

# Teck

## QB2 Project Update

April 3, 2019

Alex Christopher, SVP, Exploration, Projects and Technical Services



# 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 all projections and expectations relating to our Quebrada Blanca Phase 2 project (QB2), including projected mine life, production rates, strip ratios, capital intensity, sustaining costs, quality of concentrate produced, upside potential and expected timing; statements regarding the anticipated expansion possibilities, including statements regarding the potential to develop the Quebrada Blanca Phase 3 project (QB3) and the potential to leverage infrastructure to target production increases at lower capital intensity; statements relating to planned exploration and development activities for 2019 and beyond; and statements relating to the completion of the QB3 scoping study and commencement of prefeasibility study.

These forward-looking statements involve numerous assumptions, risks and uncertainties and actual results may vary materially. These statements are based on a number of assumptions, including, but not limited to, assumptions regarding general business and economic conditions, the timing of the receipt of further permits and approvals for the QB2 project and the timing and receipt of permits and approvals for the QB3 project, the closing of the transaction with Sumitomo announced in December and the timing thereof, the accuracy of our mineral reserve and resource estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based, the supply and demand for and the level and volatility of prices of copper, our anticipated costs and timing of development and production, power prices, availability of water and power resources for our QB2 and QB3 projects, market competition, interest rates, 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 supplies, positive results from the studies on our QB3 expansion project, our ability to obtain permits for our projects, our ongoing relations with our employees and business partners and joint venturers. Assumptions are also included in the footnotes to various slides. 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 market demand for our products, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), unanticipated development or operational difficulties (including 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), acts of foreign governments and the outcome of legal proceedings, changes in commodity and power prices, changes in interest and currency exchange rates, union labour disputes, political risk, social unrest, failure of 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.

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 economic analysis with respect to the QB2 project is 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 our Annual Information Form available under our profile on SEDAR and on EDGAR.

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](http://www.sedar.com)) and on EDGAR ([www.sec.gov](http://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 Update

## Permitted and in construction

QB2



Project Highlights



Project Status



Contracts and Procurement



Mass Earthworks



Construction



QB3 – Long-Term Growth

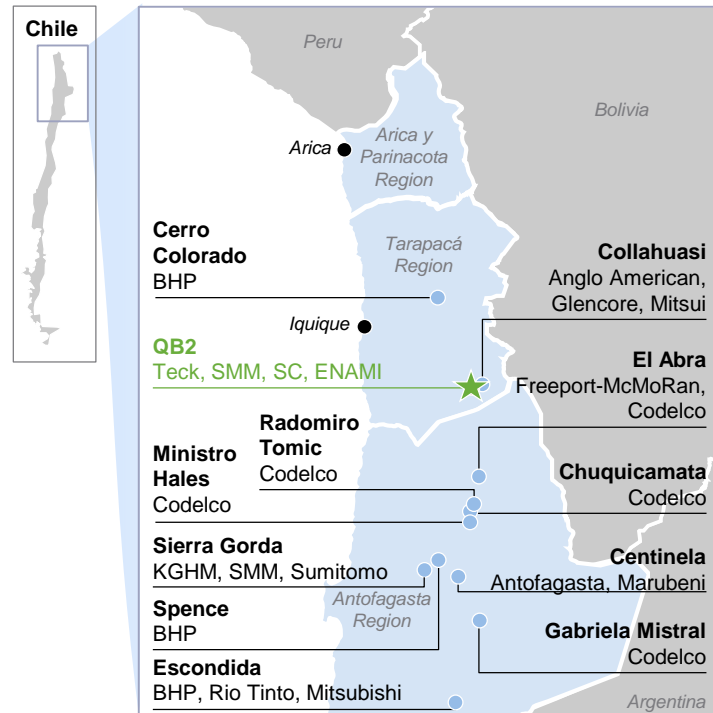


# QB2 Project Highlights

## World Class Development

- ✓ Vast, long life deposit in favourable jurisdiction
- ✓ Will be a top 20 producer
- ✓ Very low strip ratio
- ✓ Low all-in sustaining costs (AISC)
- ✓ High grade, clean concentrates
- ✓ Significant brownfield development
- ✓ Permitted with engineering 83%<sup>1</sup> complete and construction underway
- ✓ Community agreements in place and strong local relationships
- ✓ Expansion potential (QB3) with potential to be a top 5 producer

## Location



# QB2 Project Highlights

## World Class Development

- ✓ Vast, long life deposit in favourable jurisdiction
- ✓ Will be a top 20 producer
- ✓ Very low strip ratio
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- ✓ High grade, clean concentrates
- ✓ Significant brownfield development
- ✓ Permitted with engineering 83%<sup>3</sup> complete and construction underway
- ✓ Community agreements in place and strong local relationships
- ✓ Expansion potential (QB3) with potential to be a top 5 producer

## Low Strip Ratio<sup>1</sup>

QB2 (0.7:1)



Antamina (2.9:1)<sup>2</sup>



Collahuasi (3.4:1)<sup>2</sup>



Escondida (2.6:1)<sup>2</sup>



# QB2 Project Status

Engineering<sup>1</sup>

**83%**

Safety<sup>1,3</sup>

**0.12**   **0.39**  
LTIF   TRIF

Procurement<sup>1</sup>

**80%**

Teck Mass  
Earthworks<sup>2</sup>

**26%**   **3.4 m<sup>3</sup>**  
Advanced   Moved

Contracting<sup>1</sup>

**89%**

Workforce<sup>1</sup>

**420**   **1,140**  
Office   Field



General view of the concentrator area, looking east. March 1, 2019.

# Contracts and Procurement

Well advanced to meet construction needs

**Procurement, construction contracts, and services contracts make up >65% of the total project spend**

- Contracts 89% advanced
  - Packages for mass earthworks and major construction packages awarded
- Procurement 80% advanced
  - All major equipment in fabrication and key bulk materials on order

## Key Value Drivers:

- Leveraging the advanced state of engineering
- Early engagement to solicit input and drive value
- Contract packaging strategy to reduce interfaces
- Focus on fixed price contracts to reduce risk
  
- Worldwide sourcing strategy for cost and quality
- Early procurement to ensure availability at site



*Final fabrication of flotation blowers in France. February 2018.*



# Mass Earthworks

## Mobilized and preparing sites for construction

### Teck Mine Fleet utilized for bulk earthworks in concentrator and tailings area

- Leverages operating experience, people and equipment
- Ongoing since mid September
- Provides significant advantage in mobilization and integration

### Other mass earthworks contracts let on area basis

- Contracts for Concentrator, Tailings Facility, Pipelines (mountain area) and Port Area
- Environmental liberation ahead of site capture
- All mobilized and advancing work fronts

#### Key Value Drivers:

- Leveraging QB1 mine fleet and experience working at altitude
- Matching contractor to work package (capacity and equipment)
- Timely environmental liberation ahead of contractors
- Community engagement around activities ahead of work





# Construction

## Focused on enabling activities and construction planning

**Enabling Activities:** Camps, temporary facilities, batch plants, water and power

- Platform development, laydown areas, module delivery, service installation

### Planning & Mobilization

- Contractor kick off meetings
- Construction sequencing and planning activities
- Accreditation, training and induction activities

#### Key Value Drivers:

- Availability of camp space and construction services
- Proactive risk management and safety planning
- Logistics and material management plans
- Detailed constructability reviews with contractors



# QB3 – Long-Term Growth

## Expansion potential to realize full potential of the orebody

QB2 utilizes less than 25% of resource

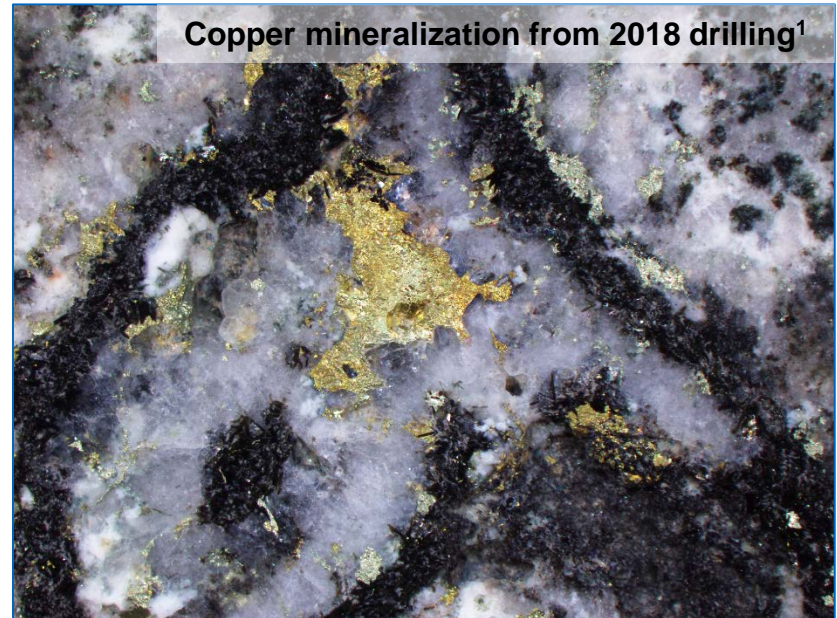
QB3 evaluating options to exploit the full value of the resource through mill expansion and / or mine life extension

### Ongoing work includes:

- ~18 km of drilling in 2018
- 60 km of drilling planned for 2019
- Scoping Study underway to be followed by a Prefeasibility Study

### Key Value Drivers:

- Defining the full size of the deposit through drilling
- Proactive evaluation of long-term options for production
- Maximizing the performance of the QB2 plant
- Leveraging the QB2 infrastructure to target production increases at a lower capital intensity

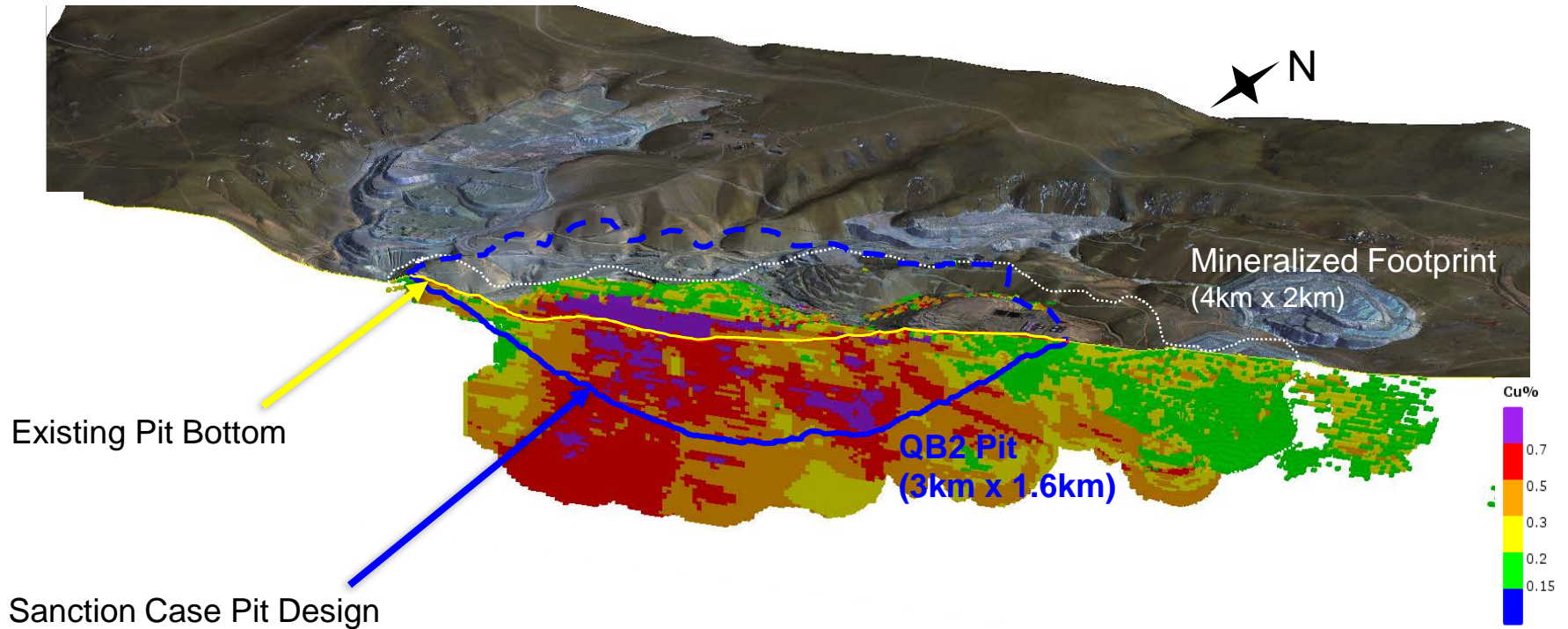


2018 drilling returned long intervals of +0.5% Cu, with predictable sulfide zonation patterns

# Long-Term Growth

Realizing the full potential of QB

QB2



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# Appendix

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# Notes: QB2 Project Update

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## **Slide 4: QB2 Project Highlights**

1. Status at February 28, 2019.

## **Slide 5: QB2 Project Highlights**

1. 1 truck = a strip ratio of 0.1.
2. Source: Wood Mackenzie over 2021-2040.
3. Status at February 28, 2019.

## **Slide 6: QB2 Project Status**

1. Status at February 28, 2019.
2. Status at March 15, 2019.
3. MSHA basis per 200,000 hours.

## **Slide 10: QB3 – Long-Term Growth**

1. DDH-756 @176.6m, Field of view 2cm.

# Teck

## Project Satellite

April 3, 2019

Colin Joudrie, Vice President, Business Development



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These forward-looking statements involve numerous assumptions, risks and uncertainties and actual results may vary materially. These statements are based on a number of assumptions, including, but not limited to, assumptions regarding general business and economic conditions, interest rates, the supply and demand for and the level and volatility of prices of copper, gold, silver, zinc, molybdenum, nickel, cobalt, palladium, platinum and other primary metals and minerals produced by Teck, the timing of the receipt of regulatory and governmental approvals for the development of our Project Satellite assets, our anticipated costs of development and production and production and productivity levels, as well as those of our competitors, power prices, availability of water and power resources for our projects, market competition, the accuracy of our mineral 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, our ability to attract and retain skilled staff, positive results from the studies on our Project Satellite assets, our ability to secure adequate transportation for our products, our ability to obtain permits for our Project Satellite assets and our ongoing relations with our employees and business partners and joint venturers. 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 development of as yet undeveloped projects. Assumptions are also included in the footnotes to various slides. Our estimated EBITDA and free cash flow estimates are based on the commodity price assumptions stated on the relevant slide or footnote as well as other assumptions, including foreign exchange rates. Statements regarding future production are based on the assumption of project sanctions and mine production. 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, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), unanticipated development difficulties (including 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 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 Project Satellite assets, difficulty in obtaining permits or securing transportation for our products, changes in tax benefits or tax rates 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 Galore Creek project is 50% owned by us and the timing of development may be impacted by the actions of our partner.

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](http://www.sedar.com)) and on EDGAR ([www.sec.gov](http://www.sec.gov)).

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# Satellite Overview

## 2016 Initiative Launched

- Definition of Satellite Portfolio (five assets with substantial copper resources)
  - Zafranal, San Nicolás, Galore Creek, Schaft Creek, Mesaba
- Establish leadership teams and investment milestones
- Create a path to value recognition

- Strategy Formation
- Objective Setting

## 2017 and 2018 Building Momentum

- Ownership consolidation<sup>1</sup>
- ~67 km of drilling at Zafranal and San Nicolás
- Advanced Feasibility, Prefeasibility and Environmental, Social Baseline Studies
- Newmont Partnership at Galore Creek<sup>2</sup>

- Ownership Consolidation
- Advance on Plans

## 2019 Surfacing Value

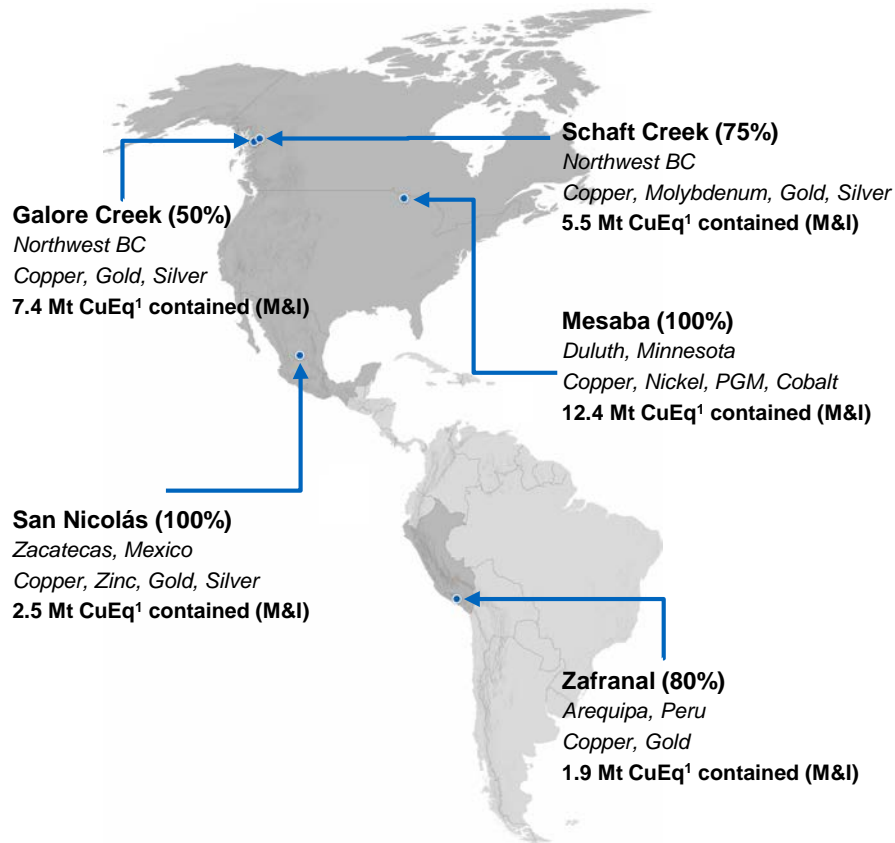
- Complete Feasibility and Social & Environmental Impact Assessment (SEIA) at Zafranal
- Complete Prefeasibility and SEIA at San Nicolás
- Initiating Prefeasibility at Galore Creek with Newmont
- Advance value realization options

- Deliver on Milestones
- Enhance Asset Options



# Satellite Deposits

## Upgrading resources and progressing value recognition



### Partnerships



### Water and Environment



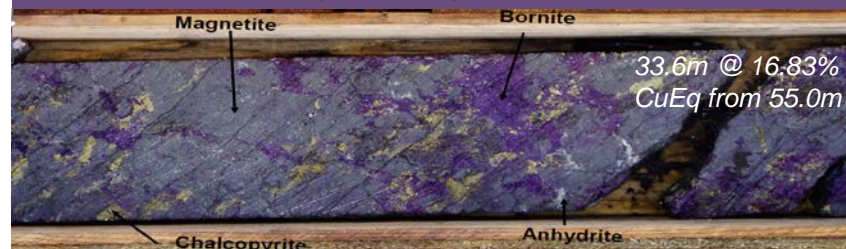
### Communities



### Land Ownership & Access



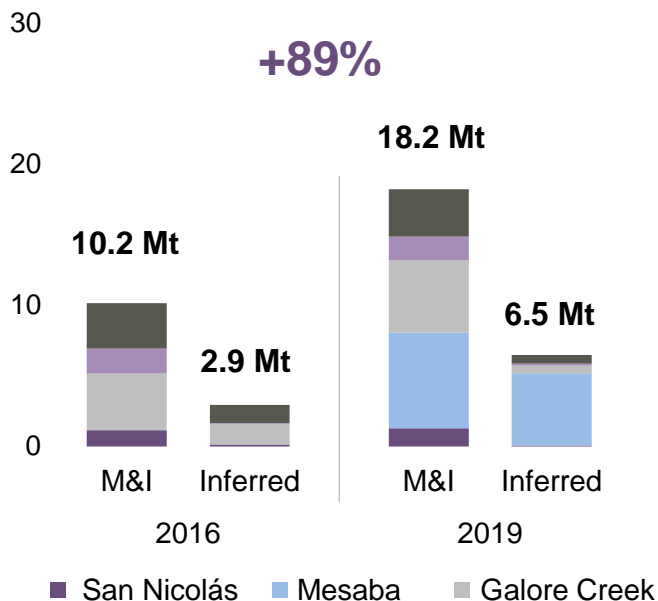
### Orebody Knowledge – Confidence



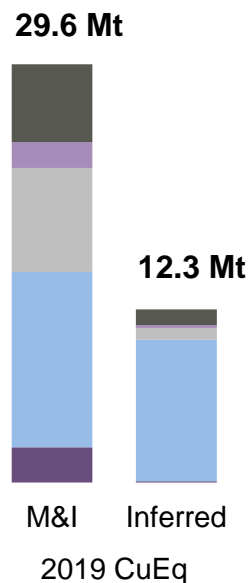
# Updated Resource Statements

## 2016 versus 2019

**Total R&R – Copper  
2016 vs 2019 (M,I&I)<sup>1</sup>**  
(Million tonnes)



**Total R&R – CuEq<sup>2</sup>  
2019 (M,I&I)<sup>1</sup>**  
(Million tonnes)



### Well-defined Resources, Exploration Upside

- Updated Resource Statements on each of the five assets
- Notable by-product and co-product credits at San Nicolás, Galore Creek, Schaft Creek and Mesaba
- Mesaba is Top 3 in contained nickel for undeveloped nickel sulphide deposits (MI&I)

# Zafranal Copper-Gold (80%)

## Finalizing Feasibility Study and SEIA in H1 2019



### Long Life Asset

- 19 year life of mine
- Updated Resource Statement<sup>1</sup>
- Upside potential within the deposit footprint and in the district



### Quality Investment<sup>2,3</sup>

- Attractive front-end grade profile averaging 0.57% Cu for first five years
- Mid range forecast LOM C1 cash costs
- Competitive capital intensity



### Stable Jurisdiction<sup>4</sup>

- Strong support from Peruvian regulators on SEIA including MINEM and SENACE
- Engaged with multiple communities

### Investment

<b>US\$1.26B</b> Initial CapEx	<b>440Mt 0.37% Cu</b> LOM Tonnes & Grade Cu%	<b>&lt; 3 Years</b> Payback Period
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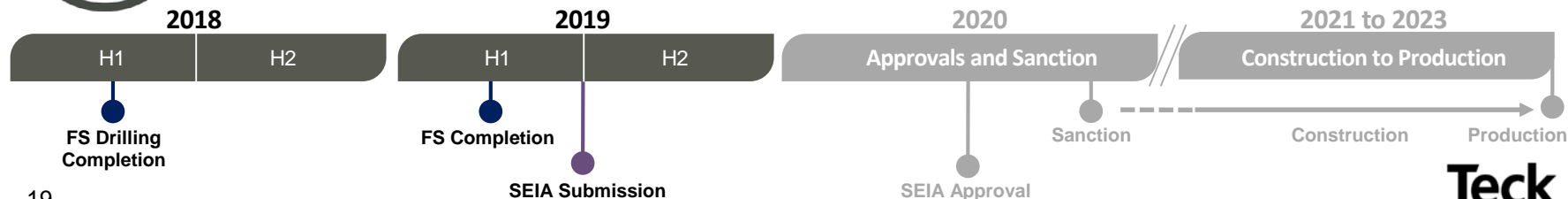
### Financial Metrics<sup>5</sup>

<b>US\$550M</b> Average EBITDA <sup>5</sup> 1 <sup>st</sup> five years	<b>US\$1.20/lb</b> Average C1 Cash Costs 1 <sup>st</sup> five years
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### Operational Metrics

<b>128 ktpa</b> Average Copper Output 1 <sup>st</sup> five years	<b>400,000 tpa</b> Average Conc. Output 1 <sup>st</sup> five years	<b>1.14</b> LOM Strip Ratio
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@ US\$3.00/lb Cu, US\$1,250/oz Au and C1 cost net of by-product credits



# San Nicolás Copper-Zinc (100%)

## Finalizing Prefeasibility Study and SEIA in H2 2019



### Long Life Asset

- One of the world's most significant undeveloped VHMS deposits
- Updated Resource Statement<sup>1</sup>
- Upside potential in the district and the deposit



### Quality Investment<sup>2</sup>

- Expect C1 cash costs in the 1st quartile
- Competitive capital intensity
- Co-product Zn and Au & Ag credits



### Stable Jurisdiction

- Well-established mining district in Mexico
- Community office and engagement plan underway, SEIA well-advanced

### Investment

**US\$ 779M**  
Initial CapEx

**109Mt 2.3% CuEq**  
LOM Tonnes &  
Grade CuEq%

**< 3 Years**  
Payback  
Period

### Financial Metrics<sup>3</sup>

**US\$410M**  
Average  
EBITDA<sup>5</sup>  
1<sup>st</sup> five years

**US\$0.21/lb**  
Average C1  
Cash Costs  
1<sup>st</sup> five years

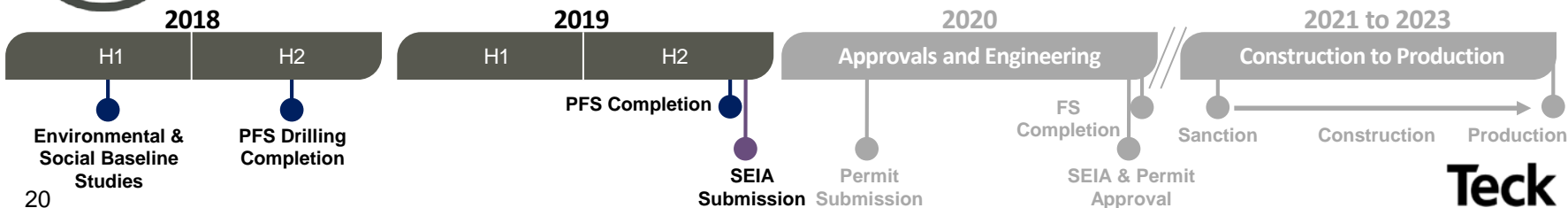
### Operational Metrics

**71ktpa / 70ktpa**  
LOM Average  
Copper / Zinc  
In Concentrate

**415,000 tpa**  
LOM Average  
Cu-Zn Conc.  
Output Total

**5.67**  
LOM Strip  
Ratio

@ US\$3.00/lb Cu, US\$1.15/lb Zn, US\$1,300/oz Au,  
US\$18.00/oz Ag and C1 cost net of by-product credits





# Galore Creek Copper-Gold-Silver (50%)

## Updated Resource Statement, Initiating Prefeasibility Study in 2019



### Long Life Asset

- Large high grade copper-gold system
- Legacy and Bountiful zones discovered in 2013-14 reflected in Resource Statement<sup>1</sup>



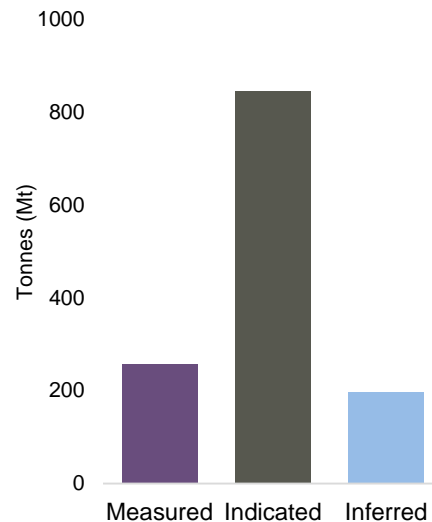
### Quality Investment and Partnership

- Expect C1 cash costs in the 1st quartile
- Strong technical, commercial, and community expertise from Newmont



### Stable Jurisdiction

- Improving infrastructure in Golden Triangle
- Well-established Participation Agreement with Tahltan Nation



- M&I @ 0.61% CuEq<sup>2</sup>
- 5.1 Mt of Cu contained (M&I)
- 9.3 Moz of Au contained (M&I)
- 149.8 Moz of Ag contained (M&I)

One of the top undeveloped porphyry deposits on a copper contained basis

### Path to Value Realization

- 18,000m multi-purpose drill program
- Select engineering studies and community engagement work
- Focus is on reducing cost and risk related to access

Category	Tonnes	Grades		
	(Mt)	(% Cu)	(g/t Au)	(g/t Ag)
Measured	256.8	0.72	0.36	5.8
Indicated	846.7	0.39	0.23	3.7
<b>Measured and Indicated</b>	<b>1,103.5</b>	<b>0.47</b>	<b>0.26</b>	<b>4.2</b>
Inferred	198.1	0.27	0.21	2.7

# Mesaba Copper-Nickel, PGM, Cobalt (100%)

## Maiden Resource Statement, assessing development options in 2019



### Long Life Asset

- Large Cu-Ni-PGM-Co magmatic deposit
- Substantial tonnes and grade disclosed in maiden Resource Statement<sup>1</sup>



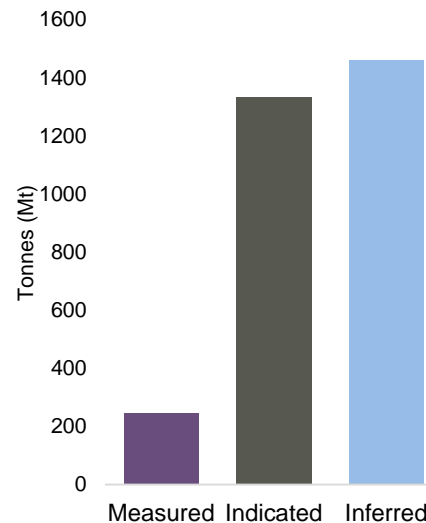
### Quality Investment Opportunity

- Expect C1 cash costs in the 1st quartile
- Phased development with expansion options to reduce initial capital requirements



### Stable Jurisdiction

- Located in historic Mesabi Iron Range
- Building a strong technical, commercial, and community team in Minnesota



- M&I @ 0.7% CuEq<sup>2</sup>
- 6.8 Mt of Cu contained (M&I)
- 1.5 Mt of Ni contained (M&I)
- 6.7 Moz of Pt and Pd, 1.4 Moz Au and 53.3 Moz Ag contained (M&I)

**Top 3 in contained nickel for undeveloped nickel sulphide deposits (M&I)<sup>3</sup>**

### Path to Value Realization

- Re-initiating baseline environmental studies, technical programs, and community engagement work
- Assessment of district development synergies
- Updating value potential of CESL Technology

Category	Tonnes	Grades						
	(Mt)	(% Cu)	(% Ni)	(% Co)	(g/t Au)	(g/t Ag)	(g/t Pt)	(g/t Pd)
Measured	244.1	0.47	0.11	0.009	0.03	1.2	0.041	0.120
Indicated	1,334.1	0.42	0.10	0.007	0.03	1.0	0.034	0.093
<b>Measured &amp; Indicated</b>	<b>1,578.2</b>	<b>0.43</b>	<b>0.10</b>	<b>0.008</b>	<b>0.03</b>	<b>1.1</b>	<b>0.035</b>	<b>0.097</b>
Inferred	1,461.9	0.35	0.09	0.006	0.03	0.7	0.040	0.127

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# Appendix

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# Notes: Project Satellite

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## **Slide 3: Satellite Overview**

1. Teck acquired AQM Copper Inc. in January 2017 consolidating an 80% interest in Zafranal. Teck acquired Goldcorp Inc.'s 21% stake in San Nicolás in October 2017 resulting in Teck's ownership at 100%.
2. Newmont Mining Corporation (Newmont) acquired NOVAGOLD Resources Inc.'s 50% interest in Galore Creek in July 2018, and Teck and Newmont agreed to a new Partnership Agreement.

## **Slide 4: Satellite Deposits**

1. Copper equivalent calculation based on Measured and Indicated Resources only on a 100% basis using: US\$3.00/lb copper, US\$1.15/lb zinc, US\$6.90/lb nickel, US\$1,300/oz gold, US\$18.00/oz silver, US\$23.50/lb cobalt, US\$900/oz palladium, and US\$1,100/oz platinum with no adjustment for recoveries of by-product metals. Note: copper equivalent calculations at Mesaba utilize NiS(%) and not Ni(%).

## **Slide 5: Updated Resource Statements**

1. Updated Reserves & Resources disclosure, including estimates of Measured, Indicated and Inferred Resources on a 100% basis, on all five assets are in Teck's 2018 AIF filed on SEDAR and in summary Resource Statements provided on the Investors section of teck.com. Reference to 2016 Reserves & Resources disclosure is from Teck's 2016 AIF filed on SEDAR, AQM Copper Inc.'s 2016 Reserves & Resources disclosure on Zafranal filed on SEDAR and Copper Fox Metals Inc.'s 2016 Reserves & Resources disclosure on Schaft Creek filed on SEDAR.
2. Copper equivalent calculation on Measured, Indicated and Inferred Resources uses: US\$3.00/lb copper, US\$1.15/lb zinc, US\$6.90/lb nickel, US\$1,300/oz gold, US\$18.00/oz silver, US\$23.50/lb cobalt, US\$900/oz palladium, and US\$1,100/oz platinum with no adjustments for recoveries of by-product metals.
3. Ranking of nickel contained in undeveloped global nickel sulphide deposits derived from SNL (S&P Global), company websites and technical reports on SEDAR.

## **Slide 6: Zafranal Copper-Gold (80%)**

1. Current Resource Statement is in Teck's 2018 AIF filed on SEDAR and in summary Resource Statements provided on the Investors section of teck.com.
2. Feasibility Study completed March 2019.
3. Project economics based on the results of the 2019 Feasibility Study using: US\$3.00/lb copper and US\$1,250/oz gold and estimated capital costs, sustaining costs, closure costs, mine and mineral processing costs, shipping and transportation cost estimates, treatment and refining charges (TC/RCS) on mineral concentrates, electricity costs, diesel costs and foreign exchange assumptions.
4. Social and Environmental Impact Assessment (SEIA) target completion and submission date is June 2019. SEIA approval potentially in H1 2020.
5. EBITDA is a non-GAAP financial measures. See "Non-GAAP Financial Measures" slide.

## **Slide 7: San Nicolas Copper-Zinc (100% Interest)**

1. Current Resource Statement is in Teck's 2018 AIF filed on SEDAR and in summary Resource Statements provided on the Investors section of teck.com.
2. Project economics based on the results of a 2016 Preliminary Economic Assessment (Teck Internal Study) using: US\$3.00/lb copper, US\$1.15/lb zinc, US\$1,300/oz gold and US\$18.00/oz silver and estimated capital costs, sustaining costs, closure costs, mine and mineral processing costs, shipping and transportation cost estimates, treatment and refining charges (TC/RCS) on mineral concentrates, electricity costs, diesel costs and Foreign Exchange assumptions.
3. EBITDA is a non-GAAP financial measures. See "Non-GAAP Financial Measures" slide.

## **Slide 8: Galore Creek Copper-Gold-Silver (50% Interest)**

1. Current Resource Statement is in Teck's 2018 AIF filed on SEDAR and in summary Resource Statements provided on the Investors section of teck.com.
2. Copper equivalent calculation based on Measured and Indicated Resources only using US\$3.00/lb copper, US\$1,300/oz gold, and US\$18.00/oz silver adjusted for recoveries of by-product metals.

## **Slide 9: Mesaba Copper-Nickel, PGM, Cobalt (100% Interest)**

1. Current Resource Statement is in Teck's 2018 AIF filed on SEDAR and in summary Resource Statements provided on the Investors section of teck.com.
2. Copper equivalent calculations based on current Measured & Indicated Resources only using US\$3.00/lb copper, US\$6.90/lb nickel, US\$1,300/oz gold, US\$18.00/oz silver, US\$23.50/lb cobalt, US\$900/oz palladium, and US\$1,100/oz platinum adjusted for recoveries of by-product metals. Note: copper equivalent calculations at Mesaba utilize NiS(%) and not Ni(%).
3. Ranking of nickel contained in undeveloped global nickel sulphide deposits derived from SNL (S&P Global), company websites and technical reports on SEDAR.



# Non-GAAP Financial Measures

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Our financial results are reported in accordance with International Financial Reporting Standards (IFRS). This presentation refers to EBITDA and Free Cash Flow 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. 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. Free cash flow is cash flow from operations less finance expenses, capital expenditures and payments to non-controlling interests. We believe that disclosing these measures assist readers in understanding the ongoing cash generating potential of our Project Satellite assets in order to provide liquidity to fund working capital needs, service outstanding debt, fund future capital expenditures and investment opportunities and pay dividends. Free cash flow is presented to provide a means to evaluate shareholder returns.

# Teck

## Growth

April 3, 2019

Alex Christopher, SVP, Exploration, Projects and Technical Services

Colin Joudrie, Vice President, Business Development

