Overview and Strategy

April 3, 2019

Don Lindsay, President and Chief Executive Officer

Caution Regarding Forward-Looking Statements

Both these slides and the accompanying oral presentations contain certain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) and comparable legislation in other provinces (collectively referred to herein as forward-looking statements). Forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variation of such words and phrases or state that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Teck to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements include statements relating to: management’s expectations with respect to the quality of Teck’s assets, production, demand and outlook regarding coal, copper, zinc and energy and for Teck and global markets generally, Teck’s strong financial position and position as a sustainability leader, future value catalysts, including Teck’s intention or ability to return cash to shareholders, Teck’s capital priorities and objectives of its capital allocation framework, including with respect to its dividend policy, share buybacks, and maintenance of investment grade metrics, maintenance of discipline and investing in value-enhancing projects, reduction of outstanding debt, creation of value through Project Satellite, expectations that the projects discussed in this presentation or other efforts will result in shareholder value or growth, statements regarding our 2019 priorities and expectation that we will achieve those priorities, the anticipated benefits of our focus on innovation, creation of future value from the QB2 project and related potential life extension and enhancement projects thereafter such as QB3, the long life and value of our projects and operations, operating cost expectations, steelmaking coal supply and demand relating to India, Southeast Asia, and globally, and steelmaking coal pricing; Fort Hills production estimates, debottlenecking opportunities, potential benefits and capacity increase from debottlenecking opportunities at Fort Hills and costs associated with debottlenecking, projected and targeted operating costs, projected life of mine sustaining capital costs, potential for longer term expansion opportunities at Fort Hills and associated costs, the expectation that Fort Hills will provide free cash flow for decades and a steady and reliable cash flow, energy EBITDA potential, benefits of our marketing and logistics strategy and associated opportunities; Teck’s capital priorities and objectives of its capital allocation framework, including with respect to its dividend policy, share buybacks, and maintenance of investment grade metrics, potential additional return of capital to shareholders following the close of the QB2 transaction, maintenance of discipline and investing in value-enhancing projects, expectations with respect to the QB2 project, including availability of project financing on acceptable terms, the statements that QB2 will be a world class, low cost copper opportunity, timing of first production, long-life and expansion potential, projected IRR, projected copper production, assumptions regarding closing of our partnering transaction relating to QB2, Teck’s share of remaining equity capital and timing of contributions relating to our QB2 project, all projections and expectations regarding QB2 set out in the “QB2 Project Economics Comparison” and “QB2 Reserves and Resources Comparison” appendices (including but not limited to statements and expectations regarding mine life, payback period, net present value, QB2 throughput, timing of first production, amount of production, costs (including C1 and AISC), expected EBITDA from the QB2 project, all economic and financial projections regarding the QB2 project and Teck’s contributions thereto, expansion and extension potential, and all other projections and expectations regarding the QB2, QB3 and QB2 optimization), all guidance including but not limited to production guidance, sales and unit cost guidance, capital expenditures guidance, commodity price leverage, timing expectations, expectations regarding the benefits of our innovation strategy and initiatives, the expectations regarding the number of Class B shares that might be purchased under the normal course issuer bid.

The forward-looking statements involve numerous assumptions, risks and uncertainties and actual results may vary materially. These statements are based on assumptions, including, but not limited to, general business and economic conditions, the supply and demand for, deliveries of, and the level and volatility of prices of, zinc, copper and coal and other primary metals and minerals as well as oil, and related products, the timing of the receipt of regulatory and governmental approvals for our development projects and other operations, our costs of production and production and productivity levels, as well as those of our competitors, power prices, continuing availability of water and power resources for our operations, market competition, the accuracy of our reserve estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based, conditions in financial markets, the future financial performance of the company, our ability to attract and retain skilled staff, our ability to procure equipment and operating supplies, positive results from the studies on our expansion projects, our coal and other product inventories, our ability to secure adequate transportation for our products, our ability to obtain permits for our operations and expansions, our ongoing relations with our employees and business partners and joint venturers, assumptions regarding returns of cash to shareholders include assumptions regarding our future business and prospects, other uses for cash or retaining cash. Reserve and resource life estimates assume the mine life of longest lived resource in the relevant commodity is achieved, assumes production at planned rates and in some cases development of as yet undeveloped projects. Assumptions are also included in the footnotes to various slides.

The forward-looking statements relating to QB2 are also based on assumptions regarding, including, but not limited to, assumptions regarding general business and economic conditions, interest rates, the supply and demand for, inventories and deliveries of, and the level and volatility of prices of steelmaking coal, zinc, copper, blended bitumen and other primary metals and minerals produced by Teck, as well as steel, oil, natural gas and petroleum and related products, the timing of the receipt of regulatory and governmental approvals for our development projects and other operations, our costs of production and production and productivity levels, as well as those of our competitors, power prices, continuing availability of water and power resources for our operations, market competition, the accuracy of our mineral and oil and gas reserve and resource estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based, conditions in financial markets, the future financial performance of the company, our ability to attract and retain skilled staff, our ability to procure equipment and operating supplies, positive results from the studies on our expansion projects, our coal and other product inventories, our ability to secure adequate transportation for our products, our ability to obtain permits for our operations and expansions, our ongoing relations with our employees and business partners and joint venturers, assumptions regarding returns of cash to shareholders include assumptions regarding our future business and prospects, other uses for cash or retaining cash. Mineral reserve and resource life estimates assume the mine life of longest lived resource in the relevant commodity is achieved, assumes production at planned rates and in some cases development of as yet undeveloped projects. Assumptions are also included in the footnotes to various slides.

The forward-looking statements relating to QB2 are also based on assumptions, including, but not limited to regarding the timing of the receipt of further permits and approvals for the QB2 project, the timing of closing of the Sumitomo transaction, timing and amount of Teck’s equity contributions, that project spending does not increase and contributions are required in accordance with the current project schedule, the unescalated contributions and capital requirements do not include a number of variables that are described in the footnotes to the disclosure and could be greater once those variables are taken into account, the final amount of the US$50 million contingent payment tied to throughput depends on achieving certain throughput targets by December 31, 2025 and is subject to reduction in the event that certain throughput and recovery targets are not achieved, the amount of the contingent payment regarding QB3 depends on a sanction

Caution Regarding Forward-Looking Statements

decision being made by December 31, 2031 and may also be reduced if certain throughput and recovery targets on QB2 are not achieved, the amount of pro forma copper depends on Teck achieving its projected copper production targets for 2021 and QB2 producing as expected, all QB2 mining and economic projections (QB2 mine life, throughput, timing of first production, amount of production, costs (including C1 and AISC), expected EBITDA from the project) depend on the QB2 project coming into production in accordance with the current budget and project schedule, the projected capital intensity figures are based on the same assumptions, all of QB2 economic analysis assume the inferred resources in the sanction case and inferred resources are considered too geologically speculative to be economic.

Management's expectations of mine life are based on the current planned production rates and assume that all mineral and oil and gas reserves and resources described in this presentation are developed. Certain forward-looking statements are based on assumptions disclosed in footnotes to the relevant slides. Our estimated profit and EBITDA and EBITDA sensitivity estimates are based on the commodity price and currency exchange assumptions stated on the relevant slide or footnote. Cost statements are based on assumptions noted in the relevant slide or footnote. Assumptions regarding our potential mineral and oil and gas reserve and resource life assume that all resources are upgraded to reserves and that all mineral and oil and gas reserves and resources could be mined. Statements regarding future production are based on the assumptions regarding project sanctions and mine production. Payment of dividends is in the discretion of the board of directors. Our Elk Valley Water Quality Plan statements are based on assumptions regarding the effectiveness of current technology, and that it will perform as expected. The foregoing list of assumptions is not exhaustive.

Factors that may cause actual results to vary materially include, but are not limited to, changes in commodity and power prices, changes in market demand for our products, changes in interest and currency exchange rates, acts of foreign governments and the outcome of legal proceedings, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications or expectations, cost escalation, unavailability of materials and equipment, government action or delays in the receipt of government approvals, industrial disturbances or other job action, adverse weather conditions and unanticipated events related to health, safety and environmental matters), union labour disputes, political risk, social unrest, failure of customers or counterparties (including but not limited to rail, port and other logistics providers) to perform their contractual obligations, changes in our credit ratings or the financial market in general, unanticipated increases in costs to construct our development projects, difficulty in obtaining permits or securing transportation for our products, inability to address concerns regarding permits of environmental impact assessments, changes in tax benefits or tax rates, resolution of environmental and other proceedings or disputes, and changes or deterioration in general economic conditions. We will not achieve the maximum mine lives of our projects, or be able to mine all mineral reserves at our projects, if we do not obtain relevant permits for our operations. Our Fort Hills project is not controlled by us and construction and production schedules may be adjusted by our partners. NuevaUnión is jointly owned. Unanticipated technology or environmental interactions could affect the effectiveness of our Elk Valley Water Quality Plan strategy.

Statements concerning future production costs or volumes are based on numerous assumptions of management regarding operating matters and on assumptions that [demand for products develops as anticipated, that customers and other counterparties perform their contractual obligations, that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labour disturbances, interruption in transportation or utilities, adverse weather conditions, and that there are no material unanticipated variations in the cost of energy or supplies. Statements regarding anticipated steelmaking coal sales volumes and average steelmaking coal prices depend on timely arrival of vessels and performance of our steelmaking coal-loading facilities, as well as the level of spot pricing sales. Purchases of Class B shares under the normal course issuer bid may be impacted by, amount other things, availability of Class B shares, share price volatility, and availability of funds to purchase shares.

We assume no obligation to update forward-looking statements except as required under securities laws. Further information concerning assumptions, risks and uncertainties associated with these forward-looking statements and our business can be found in our most recent Annual Information Form, as well as our management's discussion and analysis of quarterly results and other subsequent filings, all filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov).

Scientific and technical information regarding our material mining projects in this presentation was approved by Mr. Rodrigo Alves Marinho, P.Geo., an employee of Teck. Mr. Marinho is a qualified person, as defined under National Instrument (NI) 43-101.

QB2 Project Disclosure

All economic analysis with respect to the QB2 project based on a development case which includes inferred resources within the life of mine plan, referred to as the Sanction Case, which is the case on which Teck is basing its development decision for the QB2 project. Inferred resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Inferred resources are subject to greater uncertainty than measured or indicated resources and it cannot be assumed that they will be successfully upgraded to measured and indicated through further drilling. Nonetheless, based on the nature of the mineralization, Teck has used a mine plan including inferred resources as the development mine plan for the QB2 project.

The economic analysis of the Sanction Case, which includes inferred resources, may be compared to economic analysis regarding a hypothetical mine plan which does not include the use of inferred resources as mill feed, referred to as the Reserve Case, and which is set out in Appendix slides 35 and 36.

The scientific and technical information regarding the QB2 project was prepared under the supervision of Rodrigo Marinho, P. Geo, who is an employee of Teck. Mr. Marinho is a qualified person, as defined under National Instrument 43-101.

A Transformational Time for Teck

MILESTONES ACHIEVED

- QB2 permit, sanctioning and partnership announced
- Fort Hills ramp up
- Waneta sale closed
- Returned to investment grade credit rating

SOLID FOUNDATION

- Quality operating assets in stable jurisdictions
- Right commodities at the right time
- Strong financial position
- Sustainability leader

FUTURE VALUE CATALYSTS

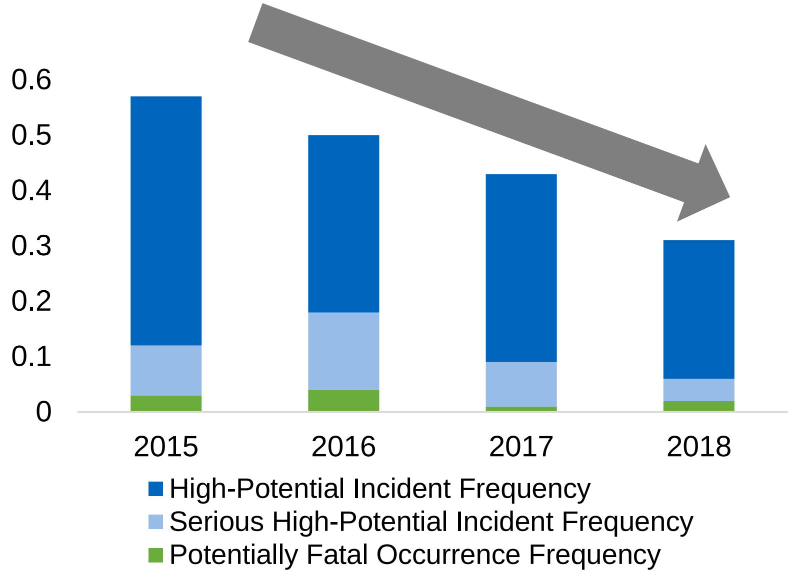
- Cash returns to shareholders
- Potential for further reduction in notes outstanding
- QB2/QB3
- Project Satellite value creation
- Transformation through innovation

CAPITAL ALLOCATION FRAMEWORK

Health and Safety Performance

- Safety performance in 2018
  - 28% reduction in High-Potential Incidents
  - 21% decrease in Lost-Time Injury Frequency
- Conducted Courageous Safety Leadership training with 97% of employees
- Two fatalities in 2018: one at Fording River Operations and one at Elkview Operations. Carried out in-depth investigations into the incidents to learn as much as possible and implement measures to prevent a reoccurrence

Incident Frequency (per 200,000 hours worked)



62% reduction in High-Potential Incident Frequency rate over past four years

Teck

Senior Management Update

Promoted

Dean Winsor
Senior Vice President & Chief Human Resources Officer

Hired

Andrew Milner
Senior Vice President, Technology and Innovation

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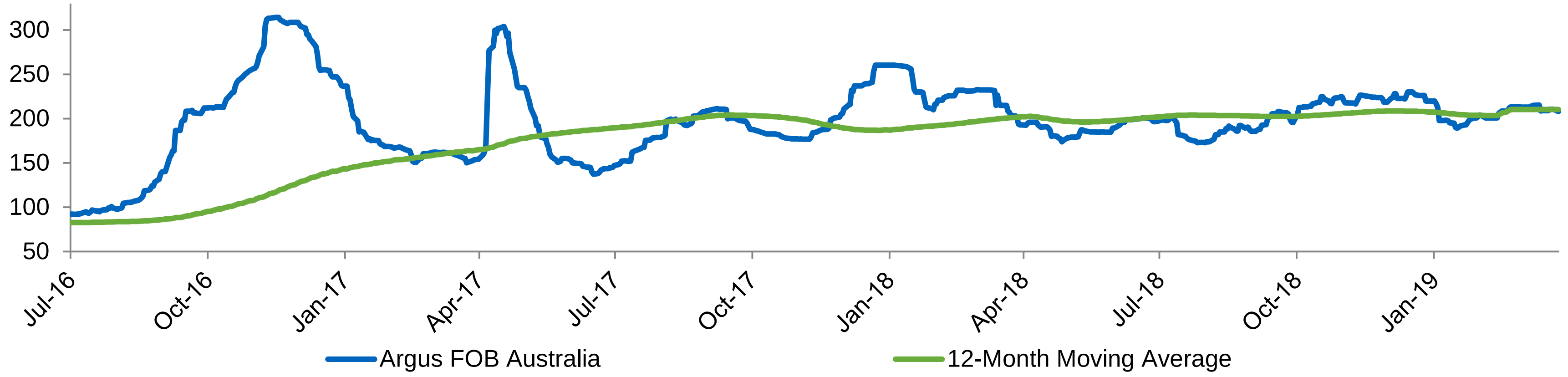
Strong Fundamentals in Steelmaking Coal

- Financial markets are rationing capital to coal, which is directed at thermal coal but impacts steelmaking coal
  - Will constrain supply and increase the value of existing assets
- Essential to infrastructure
- Growing demand, especially in India & Southeast Asia
- Crude steel production increased >4.5% in 2018
- Market remains tight

Declining Coal Price Volatility

Coal Price Assessments[1]
(US$/tonne)



- Change in benchmark pricing mechanism coincides with a gradual decline in volatility
- Change in pricing from a negotiated quarterly benchmark to an average of three indices lagged by one month resulted in increased transparency
- Steelmaking coal price has averaged US$182 per tonne, or US$197 per tonne on an inflation-adjusted basis, from January 1, 2008[1]

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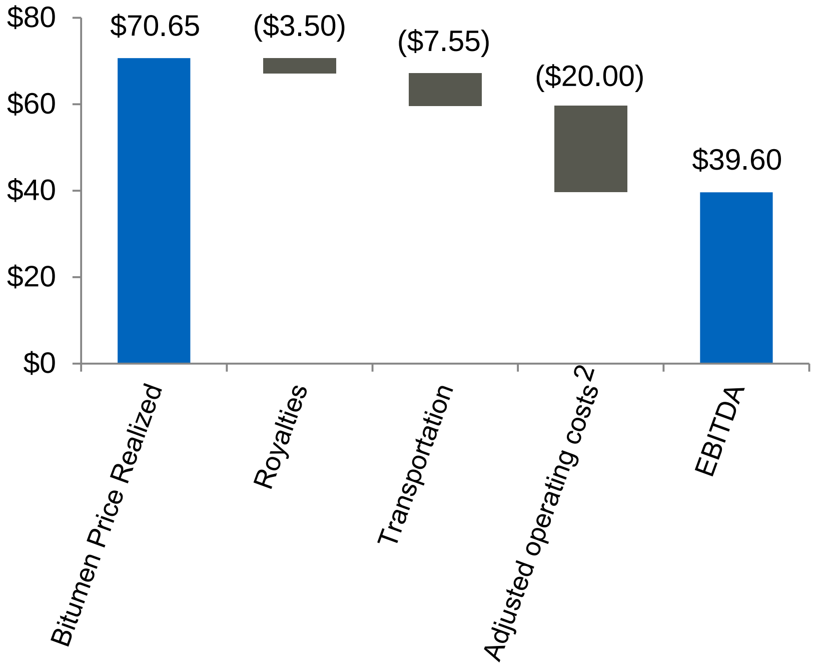
Significant Upside Potential in Energy

Bitumen Price Realized and EBITDA[1]
(C$/barrel of bitumen)



- Bitumen price realized assumes US$70/bbl WTI, WTI-WCS differential at Hardisty of US$10/bbl and Canadian dollar exchange rate of $1.30
- Suggests annual EBITDA potential of ~$560 million based on Teck's share of annual production of 14 million barrels of bitumen
- In addition, potential 10-20% increase in production due to debottlenecking implies up to an additional $150 million annually

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Teck's Capital Priorities

Cash Flow from Operations and Asset Sales

Sustaining Capital (including capitalized stripping)	Enhancement Capital	Base Dividend

Distributable Cash Flow

Capital Structure

- Maintain investment grade credit metrics and strong liquidity
  - US$4.0 billion credit facility
  - Debt-to-EBITDA ratio: <2.5x[1]
  - Debt to debt-plus-equity ratio: <30%

Shareholder Returns

- Sustainable payout policy (supplemental dividends and share repurchases) that adapts to the balance sheet, cash flow generation and business outlook

Growth

- Maintain disciplined approach to evaluating opportunities
- Invest in high-quality, value-enhancing projects

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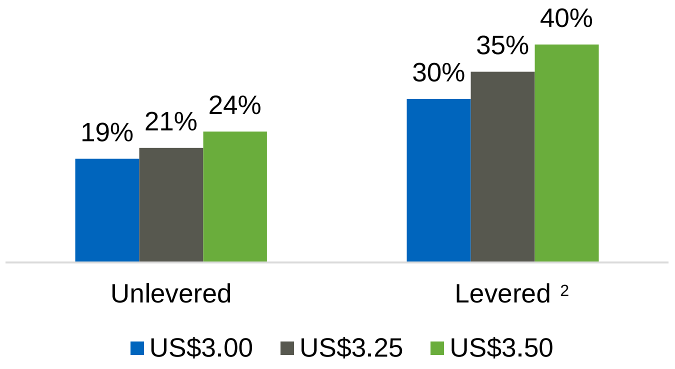
Increasing Teck's Returns on QB2

Enhancing IRR

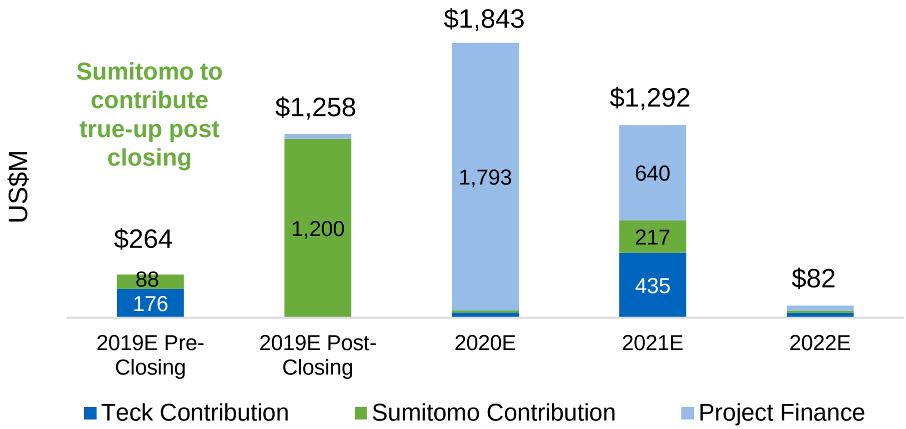
Teck's Post Transaction After-Tax IRR (%)[1]



Transaction with Sumitomo and US$2.5 billion project financing significantly enhances Teck's IRR

Reducing Teck's Equity Contributions

Expected QB2 Equity Contributions Before Escalation (US$M)[3]



Transaction proceeds and project financing reduce Teck's equity contributions to ~US$693 million[4] with no contributions required post-closing until late 2020[5]

Based on Sanction Case (Including 199 Mt Inferred Resources)

Refer to "QB2 Project Economics Comparison" and "QB2 Reserves and Resources Comparison" slides for Reserve Case (Excluding Inferred Resources)

The description of the QB2 project Sanction Case includes inferred resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Inferred resources are subject to greater uncertainty than measured or indicated resources and it cannot be assumed that they will be successfully upgraded to measured and indicated through further drilling.

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A Transformational Time for Teck

FUTURE VALUE CATALYSTS

Cash returns to shareholders	Potential to further reduce outstanding notes	Growth through QB2/QB3 execution	Project Satellite value creation	Transformation through innovation
				

COMPELLING VALUE

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Appendix

QB2 Project Economics Comparison

Changes Since Feasibility Study[1]

			2016 FS (Reserves)[7]	Reserve Case[8]	Sanction Case[8]
General	Mine Life	years	25	28	28
	Throughput	ktpd	140	143	143
	LOM Mill Feed	Mt	1,259	1,400	1,400
	Strip Ratio				
	First 5 Full Years		0.40	0.16	0.44
	LOM[2]		0.52	0.41	0.70
Operating Metrics (Annual Avg.)	**Copper Production**				
	First 5 Full Years	ktpa	275	286	290
	LOM[2]	ktpa	238	228	247
	Copper Equivalent Production[3]				
	First 5 Full Years	ktpa	301	313	316
	LOM[2]	ktpa	262	256	279
	C1 Cash Cost[4]				
	First 5 Full Years	US$/lb	$1.28	$1.29	$1.28
	LOM[2]	US$/lb	$1.39	$1.47	$1.37
	AISC[5]				
	First 5 Full Years	US$/lb	$1.34	$1.40	$1.38
	LOM[2]	US$/lb	$1.43	$1.53	$1.42
	Annual EBITDA				
	First 5 Full Years	US$B	$1.0	$1.0	$1.1
	LOM[2]	US$B	$0.8	$0.7	$0.9
After-Tax Economics	NPV @ 8%	US$B	$1.3	$2.0	$2.4
	IRR	%	12%	13%	14%
	Payback Period[6]	years	5.8	5.7	5.6
	Mine Life / Payback		4.3	4.9	5.0

Sensitivity Analysis[1]

Reserve Case[8]

Copper Price (US$/lb)	$3.00	$3.25	$3.50
Annual EBITDA (US$B)			
First 5 Full Years	$1.0	$1.2	$1.3
First 10 Full Years	$1.0	$1.1	$1.3
Payback Period (Years)[6]	5.7	5.0	4.4
NPV at 8% (US$B)	$2.0	$2.9	$3.7
Project Unlevered IRR (%)	13%	16%	17%
Teck's Unlevered IRR (%)[9]	18%	21%	23%
Teck's Levered IRR (%)[10]	29%	35%	40%

Sanction Case[8]

Copper Price (US$/lb)	$3.00	$3.25	$3.50
Annual EBITDA (US$B)			
First 5 Full Years	$1.1	$1.2	$1.4
First 10 Full Years	$1.0	$1.1	$1.3
Payback Period (Years)[6]	5.6	4.9	4.4
NPV at 8% (US$B)	$2.4	$3.3	$4.2
Project Unlevered IRR (%)	14%	16%	18%
Teck's Unlevered IRR (%)[9]	19%	21%	24%
Teck's Levered IRR (%)[10]	30%	35%	40%

The description of the QB2 project Sanction Case includes inferred resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Inferred resources are subject to greater uncertainty than measured or indicated resources and it cannot be assumed that they will be successfully upgraded to measured and indicated through further drilling.

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QB2 Reserves and Resources Comparison

Reserve Case (as at Nov. 30, 2018)[1,2]

		Grade		
Reserves	***Mt***	***Cu %***	***Mo %***	***Silver ppm***
Proven	476	0.51	0.018	1.40
Probable	924	0.47	0.019	1.25
Reserves	1,400	0.48	0.018	1.30
Resources (exclusive of reserves)[3]				
Measured	36	0.42	0.014	1.23
Indicated	1,558	0.40	0.016	1.14
M&I (Exclusive)	1,594	0.40	0.016	1.14
Inferred	3,125	0.38	0.018	1.15

Sanction Case (as at Nov. 30, 2018)[2,4]

		Grade		
Reserves	***Mt***	***Cu %***	***Mo %***	***Silver ppm***
Proven	409	0.54	0.019	1.47
Probable	793	0.51	0.021	1.34
Reserves	1,202	0.52	0.020	1.38
Resources (exclusive of reserves)[5]				
Measured	36	0.42	0.014	1.23
Indicated	1,436	0.40	0.016	1.13
M&I (Exclusive)	1,472	0.40	0.016	1.14
Inferred	3,194	0.37	0.017	1.13
+ Inferred in SC pit	199	0.53	0.022	1.21

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Notes: Overview and Strategy

Slide 8: Declining Coal Price Volatility

1. Long-term steelmaking coal prices are calculated from January 1, 2008. Inflation-adjusted prices are based on Statistics Canada's Consumer Price Index. Source: Argus, FIS, Teck. Plotted to March 25, 2019.

Slide 9: Significant Potential in Energy

1. Bitumen price realized, adjusted operating costs and EBITDA are non-GAAP financial measures. See "Non-GAAP Financial Measures" slides.
2. Adjusted operating cost of C$20/bbl is a long-term target.

Slide 10: Teck's Capital Priorities

1. EBITDA, debt-to-EBITDA ratio and debt to debt-plus-equity ratio are a non-GAAP financial measures. See "Non-GAAP Financial Measures" slides.

Slide 11: Increasing Teck's Returns on QB2

1. As at January 1, 2019. Assumes optimized funding structure and completion of transaction with Sumitomo Metal Mining and Sumitomo Corporation, which we refer to collectively as Sumitomo. Does not include contingent consideration. Assumes US$10.00/lb molybdenum and US$18.00/oz silver.
2. Assumes US$2.5 billion in project finance loans without deduction of fees and interest during construction, and US$1.2 billion contribution from Sumitomo
3. On a 100% go forward basis from January 1, 2019 in constant Q2 2017 dollars and a CLP:USD exchange rate of 625, not including escalation (estimated at US$300 - $470 million based on 2 - 3% per annum inflation), working capital or interest during construction. Includes approximately US$500 million in contingency. At current spot CLP/USD rate of approximately 675 capital would be reduced by approximately US$270 million.
4. On a go-forward basis from January 1, 2019. Assumes US$2.5 billion in project finance loans without deduction of fees and interest during construction, and US$1.2 billion contribution from Sumitomo
5. Assumes project finance facility available in Q2 2019, and US$1.2 billion of Sumitomo contributions associated with purchase price spent before first draw. Thereafter, project finance facility used to fund all capital costs until target debt : capital ratio achieved on a cumulative basis, after which point project finance and equity contributions are made ratably based on this same debt : capital ratio.

Slide 14: QB2 Project Economics Comparison

1. All metrics on 100% basis and assume US$3.00/lb copper, US$10.00/lb molybdenum and US$18.00/oz silver unless otherwise stated. NPV, IRR and payback on after-tax basis.
2. Life of Mine annual average figures exclude the first and last partial years of operations.
3. Copper equivalent production calculated assuming US$3.00/lb copper, US$10.00/lb molybdenum and US$18.00/oz silver without adjusting for payability.
4. C1 cash costs are presented after by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. C1 cash costs include stripping costs during operations.
5. Calculated as C1 cash costs after by-product credits plus sustaining capital requirements. C1 cash costs are described above.
6. Payback from first production.
7. Based on go-forward cash flow from January 1, 2017. Based on all equity funding structure.
8. Based on go-forward cash flow from January 1, 2019. Based on optimized funding structure.
9. Post-transaction with Sumitomo. Does not consider contingent consideration.
10. Post-transaction with Sumitomo and includes impact of US$2.5 billion project financing. Does not consider contingent consideration.

Notes: Overview and Strategy

Slide 15: QB2 Reserves and Resources Comparison

1. Mineral reserves are constrained within an optimized pit shell and scheduled using a variable grade cut-off approach based on NSR cut-off US$13.39/t over the planned life of mine. The life-of-mine strip ratio is 0.41.
2. Both mineral resource and mineral reserve estimates assume long-term commodity prices of US$3.00/lb Cu, US$9.40/lb Mo and US$18.00/oz Ag and other assumptions that include: pit slope angles of 30–44º, variable metallurgical recoveries that average approximately 91% for Cu and 74% for Mo and operational costs supported by the Feasibility Study as revised and updated.
3. Mineral resources are reported using a NSR cut-off of US$11.00/t and include 23.8 million tonnes of hypogene material grading 0.54% copper that has been mined and stockpiled during existing supergene operations.
4. Mineral reserves are constrained within an optimized pit shell and scheduled using a variable grade cut-off approach based on NSR cut-off US$18.95/t over the planned life of mine. The life-of-mine strip ratio is 0.70.
5. Mineral resources are reported using a NSR cut-off of US$11.00/t outside of the reserves pit. Mineral resources include inferred resources within the reserves pit at a US$ 18.95/t NSR cut-off and also include 23.8 million tonnes of hypogene material grading 0.54% copper that has been mined and stockpiled during existing supergene operations.

Non-GAAP Financial Measures

Our financial results are reported in accordance with International Financial Reporting Standards (IFRS). This presentation refers to a number of Non-GAAP Financial Measures, which are non-GAAP financial measures not recognized under IFRS in Canada. These measures do not have standardized meanings prescribed by IFRS or Generally Accepted Accounting Principles (GAAP). As a result they may not be comparable to similar measures reported by other companies. We believe that disclosing these measures assist readers in understanding the results of our operations and financial position and are meant to provide further information about our financial results to investors. These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

EBITDA: is profit attributable to shareholders before net finance expense, income and resource taxes, and depreciation and amortization. We believe that disclosing EBITDA assists readers in understanding the ongoing cash generating potential of our business in order to provide liquidity to fund working capital needs, service outstanding debt, fund future capital expenditures and investment opportunities, and pay dividends.

Adjusted operating costs: Adjusted operating costs for our energy business unit are defined as the costs of product as it leaves the mine, excluding depreciation and amortization charges, cost of diluent for blending to transport our bitumen by pipeline, cost of non-proprietary product purchased, and transportation costs of our product, and non-proprietary product and any one-time collective agreement charges or inventory write-down provisions.

Bitumen price realized represents the realized petroleum revenue (blended bitumen sales revenue) net of diluent expense, expressed on a per barrel basis. Blended bitumen sales revenue represents revenue from our share of the heavy crude oil blend known as Fort Hills Reduced Carbon Life Cycle Dilbit Blend (FRB), sold at the Hardisty and U.S. Gulf Coast market hubs. FRB is comprised of bitumen produced from the Fort Hills oil sands mining and processing operations blended with purchased diluent. The cost of blending is affected by the amount of diluent required and the cost of purchasing, transporting and blending the diluent. A portion of diluent expense is effectively recovered in the sales price of the blended product. Diluent expense is also affected by Canadian and U.S. benchmark pricing and changes in the value of the Canadian dollar relative to the U.S. dollar.

Adjusted operating costs: Adjusted operating costs for our energy business unit are defined as the costs of product as it leaves the mine, excluding depreciation and amortization charges, cost of diluent for blending to transport our bitumen by pipeline, cost of non-proprietary product purchased, and transportation costs of our product, and non-proprietary product and any one-time collective agreement charges or inventory write-down provisions.

Debt to EBITDA ratio: Debt to EBITDA ratio takes total debt as reported and divides that by EBITDA for the 12 months ended at the reporting period, expressed as the number of times EBITDA needs to be earned to repay all of the outstanding debt.

Debt to debt-plus-equity ratio: Debt to debt-plus-equity ratio takes total debt as reported and divides that by the sum of total debt plus total equity, expressed as a percentage.

Non-GAAP Financial Measures

Energy Operating Netback, Bitumen and Blended Bitumen Price Realized Reconciliations[1]

(C$ in millions, except where noted)	Twelve months ended December 31, 2018
Revenue as reported	**$ 407**
Less:	
Cost of diluent for blending	(181)
Non-proprietary product revenue	(18)
Add back: Crown royalties (D)	14
Adjusted revenue (A)	$ 222
Cost of sales as reported	$ 572
Less:	
Depreciation and amortization	(59)
Inventory write-downs	(34)
Cash cost of sales	$ 479
Less:	
Cost of diluent for blending	(181)
Cost of non-proprietary product purchased	(12)
Transportation for non-proprietary product purchased	(3)
Transportation costs for FRB (C)	60)
Adjusted operating costs (E)	$ 223

	Twelve months ended December 31, 2018
Blended bitumen barrels sold (000's)	8,746
Less: diluent barrels included in blended bitumen (000's)	(1,965)
Bitumen barrels sold (000's) (B)	6,781
Per barrel amounts (C$)	
Bitumen price realized (A/B)	$ 32.81
Crown royalties (D/B)	(2.04)
Transportation costs for FRB (C/B)	(8.83)
Adjusted operating costs (E/B)	(32.89)
Operating netback (C$/barrel)	**$ (10.95)**

1. Results for the year ended December 31, 2018 are effective from June 1, 2018.

We include unit cost information as it is frequently requested by investors and investment analysts who use it to assess our cost structure and margins and compare it to similar information provided by many companies in our industry.

Teck

Overview and Strategy

April 3, 2019

Don Lindsay, President and Chief Executive Officer