owe it to our families and friends here at Red Dog, to those who wait for us at home, and to

our coworkers, to do the right thing. As we move forward into 2011, let's continue to build upon the foundation that we have in place by never becoming complacent but always continuing to improve!



Alta Horst, Heavy Equipment Operator and the Mine Department's Occupational Health & Safety representative on a 992 Loader.

Firefighters

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and supporting their leadership role in the village. Lt. Anderson has a training certification for Code Red systems and is the President of the Red Dog chapter of the Alaska State Firefighters Association. Billy Lee brings years of experience in regional firefighting and safety training. Regional Chief Walker ensures that the village fire departments are supplied, trained, and staffed.

Training took place before the end of the year in the communities of Kobuk, Shungnak, Deering and Selawik and will be done in the other villages in 2011.

A special thank you goes out to the village Fire Chiefs and their volunteers for their service to their communities. This team effort by the Borough, Teck Alaska-Red Dog Mine, and each village is proving to be positive, worthwhile experience for all.

Left: Lt. Anderson gearing up a Selawik student. Top: Selawik students paying close attention to Red Dog Firefighter trainers. Bottom: Eddie Gooden of Kobuk and Chief Chandler setting up for training activity.





Teck Excellence Awards

Tom Krolak

Teck Excellence Awards recognizes the outstanding achievements, leadership and innovations of Teck employees company wide.

They honor employees who make an exceptional contribution to the company and their community, who embody the Teck values, and who demonstrate a commitment to sustainability. The Excellence Awards provide an opportunity to share ideas and achievements across the company.

In addition to local recognition consisting of a framed certificate signed by Teck CEO Don Lindsay and a miner's lamp engraved with the recipient's name, all nominations were considered for one of 30 Corporate Excellence Awards which included an opportunity to enjoy a trip to the Shanghai 2010 World Expo in October.



L to R: Ted Zigarlick, Frankie Jones, Jr., Joe Neumann, Chuck Hingsbergen, Gerry Atha, Lorraine Ambrosio, Sherrell Jackson and Mike Bonneau.

Unsung Hero category:

Jim Kulas, nominated by Bertha Adams, for work in obtaining permits necessary to mine the Aqqaluk Deposit.

Lorraine Ambrosio, nominated by Jim Somers for helping to improve employee life at Red Dog as the Red Dog Champion, member of the Recreation Committee, the Library Committee, and as a Database Administrator in the workplace.

Zachary Pickett, nominated by Kevin Lackey for his work as a relief supervisor and maintaining a productive, safe and orderly laboratory.

Sherrell Jackson, nominated by Kevin Lackey for her enthusiastic support of the 5S laboratory enhancement program and multiple recommendations for improvements and her assistance in their implementation.



Back Row L to R: Mike Bonneau, Curtiss Ehrsam, Kerry Walker, Ken Ahrens, Shaun Herron. Front L to R: Zachary Pickett, Tom Farr, Jim Kulas, Verna Westlake, John Egan and Ted Zigarlick.

Innovation and Productivity category:

Chuck Hingsbergen, Saul Arevalo and Gerry Atha for their work to improve the overall maintenance reliability of the filter presses. They were nominated by Mark Witzel.

John Egan, Curtiss Ehrsam, Ken Ahrens, Tom Farr, Shaun Herron, Frankie Jones Jr., Joseph Neumann, Kerry Walker and Verna Westlake for their work on the Building Excellence at Red Dog (BEAR) team. Nominated by Shehzad Bharmal, Director of Business Improvement at the Teck Corporate office in Vancouver, the BEAR team was also recognized as a Corporate Excellence Award recipient.

Tradesmen

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their appreciation for each other's skills.

At Red Dog, we currently offer apprenticeships for heavy duty mechanics, millwrights and electrical and instrumentation technicians. To complete the program, our apprentices log approximately 8,000 to 10,000 hours of on the job training and over 500 hours of class time. It takes an average of four years of steady work and commitment to graduate and receive a U.S. Department of Labor Certificate of Apprenticeship.

We are not only proud of the achievement of our apprentices, but of our trainers, supervisors and higher apprentices who mentor and pass on their knowledge and skills.

Polar Bears

John Martinisko



Chukchi Sea polar bear study 2010.

The US Fish and Wildlife Service (USFWS) will continue their polar bear survey again in 2011.

In 2010, they based the entire study out of the Red Dog Port. They have had great success working from our port site and are very happy that we are can accommodate them again this year.

The convenience of working in a catered camp instead of a tent camp allows them to focus on the project and not worry about other logistics.

The team has a helicopter to fly them out on the ice. Our Port crew has set up an excellent fueling station and landing zone for the helicopter. They also have a fixed wing aircraft that assists in tracking and delivers fuel out on the ice to extend their range.

The USFWS crew will be at the port from March 12 to April 30. They are very knowledgeable about polar bears and willing to share information with anyone that is interested. They encourage Red Dog people to visit with them. At the end of the project they will put on a presentation for interested Red Dog employees.

Our thanks to Kie Curtiss, Port Operations Coordinator and the rest of the port employees that help to make this worthwhile project a success.

Making the Grade

Tim Jones

We blast rocks and haul them to feed the mill. Pretty simple right? Well, not so fast.

Red Dog employees must work in concert to build a good stockpile of ore to feed the mill. A good stockpile is a consistent blend of expected minerals. So how do we deliver this? It starts with knowing exactly what is in the rocks.

Initially, our assay information is based upon the old exploration drill holes which are located too far apart for the detail we now require. We gain new information from the much closer spaced blast holes we drill every day.

Assayers test every single blast hole that we drill and there can be well over a hundred in one blast. Drillers collect samples of all holes they drill for the assayers who carefully analyze each hole and pass detailed information to the geologists. They put this into a computer model to locate all the various types of ore.

Armed with the knowledge of exactly what minerals are located in the various shots, the geologist, like a master chef, selects a few thousand tons from here, and a few thousand tons from there and builds a nearly 200,000 ton stockpile. Dig maps can now be created that outline the ore and waste. These maps are used as a guide by geologic technicians (geo techs), to assist heavy equipment operators in identifying the ore or waste rock.

In December, Red Dog's Building Excellence at Red Dog (BEAR) business improvement team was asked to help identify ways to improve accuracy of our stockpile assay process. An Idea Generating Session (IGS) held by the BEAR team brought together drillers, assayers, geo techs, and other stakeholders for a review of the entire process. The IGS process lead to actions enabling Red Dog people to work together as a team to continually build quality stockpiles of ore that 'Make the Grade'.







Top Left: Todd Hjelm, Driller; Right: Leela Mitchell, Assayer. Bottom: Sonya Adams, Geo Technician.

CONGRATULATIONS!



L to R Back: Surface Crew members Russ Hanna, Tim Gray, Robert McCue, AJ Reich, Eli Mitchell, Jeff Matney; Front: Doug Chace and Clyde Pullock

On December 5 the twenty-two member crew Surface Crew achieved 4 years without an LTI. Using heavy equipment, they look after road maintenance, air transportation and the delivery of bulk items (including hazardous chemicals) around the site.

Supervisor Mike Schierman believes that empowerment has been the key to their success. He says, "the crew has pride of ownership when it comes to everything they do and that they look out for each other". The crew is now focusing on eliminating smaller incidents as well.

Only at Red Dog, You Say

Jim Somers

Anthony Rue, Materials Management floorperson, recently found a wallet at Red Dog that belonged to a Brian Kelly.

Unfortunately, no one at Red Dog recognized this fellow from his Minnesota driver's license. Not Mike Schierman, or Larry Hanna in the Mine Department or Robert Sheldon or Nel Beecroft in Human Resources. Nel checked past guest and contractor lists but could not find anyone by that name.

We discovered a hand written note with names and telephone numbers in the wallet. Several calls later, we were able to finally speak with someone who did in fact know Brian Kelly. We said we're calling from the Red Dog Mine in Alaska and had a wallet belonging to Brian Kelly. Their response was that it couldn't be Brian because he had never been to Alaska. They promised to get in touch with Brian and let him know. Within minutes Brian Kelly of Forest Lake, Minnesota called back.

Mr. Kelly asked if we ever had seagoing shipping containers at our mine. I responded "hundreds" and the mystery was solved. Mr. Kelly explained that back in May 2010, he was working on shipping containers in Maple Grove, Minnesota and may have lost his wallet in one of the containers.

Thanks to the honesty of Anthony, the well traveled wallet continued on its journey and was soon back in the hands of its relieved owner.



strategy for winning!



The feather race is off to a billowing start!



Bob Chandler and Davis Shagloak banter before a leg wrestle match: Bob, "if you beat me, I'll give you lots of dirty coveralls to wash". Davis, "if you beat ME, I won't do your laundry!"



Pauline Foxglove attempting to whistle after eating a cracker.



Cliff Shellabarger, Thomas Bernhardt,

Egg race



Guy and Lorraine Ambrosio at the State Fair in Palmer.



Janis Schaeffer, Carrie Walker, Jacqueline Nanouk, Polly and Pete Schaeffer of Nigautchaut immersion school receiving donation from Red Dog's Jim Kulas and Jim Somers.



Jimmy Baldwin, Mark Smith and CEO Don Lindsay viewing the Aggaluk Deposit.



Jennie Outwater, Hannah Loon and Linda Brown at the Red Dog annual update meeting in Kiana.





Allen Hadley and Sikopa Pauomalo



George Stewart, dinner call or just looking good?



Andy Willman, Dennis Sheldon and Wayne Hall at Red Dog Creek talking to visitors.



Ryan Sherman and Shane Capelle

Believe in Yourself

Fritz Westlake



John Baker inspring Buckland students to make their dreams a reality.

Red Dog has partnered with Dog Musher John Baker to provide motivational speaking to our local students in the surrounding villages. Baker's motto is "I dream, I try, I win".

Students immediately engage with our region's top finishing Iditarod musher. Residing in Kotzebue, he is the region's "racing superstar"!

John emphasizes the importance of having a dream, setting goals to pursue what is desired and taking action to make the dream a reality.

His story is about staying focused while facing challenges. He encourages young people to "believe in yourself and never, give up".

John is committed to giving back and is always eager to share his life experiences, especially with the youth who live in Alaska's remote villages.



Football Fans Help Youth in Their Community

Peggy Spindler



Tom and Peggy Spindler with their son Adrian at Ouest Field in Seattle.

In 2006, my husband Tom Spindler and I along with Bob and Stella Davey and others started the Mat-Su Sea Hawkers Booster Club.

As a 501(c)3 nonprofit entity, our primary mission is to support Mat-Su youth sports and activities. We recognized there were youth in our community that wanted to participate in sports, but lacked the financial funds or needed a hand with obtaining necessary equipment.

Our fund raising efforts include raffle drawings, raising membership fees, and a silent and live auction hosted by Seattle Seahawks players. In the summer of 2010, our hosts were Cameran Morrah, tight-end, Mike Haas, wide-receiver, Vice President, Mike Flood and former fullback Mack Strong and his wife Zoe.

No youth should miss out on playing sports, simply because a need went unnoticed. Annual charity activities include sponsoring the Mat-Su Youth Football Association, assisting with the local try-outs for the National Football League's Punt Pass and Kick, donating to Night Courts at the AT&T Sports Center, as well as offering small individual grants, and scholarships for local youth athletes.

During the off-season, Sea Hawkers remain busy supporting community activities such as Valley Clean-Up Days and the American Cancer Society: Mat-Su Relay for Life. To date, the Mat-Su Sea Hawkers have raised over \$30,000 and have made significant community contributions.

The Mat-Su Sea Hawkers have done so well that Tom, as the organization's president, was recognized as "Sea Hawker of the Year". This is the first time an Alaskan was selected for this annual award, which recognizes one booster member out of the 24 Chapters of the Sea Hawkers Booster Club from around the country and US Military and in the UK, for

outstanding support and involvement in their local community.

Our work is ongoing as we partner with our local organizations for grant funds for our next big project, a feasibility study for an in-door multi-use sports facility planned for the valley.

Peggy Spindler is Red Dog's Human Resources Coordinator; Bob Davey works in Building Maintenance.

In August, 2010,

Red Dog's
employment peaked
at **802** employees
(including
temporary
contractors).

FROM THE MANAGING EDITOR Verna Westlake



"The Red Dog-Suvisi is the warmest industry newsletter I've ever read."

Hearing those words from one of our readers, I knew we were on the right track to achieving our goal of telling the Red Dog story.

Red Dog is a close-knit community of workers, friends and family. We have as many great stories to share as we do people and processes. Many of these stories also include the people we touch beyond the mine.

It has been a privilege to work with our Red Dog people to produce and publish the *Red Dog - Suvisi*. Without you, there is no story. Thank you for your contributions and support. I look forward to the 2011 stories!

Let's Win

Jim Somers

The New Year is a time of best wishes and resolutions concerning family, friends and ourselves.

Red Dog is starting the New Year with a brand new wellness program with Wellness Initiatives Network for Alaska (WIN Alaska) to provide awareness, education and behavior change opportunities aimed at improving our overall health.

In February a WIN Alaska wellness coach will start a one week on and one week off rotation. The coach will work with

us on the top four interest areas from our 2010 Wellness Survey – weight control, diet and nutrition, high blood pressure and physical activity.

This program will be further supported by a customized website, a monthly eNewsletter, a personal wellness profile, organized fitness events, Individual Health Plans and many more amenities to encourage your participation.

We are all responsible for a healthy lifestyle. Let's make 2011 the year we choose to invest in ourselves. Wellness is the prescription we need for health, happiness, and success.

Our wellness program is aligned with our vision of "Everyone going home safe and healthy everyday".



Some creative concepts were considered during the initial design



phases of Red Dog. Most were related to the haulage and shipping of concentrate.

Serious consideration was given to building a railroad between the mine and port. More far-fetched was a concept to use dirigibles (airships) to take the concentrate from the mine to offshore ships.

One idea for the port was to build an island offshore connected with a tunnel. Another, carried that through until the final design, was to sink an oil tanker offshore and use it as a dock.

The lightering barges would enter the ship through a hole in its bow and this "dock" would then be used to transfer the material to the freighters.



Suvisi (Sü-vĭ-see) in the

Inupiaq language means:

"what are you people doing?"

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