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) (collectively referred to herein as forward-looking statements). 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: statements regarding the ability or intention to return capital to shareholders, disciplined capital allocation, significant liquidity and strong cash flow, statements regarding Teck being a compelling value, resource are reserve estimates and mine life projections, our long-term strategies and priorities, the EBITDA potential of Quebrada Blanca 2 and Teck’s energy business, all expectations set out on the “Value Potential” slide and accompanying discussion, potential for resource upside at Frontier and Lease 421, expectation that the zinc structural deficit is set to continue, expectation that copper mine production is to peak in 2021 and a structural deficit will emerge, expectations for the projects described under the subheading “Further Enhancing Profitability”, all expectations regarding QB2, including those described on the “QB2 Summary” slide, potential addition return of capital to shareholders following closing of the QB2 transaction, the estimated capital cost of QB2 and amount of Teck’s portion thereof, expectation that Teck’s equity funding will not be required until late 2020 and timing of remaining equity funding contributions, future commodity price expectations, expectations regarding the supply and demand for our commodities, long-life of our assets and positioning on the cost curve and low risk of the jurisdictions in which they are located, growth potential for our commodities, expectations regarding operating costs, liquidity and availability of undrawn credit lines, expectations regarding our Red Dog VIF2 project, Highland Valley D3 project, procurement strategy and Neptune Terminals expansion, the statement that certain milestones set out on the “Looking Forward” slide, all production guidance, all sales guidance, all capital expenditure guidance (including categories of capital expenditures), all other guidance, statements regarding our growth options, the sensitivity of estimated profit and estimated EBITDA to foreign exchange and commodity prices, our sustainability goals and strategy (including but not limited to GHG emission reduction targets), projected investment to construct water treatment facilities, potential of our SRF and other research and development projects to reduce costs, value potential and potential capital cost savings associated with our innovation strategy, including regarding smart shovels, autonomous haul trucks and artificial intelligence, and the savings potential of associated with autonomous haul trucks, our expectations regarding the coal market, expectation that our coal reserves support approximately 27 million tonnes of production for many years, coal growth potential, strip ratio expectations, projected coal capital expenditures, expected five-year capital spend for water sustaining capital and average water capital costs, Neptune facility upgrade timing and benefits, expectations regarding the copper market, expectations of closing the transaction is subject to customary closing conditions, including regulatory approvals, and may be delayed and it is possible that the completion of the transaction does not occur at all. Finally, we reserve the right to make any change in these forward-looking statements at any time without any specific notice.

The forward-looking statements in these slides and accompanying oral presentation are based on assumptions regarding, 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 distribution 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, our ongoing relationships 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 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 undiscovered 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, general business and economic conditions, the timing of the receipt of further permits and approvals for the QB2 project, timing and amount of Teck’s equity contributions assume that the 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 timing of closing of the transaction is subject to customary closing conditions, including regulatory approvals, and may be delayed and it is possible that the completion of the transaction does not occur at all. Finally, we reserve the right to make any change in these forward-looking statements at any time without any specific notice.

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Caution Regarding Forward-Looking Statements

Management’s expectations of mine life are based on the current planned production rates and assume that all 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 reserve and resource life assume that all resources are upgraded to reserves and that all reserves and resources could be mined. Statements regarding future production are based on the assumption of 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 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. The effect of the price of oil on operating costs will be affected by the exchange rate between Canadian and U.S. dollars. 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. Purchases of Class B shares under the normal course issuer bid may be impacted by, among other things, availability of Class B shares, share price volatility, and availability of funds to purchase shares. Closing of the QB2 partnering share is dependent on satisfying all closing conditions.

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 steel production. 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 subsequent filings of 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.
Our Value Proposition

**Strong Execution**
- Premier operating assets
- Proven track record
- Enhancing profitability

**Solid Financial Position**
- Significant liquidity
- Strong cash flow

**Disciplined Capital Allocation**
- Maintain strong balance sheet
- Asset portfolio optimization
- Strong history of returning cash to shareholders
- Attractive growth potential

**Foundation of Sustainability**

**Compelling Value**
## Value Potential

### Multiple Normalization
- Current Teck EV/EBITDA multiple of 3.8x\(^1\)
- Historical Teck EV/EBITDA multiple of 5.8-6.7x\(^1\)
- Current peer EV/EBITDA multiple of 3.9-7.4x\(^1\)

### Quebrada Blanca 2
- EBITDA potential of ~US$635M at 60% ownership and assuming US$3.00/lb copper\(^3\)

### Energy Business
- EBITDA potential at full production of ~C$500M at US$75/bbl WTI and US$15/bbl weighted average WTI-WCS differential\(^4\)
- Resource upside at Frontier and Lease 421
- Historical energy EV/EBITDA multiple of 8.0-10.0x\(^5\)

### Table

<table>
<thead>
<tr>
<th>Multiple Normalization</th>
<th>Quebrada Blanca 2</th>
<th>Energy Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Current Teck EV/EBITDA multiple of 3.8x(^1)</td>
<td>• EBITDA potential of ~US$635M at 60% ownership and assuming US$3.00/lb copper(^3)</td>
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<td>• Historical Teck EV/EBITDA multiple of 5.8-6.7x(^1)</td>
<td>•</td>
<td>• Resource upside at Frontier and Lease 421</td>
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<tr>
<td>• Current peer EV/EBITDA multiple of 3.9-7.4x(^1)</td>
<td>•</td>
<td>• Historical energy EV/EBITDA multiple of 8.0-10.0x(^5)</td>
</tr>
</tbody>
</table>

Teck’s trailing 12-month EBITDA is ~C$10.00/share\(^2\)

~C$1.50/share EBITDA potential\(^3\)

~C$1.00/share EBITDA potential\(^4\)

Comparable company average includes diversified peers (Anglo American, BHP, Glencore, Rio Tinto, South32 and Vale) and North American peers (Freeport-McMoRan, First Quantum and Southern Copper).
The Right Commodities at the Right Time

Steelmaking Coal

- Outperforming market expectations
- Long-term average steelmaking coal price is US$181/t, or US$197/t on an inflation-adjusted basis\(^1\)
- Forward curve >US$165/tonne through 2021\(^1\)

Zinc

- Structural deficit to ease in 2020, before re-emerging in 2022.
- Inventories at record lows.

Copper

- Mine production to peak in 2022 & structural deficit to emerge

### Coal Price Assessments\(^1\)

![Coal Price Assessments Chart]

- Argus FOB Australia
- 12-Month Moving Average
**Premier Operating Assets**

<table>
<thead>
<tr>
<th>Steelmaking Coal</th>
<th>Zinc</th>
<th>Copper</th>
<th>Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Assets: Elk Valley mines</td>
<td>Primary Asset: Red Dog</td>
<td>Primary Assets: Antamina, Highland Valley, Carmen de Andacollo</td>
<td>Primary Asset: Fort Hills</td>
</tr>
</tbody>
</table>

- High quality steelmaking coal
- Long life
- Upper half of margin curve
- ~$22B of Adjusted EBITDA since the Fording acquisition

**EBITDA Margin**: 58%

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<tbody>
<tr>
<td>Steelmaking Coal</td>
<td>Zinc</td>
<td>Copper</td>
<td>Energy</td>
</tr>
<tr>
<td>Elk Valley mines</td>
<td>Red Dog</td>
<td>Antamina, Highland Valley, Carmen de Andacollo</td>
<td>Fort Hills</td>
</tr>
<tr>
<td>High quality steelmaking coal</td>
<td>Long life</td>
<td>Long life</td>
<td>Long life</td>
</tr>
<tr>
<td>Long life</td>
<td>Bottom quartile of cost curve</td>
<td>Bottom half of cost curve</td>
<td>Higher quality, lower carbon intensity product</td>
</tr>
<tr>
<td>Upper half of margin curve</td>
<td>Strong market position</td>
<td>Multiple opportunities for growth – QB3, Zafranal, San Nicolás, NuevaUnión</td>
<td>Low operating costs</td>
</tr>
</tbody>
</table>

**EBITDA Margin**:
- Red Dog: 42%
- Antamina, Highland Valley, Carmen de Andacollo: 56%

2018 ramp up
Proven Track Record

Delivered Five-Point Plan During Downturn
- No equity issued
- No core assets sold
- Invested in production growth from Fort Hills
- Maintained strong liquidity
- 33% debt reduction\(^1\); managed maturities

All while achieving >$1B in annualized cost savings\(^2\)

Driving Industry-Leading Profitability
- Strong EBITDA margin\(^3\)
  - 41% for Teck
  - 33% for Diversified Peers
  - 43% for North American Peers
- Strong cash flow
- Canadian tax pools – EBITDA converts to cash efficiently

Further Enhancing Profitability
- Red Dog VIP2 project to increase mill throughput
- Highland Valley D3 project to increase mill throughput and copper recoveries
- Procurement strategy to maximize margins
- Neptune Terminals expansion

\(^1\) Source: Capital IQ

2012-2016
2017
2018 Onwards
QB2 Summary

Benefits of Partnering

✓ Prudent approach to capital allocation
  - Choosing measured growth preserves ability to return further capital to shareholders and reduce outstanding bonds

✓ Partnership and financing plan dramatically reduces Teck's QB2 capital requirements
  - Teck's share of remaining equity is approximately US$693 million before escalation¹
  - No contributions required from closing until late 2020²

✓ Significantly enhances Teck's economics bringing after-tax levered IRR to 30-40%³

✓ Builds on already strong relationship with Sumitomo Metal Mining and Sumitomo Corporation

Benefits of Sanctioning QB2

✓ Rebalances Teck's portfolio over time making the contribution from copper similar to steelmaking coal

✓ World class, low cost copper opportunity in an excellent geopolitical jurisdiction

✓ First production in late 2021 when copper is expected to be in deficit

✓ Vast, long life deposit with expansion potential (QB3)

✓ Advanced stage of operational readiness incorporating leading technology and innovation to create a modern mine

✓ Experienced team ready to execute together with industry leading EPCM partner in Bechtel
Solid Financial Position

• ~C$7B of liquidity\(^1\)
• Currently no significant debt maturities prior to 2024; strong credit metrics reflected in trading price of public debt
• Received regulatory approval to renew our Normal Course Issuer Bid (NCIB)
  – Allows us to purchase up to 40M Class B shares prior to October 9, 2019
• On November 15, 2018, announced that the Board:
  – Approved payment of a $0.15/share dividend on December 14, 2018
  – Directed management to apply $400M to the repurchase of Class B shares under the NCIB
• Teck’s Board will consider an additional return of capital to shareholders following closing of the QB2 transaction
Prudent Balance Sheet Management Through QB2

Maintaining Solid Financial Position

- Teck intends to fund its share of required equity capital through cash on hand and free cash flow
  - No cash requirement from Teck post closing until late 2020\(^1\)
  - Significant free cash flow anticipated between 2018 and 2020
  - Current liquidity of approximately C$7 billion, including C$1.7 billion in cash and undrawn US$4 billion credit facility
  - Only US$117 million in debt maturities through 2021
- Transaction preserves Teck's solid financial position and ability to return cash to shareholders through QB2 construction

QB2 Development Funding

After transaction proceeds and project financing, Teck’s share of remaining equity capital before escalation is only approximately US$693 million\(^3\)

<table>
<thead>
<tr>
<th>QB2 Capital Costs Before Escalation (US$M)(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>QB2 Capital Cost: $4,739(^2)</td>
</tr>
<tr>
<td>Project Finance: $2,500</td>
</tr>
<tr>
<td>Contribution from Sumitomo: $1,200</td>
</tr>
<tr>
<td>Remaining Sumitomo Equity: $346</td>
</tr>
<tr>
<td>Remaining Teck Equity: $693(^3)</td>
</tr>
</tbody>
</table>
Balance Returning Cash to Shareholders and Capex With Prudent Balance Sheet Management

<table>
<thead>
<tr>
<th>Steelmaking</th>
<th>Coal</th>
<th>Strategy</th>
<th>Capital Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>• Maintain current production</td>
<td>• Significant free cash flow even at lower prices&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Optimize assets</td>
<td>• Cash available to fund growth projects</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Neptune Terminals expansion</td>
</tr>
<tr>
<td>Zinc</td>
<td></td>
<td>• Maintain current production</td>
<td>• Strong near-term commodity outlook, significant free cash flow&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Optimize assets/extend mine life</td>
<td>• Cash available to fund growth projects</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Define Aktigiruq potential</td>
<td></td>
</tr>
<tr>
<td>Copper</td>
<td></td>
<td>• Build QB2</td>
<td>• Strong long-term commodity fundamentals</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Optimize current assets/extend mine lives</td>
<td>• Attractive growth options – QB3, Zafranal, San Nicolás, NuevaUnión</td>
</tr>
<tr>
<td>Energy</td>
<td></td>
<td>• Moving from significant cash outflow to cash inflow</td>
<td>• 2018 ramp-up</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Growth through debottlenecking and expansion</td>
</tr>
<tr>
<td>Portfolio Optimization</td>
<td></td>
<td>• Waneta Dam, NuevaUnión joint venture, Project Satellite</td>
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</tr>
</tbody>
</table>
Strong Track Record of Returning Cash to Shareholders

~$5.5 billion returned from January 1, 2003 to September 30, 2018

Dividends

$4.2 billion since 2003

~26% of free cash flow in last 15 years

Share Buybacks

$1.3 billion since 2003

~8% of free cash flow in last 15 years

Cash Returns in H2 2018

• Purchased US$1B in near-term debt maturities

• Announced eligible dividend of $0.15/share to be paid on December 14, 2018
  – $0.05/share regular quarterly dividend and $0.10/share supplemental dividend

• Announced $400M repurchase of Class B shares under NCIB
Looking Forward
Multiple catalysts / valuation milestones

<table>
<thead>
<tr>
<th>Project</th>
<th>Milestone Details</th>
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<tbody>
<tr>
<td><strong>Fort Hills</strong></td>
<td>Full production in <strong>Q4 2018</strong></td>
</tr>
<tr>
<td><strong>Highland Valley (HVC)</strong></td>
<td>HVC 2040 Prefeasibility Study completion in <strong>Q4 2018</strong></td>
</tr>
<tr>
<td><strong>Zafranal</strong></td>
<td>Feasibility Study completion in <strong>Q1 2019</strong></td>
</tr>
<tr>
<td><strong>NuevaUnión</strong></td>
<td>Feasibility Study completion by <strong>Q3 2019</strong></td>
</tr>
<tr>
<td><strong>San Nicolás</strong></td>
<td>Prefeasibility engineering and SEIA submission in <strong>H2 2019</strong></td>
</tr>
<tr>
<td><strong>Strong Execution</strong></td>
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<td>----------------------</td>
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<tr>
<td>• Premier operating assets, a proven track record, and enhancing profitability at our operations.</td>
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<table>
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<tr>
<th><strong>Solid Financial Position</strong></th>
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<tr>
<td>• Significant liquidity and strong cash flow.</td>
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<table>
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<tr>
<th><strong>Disciplined Capital Allocation</strong></th>
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<tbody>
<tr>
<td>• Our approach balances returning cash to shareholders and capital spending with prudent balance sheet management.</td>
</tr>
<tr>
<td>• QB2 transaction preserves Teck’s solid financial position and ability to return cash to shareholders through QB2 construction.</td>
</tr>
</tbody>
</table>

**Compelling Value**
Appendix
Notes

Slide 5: Value Potential
1. Current multiples are as at January 11, 2019. Historical multiples are for the past ten years based on weekly data. Peer multiples are based on a combination of our Diversified Peers and North American Peers. Diversified Peers are Anglo American, BHP Billiton, Glencore, Rio Tinto, South32 and Vale. North American Peers are Freeport-McMoRan, First Quantum, Lundin and Southern Copper. EV/EBITDA multiples are unweighted averages based on data reported by Capital IQ as at January 15, 2019, and are total enterprise value to forward EBITDA for the next twelve months. EBITDA is a non-GAAP financial measure without a standardized meaning, but generally refers to profit attributable to shareholders before net finance expense, income and resource taxes, and depreciation and amortization. Capital IQ applies its own approach to calculate this metric and as a result the figures determined from Capital IQ data may vary from results published by Teck or peer companies. See “Non-GAAP Financial Measures” slides.

2. Trailing 12-month EBITDA is as at September 30, 2018.
3. EBITDA potential for Quebrada Blanca 2 is Teck’s share at 60% ownership and is based on the sanction case for the first full five years of production, assuming a copper price of US$3.00/lb and a Canadian to US dollar exchange rate of 1.25. See Teck’s news release dated December 4, 2018 for further information regarding Quebrada Blanca Phase 2, including forecast production for the first full five years of production. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

4. EBITDA potential for the Energy business is at full production of ~90% of nameplate capacity of 194,000 barrels per day. Includes Crown royalties assuming pre-payout phase. Assumes a WTI price of US$75/bbl, weighted average WTI-WCS differential of US$15/bbl, operating costs of C$20/bbl and a Canadian to US dollar exchange rate of 1.25. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

5. Historical energy multiples are as provided by RBC Capital Markets as at May 28, 2018 and are based on Suncor, CNRL, Imperial Oil, Cenovus, Husky, MEG, Pengrowth and BlackPearl.

Slide 6: The Right Commodities at the Right Time

2. Bottom half of the copper cost curve based on the average for our operations.
3. EBITDA margin is for the nine months ended September 30, 2018. EBITDA margin is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 7: Premier Operating Assets
1. Adjusted EBITDA generated from October 1, 2008 to September 30, 2018. This reflects the change in accounting policy to capitalize stripping from January 1, 2013. Waste rock stripping costs incurred in the production phase of a surface mine are recorded as capitalized production stripping costs within property, plant and equipment when it is probable that the stripping activity will improve access to the orebody when the component of the orebody or pit to which access has been improved can be identified, and when the costs relating to the stripping activity can be measured reliably. When the actual waste-to-ore stripping ratio in a period is greater than the expected life-of-component waste-to-ore stripping ratio for that component, the excess is recorded as capitalized production stripping costs. Adjusted EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

2. EBITDA margin is for the nine months ended September 30, 2018. EBITDA margin is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 8: Proven Track Record

2. Achieved >$1 billion in annualized cost savings from initiatives in 2013 to 2016.
3. EBITDA margin LTM for Teck, Diversified Peers and North American Peers are as determined and reported by Capital IQ as at January 16, 2019. Diversified Peers are Anglo American, BHP Billiton, Glencore, Rio Tinto, South32 and Vale. North American Peers are Freeport-McMoRan, First Quantum, Lundin and Southern Copper. EBITDA margin is a non-GAAP financial measure without a standardized meaning, but generally refers to EBITDA (earnings, before interest, taxes, depreciation and amortization) divided by total revenues for the relevant period. Capital IQ applies its own approach to calculate this metric and as a result the figures reported from Capital IQ data may vary from results published by Teck or peer companies. See “Non-GAAP Financial Measures” slides.
Slide 9: QB2 Summary
1. 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 (not including contingent consideration). Based on remaining capital costs of US$4.739 billion in constant Q2 2017 dollars, assuming 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, but including approximately US$500 million in contingency.
2. 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 10: Solid Financial Position
3. Net debt/net debt-plus-equity for Diversified Peers and North American Peers are unweighted averages based on data reported by Capital IQ as at January 16, 2019. Diversified Peers are Anglo American, BHP Billiton, Glencore, Rio Tinto, South32 and Vale. North American Peers are Freeport-McMoRan, First Quantum, Lundin and Southern Copper. Net debt/net debt-plus-equity is a non-GAAP financial measure without a standardized meaning, but generally refers to net debt (total debt less cash and cash equivalents) divided by the sum of net debt plus shareholders equity. Capital IQ applies its own approach to calculate this metric and as a result the figures determined from Capital IQ data may vary from results published by Teck or peer companies. Net debt/net debt-plus-equity for Teck is an unweighted average as at September 30, 2018. Non-GAAP financial measure. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2018 press release for further information.
4. Net debt/EBITDA for Diversified Peers and North American Peers are unweighted averages based on data reported by Capital IQ as at January 16, 2019. Diversified Peers are Anglo American, BHP Billiton, Glencore, Rio Tinto, South32 and Vale. North American Peers are Freeport-McMoRan, First Quantum, Lundin and Southern Copper. Net debt/EBITDA is a non-GAAP financial measure without a standardized meaning, but generally refers to net debt (total debt less cash and cash equivalents) divided by EBITDA (earnings, before interest, taxes, depreciating and amortization). Capital IQ applies its own approach to calculate this metric and as a result the figures determined from Capital IQ data may vary from results published by Teck or peer companies. Net debt/EBITDA for Teck is based on our adjusted EBITDA and is an unweighted average as at September 30, 2018. EBITDA, adjusted EBITDA and net debt/EBITDA are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2018 press release for further information.

Slide 11: Prudent Balance Sheet Management Through QB2
1. 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.
2. 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
3. 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.

Slide 12: Balance Returning Cash to Shareholders and Capex With Prudent Balance Sheet Management
1. Free cash flow is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 13: Strong Track Record of Returning Cash to Shareholders
Quebrada Blanca
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.
## QB2 Transaction Terms

<table>
<thead>
<tr>
<th>Section</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Upfront Consideration</strong></td>
<td>• Total contribution of US$1.2 billion into the QB2 project for a 30% interest</td>
</tr>
<tr>
<td></td>
<td>- US$800 million earn-in contribution</td>
</tr>
<tr>
<td></td>
<td>- US$400 million matching contribution</td>
</tr>
<tr>
<td><strong>Contingent Consideration¹</strong></td>
<td>• US$50 million to Teck on QB2 achieving mill throughput optimization target of 154 ktpd</td>
</tr>
<tr>
<td></td>
<td>- 12% of the incremental QB3 expansion NPV upon sanction</td>
</tr>
<tr>
<td></td>
<td>- 8% contingent earn-in contribution</td>
</tr>
<tr>
<td></td>
<td>- 4% matching contribution</td>
</tr>
<tr>
<td><strong>Post-Transaction</strong></td>
<td><strong>Project Ownership</strong></td>
</tr>
<tr>
<td></td>
<td>• 60% Teck / 30% Sumitomo / 10% ENAMI</td>
</tr>
<tr>
<td></td>
<td>- 25% Sumitomo Metal Mining</td>
</tr>
<tr>
<td></td>
<td>- 5% Sumitomo Corporation</td>
</tr>
<tr>
<td><strong>Capital Cost Funding</strong></td>
<td>• US$2.5 billion project financing planned</td>
</tr>
<tr>
<td></td>
<td>• Remaining capital cost funded two-thirds by Teck, one-third by Sumitomo</td>
</tr>
<tr>
<td></td>
<td>• ENAMI has 10% non-funding interest</td>
</tr>
<tr>
<td><strong>Conditions &amp; Closing</strong></td>
<td>• Customary conditions, including regulatory approvals</td>
</tr>
<tr>
<td></td>
<td>• Transaction effective date January 1, 2019</td>
</tr>
<tr>
<td></td>
<td>• Closing expected before April 30, 2019</td>
</tr>
</tbody>
</table>
Contingent Consideration on Major Expansion (QB3)

- Payment of 8% of incremental NPV at sanction to participate in a major project expansion (QB3)
- To be paid as a contribution to project funding (grossed up to 12% including Sumitomo’s one third share)
- Various configurations for QB3 analyzed at a conceptual level and scoping study initiated
- Resource size capable of supporting a doubling of production, potentially more
- QB3 more capital efficient than QB2 since no new tailings facility required for 10-15 years and other infrastructure already in place
- Strip ratio remains low
- Could sanction as early as 2024 (subject to permitting, environmental and community considerations)

Ascribes Material Value to Potential Expansion
Unlocking Hidden Value at QB

**EV / 2019E EBITDA**

- **Teck Historical Multiple**: 5.5x - 6.5x
- **Current Comparable Company Average**: 5.5x
- **Teck Current Multiple**: 3.9x
- **Teck Excl. QB**: 3.1x²

**Value Potential**

- Teck trading well below peer average multiple
- Assuming contingent consideration reflects a doubling of capacity with QB3, transaction implies value of ~US$3 billion³ for Teck’s 90% interest in QB compared with analyst consensus NAV estimates of ~US$1.2 billion⁴
  - Difference of ~US$1.8 billion implies additional value of over US$3.00/share⁵
- Highlights hidden value of Teck’s copper growth portfolio which also includes Project Satellite and other assets

**Significant share price upside based on current EV / EBITDA multiple relative to peers and lack of value ascribed to Teck’s other copper development assets**

Comparable company average includes diversified peers (Anglo American, BHP, Glencore, Rio Tinto, South32 and Vale) and North American peers (Freeport-McMoRan, First Quantum and Southern Copper)
QB2 Rebalances Teck’s Portfolio

Delivers on Copper Growth Strategy

![Graph showing Teck's Annual Copper Production (kt Cu)]

- Rebalances Teck’s portfolio over time to make the contribution from copper similar to steelmaking coal
- On a consolidated basis copper production is doubled
- On an attributable basis copper production increases by ~60%
- Based on expected long term prices for copper and steelmaking coal, increased copper production could reduce steelmaking coal to below 50% of EBITDA over time
- QB3 and other copper development projects could further increase copper exposure and diversification

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.
QB2 Project Highlights

World Class Development

- Vast, long life deposit in favourable jurisdiction
- Top 20 producer with top 5 potential through QB3
- Very low strip ratio
- Low all-in sustaining costs (AISC)
- Enhancement (QB2 Prime) and expansion potential (QB3)
- Competitive capital intensity
- High grade, clean concentrates
- Permitted with engineering ~80% complete and construction ready
- Community agreements in place and strong local relationships
### Project Metrics (100%)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$2.4-$4.2B After-Tax NPV</td>
<td>8%&lt;sup&gt;2,3&lt;/sup&gt;</td>
</tr>
<tr>
<td>14%-18% Unlevered After-Tax IRR&lt;sup&gt;2,3&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>US$1.1-$1.4B First 5 Full Years Annual EBITDA&lt;sup&gt;2&lt;/sup&gt;</td>
<td>316 kt First 5 Full Years Annual CuEq Production&lt;sup&gt;4&lt;/sup&gt;</td>
</tr>
<tr>
<td>US$1.28/lb First 5 Full Years C1 Cash Cost (net of by-products)&lt;sup&gt;5&lt;/sup&gt;</td>
<td>US$1.38/lb First 5 Full Years AISC (net of by-products)&lt;sup&gt;6&lt;/sup&gt;</td>
</tr>
<tr>
<td>QB2 Uses &lt;25% of R&amp;R Continuing to Grow</td>
<td></td>
</tr>
<tr>
<td>US$4.7B Capital Cost (100%)&lt;sup&gt;7&lt;/sup&gt;</td>
<td></td>
</tr>
</tbody>
</table>

### Transaction Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>~US$3B Implied Value of Teck's 90% Interest&lt;sup&gt;8&lt;/sup&gt;</td>
<td>30%-40% Teck's Levered After-Tax IRR Post Transaction&lt;sup&gt;2,3,9&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

---

QB2 is a World Class Copper Opportunity<sup>1</sup>

**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.
Increasing Teck's Returns on QB2

Enhancing IRR

Teck's Post Transaction After-Tax IRR (%)\(^1\)

<table>
<thead>
<tr>
<th>Copper Price (US$/lb):</th>
<th>$3.00</th>
<th>$3.25</th>
<th>$3.50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unlevered</td>
<td>19%</td>
<td>21%</td>
<td>24%</td>
</tr>
<tr>
<td>Levered(^2)</td>
<td>30%</td>
<td>35%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Reducing Teck's Equity Contributions

Teck's Equity Contributions Before Escalation (US$M)\(^3\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Teck Contribution</th>
<th>Sumitomo Contribution</th>
<th>Project Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019E Pre-Closing</td>
<td>$290</td>
<td>$200</td>
<td>$493</td>
</tr>
<tr>
<td>2019E Post-Closing</td>
<td>$1,232</td>
<td>$1,200</td>
<td>$443</td>
</tr>
<tr>
<td>2020E</td>
<td>$1,843</td>
<td>$1,793</td>
<td>$640</td>
</tr>
<tr>
<td>2021E</td>
<td>$1,292</td>
<td>$1,255</td>
<td>$217</td>
</tr>
<tr>
<td>2022E</td>
<td></td>
<td></td>
<td>$82</td>
</tr>
</tbody>
</table>

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

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.

Transaction proceeds and project financing reduce Teck’s equity contributions to ~US$693 million\(^4\) with no contributions required post-closing until late 2020\(^5\).
QB2’s Competitive Cost Position

Competitive Operating Cost & Capital Intensity

• Given the exceptionally low strip ratio, consistent grade profile, compact site layout, and high level of automation, QB2 is expected to have attractive and relatively stable operating costs.

• Exceptional strip ratio of 0.70 LOM, meaning for every one tonne of ore mined, only 0.70 tonnes of waste need to be mined (0.44 over first 5 full years).
  - Compares to other world class asset strip ratios of 3.5 for Antamina, 3.1 for Collahuasi, and 2.5 for Escondida.
  - Major benefit to sustaining capital since it reduces mobile fleet size and replacement costs.

• Capital intensity of ~US$15k/tpa copper equivalent is in line or lower than recent comparably sized projects with the ability to amortize these costs over a very long mine life.

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).

Low Cash Cost Position

C1 Cash Cost & AISC Curve (US$/lb, 2023E)
Vast, Long Life Deposit at QB

QB2 Uses Less than 25% of R&R

- Resource exclusive of Reserve increased 40% since 2017
- Initial 28 year mine life processes <25% of the currently defined Reserve and Resource Tonnage
- Deposit is capable of supporting a very long mine life based on throughput rate of 143 ktpd by utilizing further tailings capacity at already identified sites
- Actively evaluating potential options to exploit value of full resource through mill expansion and/or mine life extension
- Beyond the extensive upside included in the defined QB deposit, the district geology is highly prospective for exploration discovery and resource addition
  - Mineralization is open in multiple directions with drilling ongoing

Extension Potential

<table>
<thead>
<tr>
<th>Reserve and Resource Tonnage (Mt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P&amp;P</td>
</tr>
</tbody>
</table>

- <25% of current Reserve and Resource Tonnage
- 2017 Annual Information Form: 1,202 (P&P), 1,259 (M&I), 2,141 (Inferred)
- 2018 Updated Resource Tonnage: 1,202 (P&P), 1,325 (M&I), 3,393 (Inferred)
Enhancement and Expansion Potential at QB

**QB2 Prime Enhancement**

Enhancing economics of QB2 with limited capital outlay

- Focuses on debottlenecking and continuous improvement through various optimization initiatives, including:
  - Concentrator throughput: targeting 154ktpd through process optimization and incremental debottlenecking initiatives
  - Autonomous haulage systems will drive further benefits and leverage Teck and industry learnings
  - Mine plan optimization: 9th phase replaces lower grade feed
  - Ore sorting: application of new technology to increase feed grade and reduce dilution ongoing at other Teck sites
- Limited capital and permitting requirements

**QB3 Expansion**

Expansion of operations to realize the full potential of the QB resource which could make QB3 Teck's most attractive project

- Deposit is large enough to support the doubling of throughput, or more, which would make QB3 a top 5 copper producer globally
- Expect significantly lower upfront capital cost compared to QB2 of over US$1B, with new tailings facility (TMF) not required for 10-15 years, plus other potential synergies
- Scenarios reviewed to date outline realistic growth options, with the following key components:
  - Resource and mining: straightforward mine phase expansions, available waste dump space
  - Concentrator capacity: further studies will define optimum capacity but resource size supports at least the doubling of initial throughput
  - Tailings management: already identified potential sites for future TMF options
  - Permitting: new EIA required in addition to existing permits
- Vast deposit could support throughput capacity of over 400ktpd, similar to some of the largest copper operations globally
# QB2 is Permitted and De-Risked

## Construction Ready

<table>
<thead>
<tr>
<th>~80% Detailed Engineering Complete</th>
<th>&gt;70% Procurement Advanced</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Significantly reduced capital cost risk</td>
<td></td>
</tr>
<tr>
<td>- Detailed engineering ~80% complete</td>
<td></td>
</tr>
<tr>
<td>- Procurement over 70% advanced with major equipment in fabrication</td>
<td></td>
</tr>
<tr>
<td>- Contracting well advanced</td>
<td></td>
</tr>
<tr>
<td>- Major mass earthworks contracts awarded</td>
<td></td>
</tr>
<tr>
<td>- Construction camp contracts awarded and in fabrication</td>
<td></td>
</tr>
<tr>
<td>• Field activities underway</td>
<td></td>
</tr>
<tr>
<td>- Access roads and concentrator mass earthworks commenced in September 2018</td>
<td></td>
</tr>
<tr>
<td>- ~2,000 beds currently available for construction</td>
<td></td>
</tr>
</tbody>
</table>

## Leveraging QB1

<table>
<thead>
<tr>
<th>0.44 Strip ratio over first 5 full years (0.70 LOM)</th>
<th>Existing Fleet &amp; Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ability to leverage the existing assets, workforce with experience at altitude and local stakeholder knowledge</td>
<td></td>
</tr>
<tr>
<td>• Existing QB1 operation has effectively eliminated pre-stripping requirements resulting in an exceptionally low life of mine strip ratio for QB2</td>
<td></td>
</tr>
</tbody>
</table>

## Permitted

<table>
<thead>
<tr>
<th>25 Years Operating experience in region</th>
<th>EIA Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>• EIA approved in August 2018</td>
<td></td>
</tr>
<tr>
<td>• Sectoral permitting underway and progressing on schedule</td>
<td></td>
</tr>
<tr>
<td>• Local training and hiring plan for construction and operation, in coordination with government and local communities</td>
<td></td>
</tr>
<tr>
<td>• Significant economic and social benefits to the country and Tarapacá Region through employment, taxes and collaborative investments in local communities</td>
<td></td>
</tr>
</tbody>
</table>
**Construction Approach**

- Key project elements are segregated by area and can be managed more efficiently reducing risk:
  - Open pit mine (120 Mtpa peak);
  - Concentrator (143 ktpd);
  - Tailings storage facility (1.4 Bt capacity);
  - Concentrate and water supply pipelines (165 km); and
  - Port facility (including a desalination plant and concentrate filtration plant)
- QB will own and operate its pipelines and port facilities

**Operational Readiness**

- Early focus on operational readiness and commissioning to ensure a seamless transition to operations
- Organizational design incorporating Integrated Operations and Business Partner Model
  - Driving value by linking process, people and workplace design
- Engagement of experienced consultants to support detailed plan development and execution, integrated operations design and systems, and commissioning planning
Technology and Innovation at QB2

Operational improvements and innovations will be geared towards maximizing productivity and achieving top tier labour efficiency.

**Autonomous Haulage Systems**
- Reduces employees working at altitude, improves fleet performance and reduces operating costs
  - Performance improvements based on demonstrated opportunities at other sites

**Integrated Operating Centre**
- Located in Santiago with benefits in safety, productivity, costs, and access to workforce quality and diversity
- Leads to optimized operations across the business

**Advanced Digital Strategy and Systems**
- Implementing systems that promote labour productivity with a focus on efficiency and data integration across key functions
- Ability to use operational data analytics to drive real-time decisions

**Desalinated Water**
- The first large-scale use of desalinated seawater for mining in Chile’s Tarapacá Region, eliminating freshwater use in operations
### Experienced Project Team Including Bechtel, a Leading EPCM Company

#### Teck Owner's Team

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Years of Experience</th>
<th>Major Project Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karl Hroza</td>
<td>Project Director</td>
<td>25+</td>
<td>Sturgeon Refinery, El Morro, Koniambo, Fort Hills, Ravensthorpe</td>
</tr>
<tr>
<td>Sergio Vives</td>
<td>Director, Environment and Permitting</td>
<td>20+</td>
<td>Pascua Lama, Los Pelambres, Chuquicamata and Codelco Smelting</td>
</tr>
<tr>
<td>Grant McLaren</td>
<td>Site Manager</td>
<td>35+</td>
<td>Escondida (Phase IV, North satellite), Cerrejon P40 Expansion, Olympic Dam</td>
</tr>
<tr>
<td>Carlos Opazo</td>
<td>Concentrator Manager</td>
<td>25+</td>
<td>Fort Hills, Carmen de Andacollo, Los Pelambres, El Abra, Escondida, Chuquicamata, CAP Iron Ore, MCC, Millennium Coker Unit – U and O</td>
</tr>
<tr>
<td>Francisco Raynaud</td>
<td>Port Area Manager</td>
<td>25+</td>
<td>Escondida, To-2 – Codelco</td>
</tr>
<tr>
<td>Andrés Corbalan</td>
<td>Engineering Manager</td>
<td>25+</td>
<td>El Abra, Los Pelambres</td>
</tr>
<tr>
<td>Dale Webb</td>
<td>Operations Readiness General Manager</td>
<td>20+</td>
<td>QB1, Trail Operations</td>
</tr>
</tbody>
</table>

#### Bechtel Management Team

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Years of Experience</th>
<th>Major Project Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jim McCloud</td>
<td>Project Manager</td>
<td>25+</td>
<td>El Abra, Radimiro Tomic, Collahuasi, Escondida (EWS), Los Pelambres, Yanacocha, Antamina, Antapaccay</td>
</tr>
<tr>
<td>Carlos Ruiz</td>
<td>Deputy Project Manager</td>
<td>25+</td>
<td>Escondida (EWS, OGP1, OLAP, Laguna Seca Debottlenecking), Los Broncos</td>
</tr>
<tr>
<td>Sergio Baldini</td>
<td>Senior Site Manager</td>
<td>20+</td>
<td>Escondida (EWS, OGP1), Antapaccay</td>
</tr>
<tr>
<td>Eduardo Rochna</td>
<td>Project Controls Manager</td>
<td>18+</td>
<td>Los Pelambres Repower I and II projects, Antapaccay</td>
</tr>
<tr>
<td>Jorge Kettlun</td>
<td>Contracts Manager</td>
<td>25+</td>
<td>Escondida (EWS, OGP1), Los Bronces, Los Pelambres Repower II projects</td>
</tr>
<tr>
<td>Edgar Gomez</td>
<td>Engineering Manager</td>
<td>25+</td>
<td>Escondida (OGP1), Andina Development Project (PDA) Phase I, Codelco PTMP, Los Pelambres Repower I, Collahuasi Ujina Rosario, Antamina, Goro Nickel</td>
</tr>
</tbody>
</table>
## QB2 Project Economics Comparison

### Changes Since Feasibility Study

<table>
<thead>
<tr>
<th>General</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mine Life</td>
<td>years</td>
<td>25</td>
<td>28</td>
</tr>
<tr>
<td>Throughput</td>
<td>ktpd</td>
<td>140</td>
<td>143</td>
</tr>
<tr>
<td>LOM Mill Feed</td>
<td>Mt</td>
<td>1,259</td>
<td>1,400</td>
</tr>
<tr>
<td>Strip Ratio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td></td>
<td>0.40</td>
<td>0.16</td>
</tr>
<tr>
<td>LOM</td>
<td></td>
<td>0.52</td>
<td>0.41</td>
</tr>
<tr>
<td>Copper Production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td>ktpa</td>
<td>275</td>
<td>286</td>
</tr>
<tr>
<td>LOM</td>
<td>ktpa</td>
<td>238</td>
<td>228</td>
</tr>
<tr>
<td>Copper Equivalent Production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td>ktpa</td>
<td>301</td>
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<tr>
<td>LOM</td>
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<td>C1 Cash Cost</td>
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<tr>
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<td>LOM</td>
<td>US$/lb</td>
<td>$1.39</td>
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<tr>
<td>First 5 Full Years</td>
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<td>$1.34</td>
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<tr>
<td>LOM</td>
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<td>$1.43</td>
<td>$1.53</td>
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### Operating Metrics (Annual Avg.)

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<tr>
<th></th>
<th>Copper Price (US$/lb)</th>
<th>Annual EBITDA (US$B)</th>
<th>Payback Period (Years)</th>
<th>NPV at 8% (US$B)</th>
<th>Project Unlevered IRR (%)</th>
<th>Teck's Unlevered IRR (%)</th>
<th>Teck's Levered IRR (%)</th>
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</thead>
<tbody>
<tr>
<td>First 5 Full Years</td>
<td>$3.00</td>
<td>$3.50</td>
<td>$1.1</td>
<td>$2.0</td>
<td>13%</td>
<td>18%</td>
<td>29%</td>
</tr>
<tr>
<td>First 10 Full Years</td>
<td>$3.25</td>
<td>$3.7</td>
<td>$1.2</td>
<td>$2.9</td>
<td>16%</td>
<td>21%</td>
<td>35%</td>
</tr>
<tr>
<td>Sanction Case</td>
<td>$3.50</td>
<td>$4.4</td>
<td>$1.4</td>
<td>$3.7</td>
<td>17%</td>
<td>23%</td>
<td>40%</td>
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### After-Tax Economics

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<th></th>
<th>Copper Price (US$/lb)</th>
<th>Annual EBITDA (US$B)</th>
<th>Payback Period (Years)</th>
<th>NPV at 8% (US$B)</th>
<th>Project Unlevered IRR (%)</th>
<th>Teck's Unlevered IRR (%)</th>
<th>Teck's Levered IRR (%)</th>
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</thead>
<tbody>
<tr>
<td>First 5 Full Years</td>
<td>$3.00</td>
<td>$3.50</td>
<td>$1.1</td>
<td>$2.0</td>
<td>13%</td>
<td>18%</td>
<td>29%</td>
</tr>
<tr>
<td>First 10 Full Years</td>
<td>$3.25</td>
<td>$3.7</td>
<td>$1.2</td>
<td>$2.9</td>
<td>16%</td>
<td>21%</td>
<td>35%</td>
</tr>
<tr>
<td>Sanction Case</td>
<td>$3.50</td>
<td>$4.4</td>
<td>$1.4</td>
<td>$3.7</td>
<td>17%</td>
<td>23%</td>
<td>40%</td>
</tr>
</tbody>
</table>

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.
## QB2 Reserves and Resources Comparison

### Reserve Case (as at Nov. 30, 2018)\(^{1,2}\)

<table>
<thead>
<tr>
<th></th>
<th>Grade</th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mt</td>
<td>Cu %</td>
<td>Mo %</td>
<td>Silver ppm</td>
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</tr>
<tr>
<td>Reserves</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Proven</td>
<td></td>
<td>476</td>
<td>0.51</td>
<td>0.018</td>
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<tr>
<td>Probable</td>
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<td>924</td>
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<td>Reserves</td>
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<td>Resources (exclusive of reserves)(^3)</td>
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<td></td>
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</tr>
<tr>
<td>Measured</td>
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<td>36</td>
<td>0.42</td>
<td>0.014</td>
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<tr>
<td>Indicated</td>
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<td>1,558</td>
<td>0.40</td>
<td>0.016</td>
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<td>M&amp;I (Exclusive)</td>
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<td>0.40</td>
<td>0.016</td>
<td>1.14</td>
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<td>0.38</td>
<td>0.018</td>
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### Sanction Case (as at Nov. 30, 2018)\(^2,4\)

<table>
<thead>
<tr>
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<th></th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Mt</td>
<td>Cu %</td>
<td>Mo %</td>
<td>Silver ppm</td>
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<tr>
<td>Proven</td>
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<tr>
<td>Probable</td>
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<td>793</td>
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<td>Reserves</td>
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<td>1,202</td>
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<td>Resources (exclusive of reserves)(^5)</td>
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<tr>
<td>Measured</td>
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<td>36</td>
<td>0.42</td>
<td>0.014</td>
<td>1.23</td>
</tr>
<tr>
<td>Indicated</td>
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<td>1,436</td>
<td>0.40</td>
<td>0.016</td>
<td>1.13</td>
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<tr>
<td>M&amp;I (Exclusive)</td>
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<td>1,472</td>
<td>0.40</td>
<td>0.016</td>
<td>1.14</td>
</tr>
<tr>
<td>Inferred</td>
<td></td>
<td>3,194</td>
<td>0.37</td>
<td>0.017</td>
<td>1.13</td>
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<tr>
<td>+ Inferred in SC pit</td>
<td></td>
<td>199</td>
<td>0.53</td>
<td>0.022</td>
<td>1.21</td>
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</table>
QB Known Deposit Extends Beyond QB2

- Existing Pit Bottom
- Sanction Case Pit Design
- QB2 Pit (3km x 1.6km)
- Mineralized Footprint (4km x 2km)
ENAMI Interest in QB

Overview

- The government of Chile owns a 10% non-funding interest in Compañía Minera Teck Quebrada Blanca S.A. (CMTQB) through its state-run minerals company, Empresa Nacional de Minería (ENAMI)
- ENAMI has been a partner at QB since 1989 and is a 10% shareholder of Carmen de Andacollo
- ENAMI is not required to fund QB2 development costs
- Project equity funding in form of:
  - 25% Series A Shares
  - 75% Shareholder Loans
- Until shareholder loans are fully repaid, ENAMI is entitled to a minimum dividend, based on net income, that approximates 2.0-2.5% of free cash flow
  - Thereafter, ENAMI receives 10% of dividends / free cash flow
- ENAMI is entitled to board representation

Organizational Chart

- The diagram illustrates the ownership and financial structure of the projects involving ENAMI, Teck, and other partners.
- ENAMI has a 10% (Series B) stake in CMTQB, which is a JVCo (Joint Venture Company) involved in projects QB1, QB2, and QB3.
- Teck holds 100% of TRCL, which in turn holds 66.67% of JVCo.
- SMM and SC have 83.33% and 16.67% stakes in Chile HoldCo, respectively.
- ENAMI's representation ensures it benefits from project dividends and cash flow.
Notes - Appendix: QB

Slide 21: QB2 Transaction Terms
1. Sumitomo has agreed to make a supplemental payment to Teck of US$50 million if QB2 project throughput reaches 154,000 tonnes per day prior to the earlier of the sanctioning of a major expansion or December 31, 2025. Expansion contingent consideration is payable if project expansion sanction occurs before December 31, 2031 and Sumitomo elects to participate. If Sumitomo elects not to participate in the expansion, its interest in the joint venture will be diluted on a basis that effectively gives Teck 100% of the value of the expansion. Both these supplemental payments are subject to downward adjustment in the event that QB2 mill throughput and copper recoveries do not meet certain targets.

Slide 23: Unlocking Hidden Value at QB
1. Current multiples are as at December 3, 2018. Historical multiples are for the past ten years. Comparable company average based on a combination of Teck's diversified peers and North American peers. Diversified peers are Anglo American, BHP, Glencore, Rio Tinto, South32 and Vale. North American Peers are Freeport-McMoRan, First Quantum and Southern Copper. EV/EBITDA multiples are unweighted averages based on data reported by Bloomberg as at December 3, 2018, and are total enterprise value to 2019E EBITDA.
2. Calculated as Teck's enterprise value of ~US$15.3 billion, less ~US$3 billion implied value for QB, divided by 2019 analyst consensus EBITDA estimate of ~US$4.0 billion based on data reported by Bloomberg as at December 3, 2018.
3. The valuation of approximately ~US$3 billion for Teck’s 90% interest is based on a transaction value of US$1 billion comprising an earn-in contribution of US$800 million and assumed contingent consideration proceeds with a present value of approximately US$200 million. The undiscounted contingent consideration is estimated at US$300 million and comprises: (a) US$50 million relating to achieving the mill throughput optimization target as described in Note 1 to Slide 6, assumed to be received in 2024; and (b) 8% of the net present value of the QB3 expansion at sanction, assuming an expansion sanctioned in 2024 which doubles QB2 throughput with further tailings facility construction deferred. At a real copper price of US$3.00/lb, the payment is estimated at approximately US$250 million. Using a real discount rate of 8%, the present value of the contingent consideration, based on the above assumptions is estimated at approximately US$200 million. This estimate is based on a number of significant assumptions in addition to those described above. There can be no assurance that the contingent consideration will approximate the amounts outlined above, or that it will be received at all.
4. Based on average of analysts who publish a segmented NAV estimate for QB.
5. Calculated as ~US$3 billion implied value for QB, less ~US$1.2 billion analyst consensus NAV estimate, divided by ~575 million shares outstanding.

Slide 24: QB2 Rebalances Teck’s Portfolio
1. We include 100% of the production and sales from QB and Carmen de Andacollo mines in our production and sales volumes because we fully consolidate their results in our financial statements. We include 22.5% of production and sales from Antamina, representing our proportionate equity interest in Antamina. Copper production includes cathode production at QB.
2. Based on QB2 Sanction Case first five full years of copper production.
Notes - Appendix: QB

Slide 26: QB2 is a World Class Copper Opportunity
1. Unless otherwise stated, all metrics assume US$3.00/lb copper, US$10.00/lb molybdenum and US$18.00/oz silver.
2. Range based on US$3.00-$3.50/lb copper price.
3. As at January 1, 2019. Assumes optimized funding structure.
4. 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.
5. 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
6. Calculated as C1 cash costs after by-product credits plus sustaining capital requirements. C1 cash costs are described above.
7. 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.
8. The valuation of approximately ~US$3 billion for Teck’s 90% interest is based on a transaction value of US$1 billion comprising an earn-in contribution of US$800 million and assumed contingent consideration proceeds with a present value of approximately US$200 million. The undiscounted contingent consideration is estimated at US$300 million and comprises: (a) US$50 million relating to achieving the mill throughput optimization target as described in Note 1 to Slide 6, assumed to be received in 2024; and (b) 8% of the net present value of the QB3 expansion at sanction, assuming an expansion sanctioned in 2024 which doubles QB2 throughput with further tailings facility construction deferred. At a real copper price of US$3.00/lb, the payment is estimated at approximately US$250 million. Using a real discount rate of 8%, the present value of the contingent consideration, based on the above assumptions is estimated at approximately US$200 million. This estimate is based on a number of significant assumptions in addition to those described above. There can be no assurance that the contingent consideration will approximate the amounts outlined above, or that it will be received at all.
9. 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. Does not include contingent consideration.

Slide 27: Increasing Teck’s Returns on QB2
1. As at January 1, 2019. Assumes optimized funding structure and completion of transaction with 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 28: QB2’s Competitive Cost Position
2. Based on first five full years of copper equivalent production. 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.
3. 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.
4. Calculated as C1 cash costs after by-product credits plus sustaining capital requirements. C1 cash costs are described above.
Notes - Appendix: QB

Slide 29: Vast, Long Life Deposit at QB
1. Resources figures as at November 30, 2018. Resources are reported separately from, and do not include that portion of resources classified as reserves. See “QB2 Reserves and Resources Comparison” slide for further details.

Slide 35: 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.

Slide 36: 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.
Strategy and Overview
Consistent Long-Term Strategy

Diversification
Long life assets
Low cost
Appropriate scale
Low risk jurisdictions
Attractive Portfolio of Long-Life Assets
Low risk jurisdictions

Operations & Major Projects:
North America
Copper
1 Highland Valley Copper
2 Galore Creek
3 Schaft Creek
4 Mesaba
5 San Nicolas
Zinc
1 Red Dog
2 Trail Operations
3 Pend Oreille
Steelmaking Coal
1 Cardinal River
2 Coal Mines in B.C.
   • Fording River
   • Greenhills
   • Line Creek
   • Elkview
   • Coal Mountain
Energy
1 Fort Hills
2 Frontier

South America
Copper
6 Antamina
7 Quebrada Blanca
8 Carmen de Andacollo
9 Quebrada Blanca Phase 2
10 NuevaUnión
11 Zafranal
Global Customer Base
Revenue contribution from diverse markets

Sales Distribution (2017)

North America: 19%
Europe: 17%
Asia excl. China and India: 37%
Latin America: 3%
India: 6%
China: 18%
Diverse Pipeline of Growth Options

**Copper**
- Strong platform with substantial growth options
  - QB2
  - HVC D3 Project

**Zinc**
- Premier resource with integrated assets
  - Trail #2 Acid Plant
  - Red Dog VIP2 Project
  - Elk Valley Replacement Brownfield
  - Neptune Terminals Expansion
  - San Nicolás (Cu-Zn)

**Coal**
- Well established with capital efficient value options
  - Red Dog Satellite Deposits
  - HVC Brownfield
  - NuevaUnión

**Energy**
- Building a new business through partnership
  - Antamina Brownfield
  - Teena

**Medium-Term Growth Options**
- QB3
- Zafranal
- HVC Brownfield
- Mesaba

**Future Options**
- Galore Creek
- Schaf Creek
- Quintette/Mt. Duke
- Coal Mountain 2
- Elk Valley Brownfield
- Frontier
- Lease 421

Teck
Disciplined Approach to M&A

Recent Transaction History

Total net proceeds of C$2.2B:
- Balance sheet strengthened by divestment of non-core assets at high EBITDA multiples
- Modest ‘prudent housekeeping’ acquisitions to consolidate control of attractive copper and zinc development assets
- Innovative NuevaUnión joint venture to create world scale development opportunity
Emerged from the Downturn in a Strong Position

Reflects Execution on Our Five-Point Plan

1. No equity dilution
2. No core assets sold
3. Invested in production growth from Fort Hills
4. Maintained strong liquidity
5. Reduced our debt & managed maturities

All while focusing on reducing costs

Teck vs. Peer 5-yr Share Dilution

Teck now has fewer shares outstanding than in 2009

Teck is the only company among its peers for which 2017 operating cash flow per share exceeds the previous peak year\(^1\)

Indexed for maximum operating cash flow per share 2006-2016

## Production Guidance

<table>
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<tr>
<th></th>
<th>2017 Results</th>
<th>2018 Guidance¹</th>
<th>3 Year (2019-2021) Guidance¹</th>
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<td><strong>Steelmaking Coal</strong></td>
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<td></td>
<td>26.6 Mt</td>
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<tr>
<td>Highland Valley</td>
<td>287 kt</td>
<td>285-295 kt</td>
<td>270-300 kt</td>
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<tr>
<td>Antamina</td>
<td>93 kt</td>
<td>100-105 kt</td>
<td>120-140 kt</td>
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<td>Carmen de Andecollo</td>
<td>72.5 kt</td>
<td>60-65 kt</td>
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<td>Quebrada Blanca</td>
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<td><strong>Zinc²,⁴</strong></td>
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<tr>
<td>Red Dog</td>
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<tr>
<td>Antamina</td>
<td>542 kt</td>
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<td><strong>Lead</strong></td>
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<tr>
<td>Red Dog</td>
<td>111 kt</td>
<td>95-100 kt</td>
<td>85-100 kt</td>
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<tr>
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<td>95-105 kt</td>
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<td><strong>Molybdenum²</strong></td>
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</tr>
<tr>
<td>Antamina</td>
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<td>13</td>
<td>-</td>
</tr>
</tbody>
</table>

¹ Figures are based on Teck's stock price at the end of 2017. Guidance represents Teck's best estimates and may change.
# Sales Guidance

<table>
<thead>
<tr>
<th></th>
<th>Q3 2018 Results</th>
<th>Q4 2018 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steelmaking Coal</strong></td>
<td>6.7 Mt</td>
<td>6.7 Mt</td>
</tr>
<tr>
<td><strong>Zinc</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Red Dog – Zinc in Concentrate</td>
<td>151 kt</td>
<td>180 kt</td>
</tr>
</tbody>
</table>
## Cost Guidance

<table>
<thead>
<tr>
<th></th>
<th>2017 Results</th>
<th>2018 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steelmaking Coal²</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site costs</td>
<td>C$52/t</td>
<td>C$60-63/t</td>
</tr>
<tr>
<td>Transportation costs</td>
<td>C$37/t</td>
<td>C$35-37/t</td>
</tr>
<tr>
<td>Unit cost of sales</td>
<td>C$89/t</td>
<td>C$95-100/t</td>
</tr>
<tr>
<td><strong>Copper³</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1 unit costs</td>
<td>US$1.75/lb</td>
<td>US$1.75-1.80/lb</td>
</tr>
<tr>
<td>Net cash unit costs</td>
<td>US$1.33/lb</td>
<td>US$1.25-1.30/lb</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Zinc⁴</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1 unit costs</td>
<td>US$0.52/lb</td>
<td>US$0.50-0.55/lb</td>
</tr>
<tr>
<td>Net cash unit costs</td>
<td>US$0.28/lb</td>
<td>US$0.30-0.35/lb</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bitumen⁵</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash operating cost</td>
<td>n.a.</td>
<td>C$28.50-32.50/bbl</td>
</tr>
</tbody>
</table>

1. This guidance includes the impact of a three-century mine closure event.
2. Steelmaking coal costs are site specific and are adjusted for transportation costs from the mine to the mill.
3. C1 copper unit cost includes mining and processing.
4. C1 zinc unit cost includes mining and processing.
5. C1 bitumen unit cost includes mining, extraction, and upgrading.
## Capital Expenditures Guidance 2018

<table>
<thead>
<tr>
<th>(Teck’s share in CAD$ millions)</th>
<th>2017</th>
<th>2018 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sustaining</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal</td>
<td>$ 112</td>
<td>$ 265</td>
</tr>
<tr>
<td>Copper</td>
<td>126</td>
<td>155</td>
</tr>
<tr>
<td>Zinc</td>
<td>168</td>
<td>220</td>
</tr>
<tr>
<td>Energy³</td>
<td>34</td>
<td>30</td>
</tr>
<tr>
<td>Corporate</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 444</td>
<td>$ 675</td>
</tr>
<tr>
<td><strong>Major Enhancement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal</td>
<td>$ 55</td>
<td>$ 150</td>
</tr>
<tr>
<td>Copper</td>
<td>8</td>
<td>70</td>
</tr>
<tr>
<td>Zinc</td>
<td>15</td>
<td>105</td>
</tr>
<tr>
<td>Energy³</td>
<td>-</td>
<td>75</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 78</td>
<td>$ 400</td>
</tr>
<tr>
<td><strong>New Mine Development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copper</td>
<td>$ 186</td>
<td>$ 450</td>
</tr>
<tr>
<td>Zinc</td>
<td>36</td>
<td>35</td>
</tr>
<tr>
<td>Energy³</td>
<td>877</td>
<td>195</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 1,099</td>
<td>$ 680</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal</td>
<td>$ 167</td>
<td>$ 415</td>
</tr>
<tr>
<td>Copper</td>
<td>320</td>
<td>675</td>
</tr>
<tr>
<td>Zinc</td>
<td>219</td>
<td>360</td>
</tr>
<tr>
<td>Energy³</td>
<td>911</td>
<td>300</td>
</tr>
<tr>
<td>Corporate</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 1,621</td>
<td>$ 1,755</td>
</tr>
</tbody>
</table>

### Capitalized Stripping

<table>
<thead>
<tr>
<th>(Teck’s share in CAD$ millions)</th>
<th>2017</th>
<th>2018 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steelmaking coal</strong></td>
<td>$ 506</td>
<td>$ 500</td>
</tr>
<tr>
<td>Copper</td>
<td>147</td>
<td>145</td>
</tr>
<tr>
<td>Zinc</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 678</td>
<td>$ 670</td>
</tr>
</tbody>
</table>

### Total

<table>
<thead>
<tr>
<th>(Teck’s share in CAD$ millions)</th>
<th>2017</th>
<th>2018 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steelmaking coal</strong></td>
<td>$ 673</td>
<td>$ 915</td>
</tr>
<tr>
<td>Copper</td>
<td>467</td>
<td>820</td>
</tr>
<tr>
<td>Zinc</td>
<td>244</td>
<td>385</td>
</tr>
<tr>
<td>Energy³</td>
<td>911</td>
<td>300</td>
</tr>
<tr>
<td>Corporate</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 2,299</td>
<td>$ 2,425</td>
</tr>
</tbody>
</table>
## Commodity Price Leverage\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>Mid-Point of 2018 Production Guidance(^1)</th>
<th>Change</th>
<th>Estimated Effect on Annualized Profit(^2)</th>
<th>Estimated Effect on Annualized EBITDA(^3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$C/$US</td>
<td>C$0.01</td>
<td></td>
<td>C$43M /$0.01Δ</td>
<td>C$66M /$0.01Δ</td>
</tr>
<tr>
<td>Coal</td>
<td>26.5 Mt</td>
<td>US$1/tonne</td>
<td>C$20M /$1Δ</td>
<td>C$31M /$1Δ</td>
</tr>
<tr>
<td>Copper</td>
<td>285 kt</td>
<td>US$0.01/lb</td>
<td>C$5M /$0.01Δ</td>
<td>C$7M /$0.01Δ</td>
</tr>
<tr>
<td>Zinc</td>
<td>970 kt</td>
<td>US$0.01/lb</td>
<td>C$10M /$0.01Δ</td>
<td>C$14M /$0.01Δ</td>
</tr>
</tbody>
</table>
Tax-Efficient Earnings in Canada

~$4.5 billion in available tax pools\(^1\), including:

- $3.6B in loss carryforwards
- $0.9B in Canadian Development Expenses

**Applies to:**
- Cash income taxes in Canada

**Does not apply to:**
- Resource taxes in Canada
- Cash taxes in foreign jurisdictions
## Teck Resources Limited

### Share Structure & Principal Shareholders

<table>
<thead>
<tr>
<th>Class A Shareholdings</th>
<th>Shares Held</th>
<th>Percent</th>
<th>Voting Rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temagami Mining Company Limited</td>
<td>4,300,000</td>
<td>55.4%</td>
<td>32.1%</td>
</tr>
<tr>
<td>SMM Resources Inc (Sumitomo)</td>
<td>1,469,000</td>
<td>18.9%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Other</td>
<td>1,999,304</td>
<td>25.7%</td>
<td>14.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,768,304</td>
<td>100.0%</td>
<td>58.0%</td>
</tr>
</tbody>
</table>

### Class B Shareholdings

<table>
<thead>
<tr>
<th>Class B Shareholdings</th>
<th>Shares Held</th>
<th>Percent</th>
<th>Voting Rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temagami Mining Company Limited</td>
<td>725,000</td>
<td>0.1%</td>
<td>0.1%</td>
</tr>
<tr>
<td>SMM Resources Inc (Sumitomo)</td>
<td>295,800</td>
<td>0.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>China Investment Corporation (Fullbloom)</td>
<td>59,304,474</td>
<td>10.5%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Other</td>
<td>501,972,680</td>
<td>89.3%</td>
<td>37.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>562,297,954</td>
<td>100.0%</td>
<td>42.0%</td>
</tr>
</tbody>
</table>

### Total Shareholdings

<table>
<thead>
<tr>
<th>Total Shareholdings</th>
<th>Shares Held</th>
<th>Percent</th>
<th>Voting Rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temagami Mining Company Limited</td>
<td>5,025,000</td>
<td>0.9%</td>
<td>32.2%</td>
</tr>
<tr>
<td>SMM Resources Inc (Sumitomo)</td>
<td>1,764,800</td>
<td>0.3%</td>
<td>11.0%</td>
</tr>
<tr>
<td>China Investment Corporation (Fullbloom)</td>
<td>59,304,474</td>
<td>10.4%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Other</td>
<td>503,971,984</td>
<td>88.4%</td>
<td>52.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>570,066,258</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
Notes: Appendix - Introduction

Slide 47: Disciplined Approach to M&A
1. Carmen de Andacollo gold stream transaction occurred in USD at US$162 million.
4. Teena transaction occurred in AUD at A$10.6 million.
5. San Nicolás transaction occurred in USD at US$50 million.
6. Waneta Dam transaction closed July 26, 2018 for C$1.2 billion.
7. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 48: Emerged from the Downturn in a Strong Position

Slide 49: Higher Operating Cash Flow per Share

Slide 50: Production Guidance
2. We include 100% of production from our Quebrada Blanca and Carmen de Andacollo mines in our production volumes, even though we own 90% (effective April 2018) and 90%, respectively, of these operations, because we fully consolidate their results in our financial statements. We include 22.5% of production from Antamina, representing our proportionate equity interest in Antamina. We include 21.3% of production from Fort Hills, representing our estimated proportionate equity interest in Fort Hills.
3. Total copper production includes cathode production at Quebrada Blanca and Carmen de Andacollo.
4. Total zinc includes co-product zinc production from our copper business unit.
5. Production estimates for Fort Hills could be negatively affected by delays in or unexpected events involving the ramp-up of production from the project. Three-year production guidance is our share before any reductions resulting from major maintenance downtime.

Slide 51: Sales Guidance
Slide 52: Cost Guidance
2. Steelmaking coal unit costs are reported in Canadian dollars per tonne. Steelmaking coal unit cost of sales include site costs, transport costs, and other and does not include deferred stripping or capital expenditures. See “Non-GAAP Financial Measures” slides.
3. Copper unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Copper total cash costs after by-product margins include adjusted cash cost of sales, smelter processing charges and cash margin for by-products including co-products. Assumes a zinc price of US$1.30 per pound, a molybdenum price of US$12 per pound, a silver price of US$16 per ounce, a gold price of US$1,250 per ounce and a Canadian/U.S. dollar exchange rate of $1.30. See “Non-GAAP Financial Measures” slides.
4. Zinc unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Zinc total cash costs after by-product margins are mine costs including adjusted cash cost of sales, smelter processing charges and cash margin for by-products. Assumes a lead price of US$1.00 per pound, a silver price of US$16 per ounce and a Canadian/U.S. dollar exchange rate of $1.30. By-products include both by-products and co-products. See “Non-GAAP Financial Measures” slides.
5. Bitumen unit costs are reported in Canadian dollars per barrel. Cash operating cost represents costs for the Fort Hills mining and processing operations and do not include the cost of diluent, transportation, storage and blending. Guidance for Teck’s cash operating cost is based on Suncor’s outlook for Fort Hills cash operating costs. Estimates of Fort Hills cash operating costs could be negatively affected by delays in or unexpected events involving the ramp up of production from the project. See “Non-GAAP Financial Measures” slides.

Slide 53: Capital Expenditures Guidance 2018
2. For steelmaking coal, sustaining capital includes Teck’s share of water treatment charges of $3 million in 2017. Sustaining capital guidance includes Teck’s share of water treatment charges related to the Elk Valley Water Quality Plan, which are approximately $70 million in 2018. Steelmaking coal guidance for 2018 excludes approximately $120 million of planned 2018 spending for port upgrades at Neptune Bulk Terminals, as Neptune Bulk Terminals is equity accounted on our balance sheet.
3. For energy, Fort Hills capital expenditures guidance is at our estimated working interest of 21.3%, and does not include any capitalized revenue and associated costs, capitalized interest or reduction of capital accruals. Major enhancement guidance for 2018 includes tailings management and new mine equipment at Fort Hills. New mine development guidance for 2018 includes expected spending at Fort Hills, assuming some further increase in our project interest and Frontier.
4. For copper, new mine development guidance for 2018 includes Quebrada Blanca Phase 2, Zafranal and San Nicolás.
5. For zinc, major enhancement guidance includes the VIP2 project at Red Dog.

Slide 54: Commodity Price Leverage
1. As at July 25, 2018. See Teck’s Q2 2018 press release. All production estimates are subject to change based on market and operating conditions.
2. The effect on our profit attributable to shareholders and on EBITDA of commodity price and exchange rate movements will vary from quarter to quarter depending on sales volumes. Our estimate of the sensitivity of price and EBITDA to changes in the U.S. dollar exchange rate is sensitive to commodity price assumptions. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
3. Zinc includes 307,500 tonnes of refined zinc and 662,500 tonnes of zinc contained in concentrate.

Slide 55: Tax-Efficient Earnings In Canada
1. As at December 31, 2017.

Slide 56: Share Structure & Principal Shareholders
1. As at December 31, 2018.
Sustainability
Sustainability Commitments and Recognition

Major Commitments

• International Council on Mining and Metals 10 Principles and Position Statements for Sustainable Development
• United Nations Global Compact
• Mining Association of Canada Towards Sustainable Mining program
• Council for Clean Capitalism
• Carbon Pricing Leadership Coalition
• UN Sustainable Development Goals

Recent Recognition

[Images of certification logos and award badges]
Sustainability Strategy

- Strong sustainability performance enabled by a strategy built around developing opportunities and managing risks

- Implementing a sustainability strategy with short-term, five-year goals and long-term goals stretching out to 2030

Goals cover the six areas of focus representing the most significant sustainability issues and opportunities facing our company:

- Community
- Water
- Our People
- Biodiversity
- Energy and Climate Change
- Air
Low Cost, Low Carbon Producer

- Among world’s **lowest GHG intensity** for steelmaking coal and copper production
- Fort Hills – one of the **lowest carbon intensities** among North American oil sands producers
- **Progressive carbon pricing** already built into majority of business
- **Well-positioned** for a low-carbon economy

Figure 1: GHG Emissions Intensity Ranges Among ICMM Members

Teck in bottom quartile for miners
Reducing Freshwater Use

- Water recycled average of 4 times at mining operations
- 11% reduction in total water use since 2014
- Target to reduce freshwater use at Chilean operations by 15% by 2020
- Desalinated seawater for Quebrada Blanca Phase 2 project, which will reduce freshwater use by 26.5 million m³
Implementing Elk Valley Water Quality Plan:

- **Comprehensive water quality plan** developed with government, Indigenous Peoples and communities
- Investing $850-900 million between 2018-2022 to construct water treatment facilities
- **Ground-breaking R&D** program to identify new treatment technologies
Strengthening Relationships with Indigenous Peoples

- Agreements in place at all mining operations within or adjacent to Indigenous Peoples’ territories
- Agreements also in place for major projects, including Frontier and QB2
- Creates a framework for greater cooperation and addresses the full range of our activities, from exploration through to closure

In June 2018, Teck announced the signing of participation agreements for Teck’s proposed Frontier oil sands project with the Métis Nation of Alberta, Region 1 and five Métis locals.
Progress on Diversity to Date

- Inclusion and Diversity Policy launched in 2016 by our Executive Diversity Committee
- Women comprised **29% of total hires** in 2017
- Teck-wide Gender Pay Equity Review conducted showing no systemic gender pay issue
Sustainability Information for Investors

For reports & more, visit our Disclosure Portal and Sustainability Info for Investors pages
Collective Agreements
Long-term labour agreements in place at all North American operations

<table>
<thead>
<tr>
<th>Operation</th>
<th>Expiry Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antamina</td>
<td>July 31, 2018</td>
</tr>
<tr>
<td>Quebrada Blanca</td>
<td>January 31, 2019</td>
</tr>
<tr>
<td></td>
<td>March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>November 30, 2019</td>
</tr>
<tr>
<td>Line Creek</td>
<td>May 31, 2019</td>
</tr>
<tr>
<td>Carmen de Andacollo</td>
<td>September 30, 2019</td>
</tr>
<tr>
<td></td>
<td>December 31, 2019</td>
</tr>
<tr>
<td>Elkview</td>
<td>October 31, 2020</td>
</tr>
<tr>
<td>Fording River</td>
<td>April 30, 2021</td>
</tr>
<tr>
<td>Highland Valley Copper</td>
<td>September 30, 2021</td>
</tr>
<tr>
<td>Trail Operations</td>
<td>May 31, 2022</td>
</tr>
<tr>
<td>Cardinal River</td>
<td>June 30, 2022</td>
</tr>
</tbody>
</table>
Innovation
Our Innovation Focus

Productivity
• Equipment automation
• Ore sorting technology
• Digitally-enhanced operator performance
• Predictive maintenance
• Improving grade and processing

Safety
• Fatigue monitoring systems
• Collision avoidance monitors
• Remote & autonomous mobile equipment
• Wearable OH&S systems

Sustainability
• Ore sorting to reduce energy use and tailings
• Water management technologies
• Dust management
• Digital community engagement

Growth
• Exploration tech: Hyperspectral core scanning
• Growing markets through new product uses
• Partnering with game-changing innovators

Digital Foundation
Autonomous Haul Trucks
Potential for improved productivity and safety; deploying in 2018

Value potential
- Improved safety
- Highland Valley Copper (HVC): >$20M annual savings
- Teck-wide: >$100M annual savings potential
- Potential to steepen pit walls and narrow road widths; reduce environmental footprint

Maturity
- Proven technology; well understood

Milestones
- Partnering with Caterpillar
- Site assessment 2017
- Six-truck deployment at HVC by end of 2018
- First autonomous fleet at a deep pit mine
Smart Shovels
Shovel-mounted sensors separate ore from waste

Value potential
- Increased grade to mill
- Potential to add significant free cash flow at HVC
- Reduced energy use and tailings; improved sustainability performance

Maturity
- Currently being piloted by Teck

Milestones
- Pilot launched in 2017
- First ever use of ore sorting technology on a shovel
- Assessing Red Dog deployment in 2018
- Opportunity to replicate and scale up across operations
Blast Movement Monitoring (BMM)

Value potential

• Reduced processing costs
• Improved productivity; at Red Dog alone, BMM savings an estimated $6.5 million annually
• Enhanced environmental performance; reduced energy and emissions to air

Maturity

• Currently being implemented by Teck

Milestones

• First launched at Red Dog Operations
• Currently being implemented at Red Dog, Highland Valley Copper and Carmen de Andacollo Operations
Artificial Intelligence
Using AI to predict and prevent maintenance problems

Value potential
• Machine learning analyzes data streams from each haul truck to predict maintenance issues before they happen
• Reduce unplanned maintenance, reduce overall maintenance costs, extend equipment life
• Potential $1.2 million annual savings at just one site

Maturity
• Successfully developed at Teck coal site
• Partnership with Google and Pythian to develop analytic algorithm

Milestones
• Successfully implemented in production
• Wider deployment underway at coal sites in 2018
Steelmaking Coal Price Exceeding Expectations

- Resilient steel industry supports global demand for seaborne coal
- Secular demand growth in India and S.E. Asia adds to demand for seaborne coal
- Chinese capacity reductions, environmental controls & mine safety checks to continue
  - Steel: improves financial condition and reduces exports
  - Coal: restricts domestic production and supports seaborne high quality imports

Coal Price Assessments

Long-term average price of US$181/tonne, or US$197/tonne on an inflation-adjusted basis
Steelmaking Coal Facts

Global Coal Production\(^1\):  
7.5 billion tonnes

Steelmaking Coal Production\(^2\):  
~1,140 million tonnes

Export Steelmaking Coal\(^2\):  
~330 million tonnes

Seaborne Steelmaking Coal\(^2\):  
~290 million tonnes

Our Market - Seaborne Hard Coking Coal\(^2\):  
~200 million tonnes

- ~0.7 tonnes of steelmaking coal is used to produce each tonne of steel\(^3\)
- Up to 100 tonnes of steelmaking coal is required to produce the steel in the average wind turbine\(^4\)
Synchronized Global Growth
Strong steel production and improved steel pricing

Crude Steel Production\(^1\)

- **Global**
  - 2007: 900 Mt, 2023: 2,000 Mt
- **China**
  - 2007: 500 Mt, 2023: 1,500 Mt
- **India**
  - 2007: 50 Mt, 2023: 300 Mt
- **Ex-China & India**
  - 2007: 250 Mt, 2023: 550 Mt

Solid Growth in
Crude Steel Production\(^2\)

<table>
<thead>
<tr>
<th>Region</th>
<th>Nov/18 YTD</th>
<th>2017 YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>4.7%</td>
<td>5.2%</td>
</tr>
<tr>
<td>China</td>
<td>6.7%</td>
<td>5.7%</td>
</tr>
<tr>
<td>India</td>
<td>4.9%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Ex. China &amp; India</td>
<td>2.3%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>-0.1%</td>
<td>5.4%</td>
</tr>
<tr>
<td>JKTV</td>
<td>1.9%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Brazil</td>
<td>1.8%</td>
<td>9.9%</td>
</tr>
</tbody>
</table>
Strong Chinese Steel Margins
Support steelmaking coal prices

China Hot Rolled Coil (HRC) Margins and Steelmaking Coal (HCC) Prices

- China HRC Gross Margins
- China Domestic HCC Price
- Argus Premium HCC CFR China
Growing India Steelmaking Coal Imports

India plans to achieve 300 Mt of crude steel capacity by 2030-2031

Seaborne Steelmaking Coal Imports
Forecasted to increase by ~20%¹

India’s Hot Metal Capacity;
Projects and Operations²
Capacity Reductions in China Support Pricing

- Steel: Profitable steel industry supports raw materials pricing
- Coal: Capacity reductions support seaborne imports

### Steel Capacity Reduction Target

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>Actual</th>
<th>Target</th>
<th>Remaining Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2020</td>
<td>140</td>
<td>65</td>
<td>50</td>
<td>30</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019-2020</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Coal Capacity Reduction Target

- Coking coal
- Thermal coal

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>Actual</th>
<th>Target</th>
<th>Remaining Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2020</td>
<td>800</td>
<td>290</td>
<td>250</td>
<td>~60 ~90</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td>~40 ~70</td>
</tr>
</tbody>
</table>

Mt: Metric Tons
Chinese Production Control in Winter

<table>
<thead>
<tr>
<th></th>
<th>2017-2018¹</th>
<th>2018-2019¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Areas</td>
<td>2+26 cities</td>
<td>~80 cites in 3 areas</td>
</tr>
<tr>
<td>Approach</td>
<td>Universal cut</td>
<td>Flexible</td>
</tr>
<tr>
<td>Period</td>
<td>4 months for steel</td>
<td>6 months for both steel and coke</td>
</tr>
<tr>
<td>Impact</td>
<td>Less restrictive than last year</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Areas</th>
<th>HMP²</th>
<th>Coke Output²</th>
</tr>
</thead>
<tbody>
<tr>
<td>2+26 Cities</td>
<td>~25%</td>
<td>~10%</td>
</tr>
<tr>
<td>Fenwei Plain</td>
<td>~10%</td>
<td>~35%</td>
</tr>
<tr>
<td>Yangtze River</td>
<td>~25%</td>
<td>~15%</td>
</tr>
<tr>
<td><strong>Total - 3 Areas</strong></td>
<td>~60%</td>
<td>~60%</td>
</tr>
</tbody>
</table>
Chinese Seaborne Steelmaking Coal Imports
Impacted by import restrictions amidst tight domestic market

Chinese Crude Steel Production (CSP), Hot Metal Production (HMP) and Coal Production

Chinese Seaborne Coking Coal Imports 2

---

1 CSP, HMP and Coal Production

2 Coking Coal Production

---
Large Users in China Increasing Seaborne Imports

~2/3 of China crude steel produced on coast; projects support imports

### Seaborne Coking Coal Imports¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-14 users</th>
<th>14 large users</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>25</td>
<td>10</td>
</tr>
<tr>
<td>2013</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>2014</td>
<td>21</td>
<td>26</td>
</tr>
<tr>
<td>2015</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>2016</td>
<td>11</td>
<td>25</td>
</tr>
<tr>
<td>2017</td>
<td>19</td>
<td>25</td>
</tr>
</tbody>
</table>

**Liusteel Fangcheng Project**
- Greenfield project
- Capacity: Phase 1 crude steel ~10 Mt
- Status: Construction started in 2017

**Baowu Zhanjiang Plant**
- Expansion
- Capacity: crude steel 3.6Mt (phase 2)
- Status: Construction start date to be announced

**Zongheng Fengnan Project**
- Inland plant relocating to coastal area
- Capacity: crude steel 8 Mt
- Status: Construction started in 2017; completion in 2021

**HBIS Laoting Project**
- Inland plant relocating to coastal area
- Capacity: crude steel 20 Mt
- Status: Construction started in 2017; completion in 2020

**Shougang Jingtang Plant**
- Expansion
- Capacity: crude steel 9.4 Mt (phase 2)
- Status: Construction started in 2015; completion in Mar 2019

**Shandong Steel Rizhao Project**
- Greenfield project
- Capacity: crude steel 8.5 Mt
- Status: Construction started in 2015; BF #1 completed in 2017; BF #2 completion in 2019

**Baowu Yancheng Project**
- Inland plant relocating to coastal area
- Capacity: crude steel 20Mt
- Status: Construction to start in 2019

¹ Note: The graph shows the patterns in seaborne coking coal imports, with a focus on the contributions from large users.
Chinese Scrap Use to Increase Slowly
EAF share in crude steel production to recover only to 2016’s level

China’s Ratio of EAF in CSP Low vs. Other Countries¹

<table>
<thead>
<tr>
<th>Country</th>
<th>EAF Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>9%</td>
</tr>
<tr>
<td>Japan</td>
<td>24%</td>
</tr>
<tr>
<td>India</td>
<td>57%</td>
</tr>
<tr>
<td>United States</td>
<td>68%</td>
</tr>
<tr>
<td>Russia</td>
<td>31%</td>
</tr>
<tr>
<td>European Union</td>
<td>40%</td>
</tr>
<tr>
<td>World</td>
<td>28%</td>
</tr>
</tbody>
</table>

China Steel Use By Sector (2000-2017)²

- Construction: 55-60%
- Machinery: 15-20%
- Auto: 5-10%
- Others: 15-20%

Crude Steel and Electric Arc Furnace Production³

- Crude Steel
- Hot Metal
- Electric Arc Furnace

Mt

<table>
<thead>
<tr>
<th>Year</th>
<th>Crude Steel</th>
<th>Hot Metal</th>
<th>Electric Arc Furnace</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
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<td></td>
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<tr>
<td>2017</td>
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<td></td>
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<tr>
<td>2018</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Steelmaking Coal Supply Growth Forecast

Key growth comes from Australia

Seaborne Steelmaking Coal Exports
(Change 2019 vs. 2018)

Includes:

- Australia: Growth from existing mines (Caval Ridge/Peak Downs, Grosvenor, Appin, Byerwen)
- Indonesia: BBM project
- Mozambique: Vale Moatize ramp up
- Canada: Restarted mines ramp up
- USA: Analyst views ranging from approximately -5Mt to nil

2018 | Australia | 302
| Indonesia | 8
| Mozambique | 2
| Canada | 2
| Russia | 1
| 2019, ex. USA | 316
| USA | 5
| 2019 | 311-316

Mt
US Coal Producers are Swing Suppliers

Australian Steelmaking Coal Exports

US Steelmaking Coal Exports

Mt

Mt
Seaborne Steelmaking Coal Exports
Coal gap developing and market could be short due to typical disruptions

Supply & Demand from Existing Mines

~45-65 Mt needed from restarts and projects by 2026

Includes:
- Existing mines: expansion (~25 Mt) and depletion (~40 Mt)
- Expansions: Australia (~1/2), Indonesia/Russia/Mozambique/Canada/ROW (~1/10 each)
- Depletion: Australia (~1/2), USA (~1/3), ROW (~1/6)

Possible Restarts and Projects

Includes:
- Highly probable projects: Russia (~1/2), Australia (~1/4), USA (~1/4)
- Possible restarts: Australia (~3/5), Canada (~1/5), ROW (~1/5)
- Probable projects: Australia (~3/5); Canada (~1/5), ROW (~1/5)
- Possible projects: Australia (~2/5), Canada (~2/5), Russia (~1/5)
2nd Largest Seaborne Steelmaking Coal Supplier
Competitively positioned to supply steel producers worldwide

Sales Distribution

North America
~5%

Europe
2013: ~15%
2015: ~20%
2017: ~20%

China
2013: ~30%
2015: ~20%
2017: ~15%

India
2013: ~5%
2015: ~5%
2017: ~10%

Asia excl. China & India
2013: ~40%
2015: ~45%
2017: ~45%

Latin America
~5%
An Integrated Long Life Coal Business

- >1 billion tonnes of reserves support ~27 Mt of production for many years
- Geographically concentrated in the Elk Valley
- Established infrastructure and capacity with mines, railways and terminals
Maintaining 27 Mt with Upside Potential

Upcoming Closure
• Coal Mountain closing in 2018 (2.5 Mt capacity)

Current Growth
• Line Creek investing in a shovel and plant expansion to build from 4 Mt to ~5 Mt
• Elkview investing in Baldy Ridge Extension and plant capacity upgrades to build from ~7 Mt to ~9 Mt
• Greenhills investing in Cougar Pit Extension to maintain ~5 Mt
• Fording River developing Swift and Turnbull to produce ~9 Mt
• Cardinal River developing plans to potentially extend the life beyond 2020 at ~1.8 Mt

Future Growth Potential
• Potential growth opportunities at Quintette
Transitioning Operations to Capture Margin

## 2018 Budget vs. 2017 Actuals

Strip ratio increasing from 10.2 to 10.5 with closure of Coal Mountain
- Production gap will be made up at the other Elk Valley mines

Hauling 1 km longer, offset with improved truck productivities
- Fording River moving further into Swift development

Truck/shovel operating costs down in the last 6 years despite normal wage and input inflation; Operating costs increasing in 2018 related to:
- Life cycle maintenance repair work (e.g. haul truck engines)
- Higher variable rates
  - Diesel & tire prices
  - Insurance & labour rates

Mine plan impacts, offset by higher value product
\[ \sim \$2.70/t \]

Operating costs increasing in 2018, offset by higher productivities
\[ \sim \$1.00/t \]
Strip Ratio Supports Future Production

- Strip ratio increase planned in 2018
  - Low strip, low cost Coal Mountain closing
  - Development at larger mines to increase capacity and access to higher quality coals
- Future strip ratio on par with historical average
Reducing Average Mining Capital Spend by ~$7/t

2018 capital reinvestment in our operations, lower future spend

2009-2015: Average spend of ~$13/t¹
• Reinvestment in 5 shovels, 50+ haul trucks, mining area development and plant upgrades

2016-2022: Average spend of ~$6/t¹
• Sustaining reinvestment in shovels, trucks and technology to increase mining productivity and processing capacity

Limited major enhancement capital required to increase existing mine capacity and offset Coal Mountain closure
2018-2022 - Five-year capital spend expected to be $850M-$900M for:

- Commissioned one active water treatment facility (AWTF)
- Construction of three additional AWTF’s

2023-2032:

- Average capital cost of ~$65M per year
- Up to five additional AWTFs
Use and Enhancement of Biological Process Present in Backfill Pits

Promising Research and Development

Saturated Rock Fills (SRF)
- 10,000m³/d full scale trial commissioned in January 2018
  - $41M construction, $10M annual operating cost
  - Potential to replace or augment cost of AWTFs in the future
  - Conclusive results expected end of 2019

Comparison based on 20,000 m³/day

<table>
<thead>
<tr>
<th></th>
<th>Capital</th>
<th>Operating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Initial ($M)</td>
<td>Annual ($M)</td>
</tr>
<tr>
<td>AWTF (Design)</td>
<td>$310</td>
<td>$22</td>
</tr>
<tr>
<td>SRF (Conceptual)</td>
<td>$50</td>
<td>$10</td>
</tr>
</tbody>
</table>
High Quality Hard Coking Coal Product

- Around the world, and especially in China, blast furnaces are getting larger and increasing PCI rates
- Coke requirements for stable blast furnace operation are becoming increasingly higher
- Teck coals with high hot and cold strength are ideally suited to ensure stable blast furnace operation
- Produce some of the highest hot strengths in the world
Teck’s Pricing Mechanisms
Coal sales book generally moves with the market

Sales Mix
• ~40% quarterly contract price
• ~60% shorter than quarterly pricing mechanisms (including “spot”)

Product Mix
• ~75% of production is high-quality HCC
• ~25% is a combination of SHCC, SSCC, PCI and a small amount of thermal

Key Factors Impacting Teck’s Average Realized Prices
• Variations in our product mix
• Timing of sales
• Direction and underlying volatility of the daily price assessments
• Spreads between various qualities of steelmaking coal
• Arbitrage between FOB Australia and CFR China pricing

Index Linked Sales
• Quarterly contract sales index linked
• Contract sales index linked
• Contract sales with index fallback
• Spot sales index linked

Fixed Price Sales
• Contract sales spot priced
• Contract sales with index fallback
• Spot sales with fixed price

---

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Quality and Basis Spreads
Impact Teck’s average realized steelmaking coal prices

HCC / SHCC Prices and Spread

HCC FOB / CFR Prices and Spread

[Graphs showing price trends and spreads over time]
Average Realized Steelmaking Coal Prices

Historical Average Realized Prices vs. Quarterly Contract Prices

Averaged 92% from Q2 2010
~75 Mt of West Coast Port Capacity Planned
Our portion is >40 Mt; exceeds current production plans, including Quintette

<table>
<thead>
<tr>
<th>Westshore Terminals</th>
<th>Neptune Coal Terminal</th>
<th>Ridley Terminals</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Teck is largest customer at 19 Mt</td>
<td>• Teck Canpotex Joint Venture</td>
<td>• Current capacity: 18 Mt</td>
</tr>
<tr>
<td>• Large stockpile area</td>
<td>• Recently expanded to 12.5 Mt</td>
<td>• Teck contracted at 3 Mt</td>
</tr>
<tr>
<td>• Currently 33 Mt</td>
<td>• Planned growth to &gt;18.5 Mt</td>
<td></td>
</tr>
<tr>
<td>• $275M project for expansion to 35-36 Mt by 2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Contract expires March 2021</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

West Coast Port Capacity

<table>
<thead>
<tr>
<th>Million Tonnes (Nominal)</th>
<th>Ridley Terminals</th>
<th>Neptune Coal Terminal</th>
<th>Westshore Terminals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Capacity</td>
<td>18</td>
<td>6</td>
<td>33</td>
</tr>
<tr>
<td>Planned Growth</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Bar chart showing port capacity and growth](chart.png)
Neptune Facility Upgrade
Optimizing the footprint to allow for >18.5 Mtpa

• All permits in place, final project funds sanctioned in Q2 2018, with project completion in H1 2020

• Work has commenced on the overpass and dumper vault; major construction and fabrication contracts awarded

• The investment enhances the quality of the entire steelmaking coal portfolio
  – Ensures globally competitive port rates
  – Ownership of primary berth will ensure access to market
  – Will provide sprint capacity (surge and recovery) to capitalize on price volatility

Improvements include:
1. Overpass to improve site access
2. Investments to enhance environmental monitoring and performance
3. Improved train handling with addition of tandem coal dumper and track to land second coal train on site
4. West coal shiploader replacement to increase capacity and reach

Securing a long-term, reliable and globally competitive supply chain solution for our steelmaking coal business
Slide 76: Steelmaking Coal Price Exceeding Expectations

Slide 77: Steelmaking Coal Facts
1. Source: IEA.
2. Source: CRU.
4. Source: The Coal Alliance. Assumes all of the steel required is produced by blast furnace-basic oxygen furnace route.

Slide 78: Synchronized Global Growth
1. Source: WSA, CRU.
2. Source: WSA, NBS.

Slide 79: Strong Chinese Steel Margins

Slide 80: Growing India Steelmaking Coal Imports
1. Source: WSA, Global Trade Atlas, Wood Mackenzie, CRU.

Slide 81: Capacity Reductions in China Support Pricing
1. Source: Governmental announcements.
2. Breakdown of the remaining target for coal capacity reductions is calculated based on Fenwei estimates. Source: Fenwei, Teck.

Slide 82: Chinese Production Control in Winter
1. Source: Governmental announcements.
2. Source: CRU.

Slide 83: Chinese Seaborne Steelmaking Coal Imports
1. Source: NBS, Fenwei. 2018 is November year-to-date annualized.
2. Source: China Customs. 2018 is November year-to-date annualized.

Slide 84: Large Users in China Increasing Seaborne Imports
1. Source: China Customs, Teck.

Slide 85: Chinese Scrap Use to Increase Slowly
1. Source: WSA.
2. Source: China Metallurgy Industry Planning and Research Institute.
3. Source: CRU.
Notes: Appendix – Steelmaking Coal

Slide 86: Steelmaking Coal Supply Growth Forecast
1. Source: Wood Mackenzie, CRU.
2. Source: Wood Mackenzie, CRU, Seaport Global Securities LLC.

Slide 87: US Coal Producers are Swing Suppliers
1. Source: Global Trade Atlas. US exports do not include exports to Canada. 2018 is November year-to-date annualized for Australia and October year-to-date annualized for USA.

Slide 88: Seaborne Steelmaking Coal Exports
1. Source: Wood Mackenzie. Exports include disruption allowance that is based on the difference between Q2 forecast and actual exports over the period 2015 to 2017.

Slide 91: Maintaining 27 Mt with Upside Potential
1. Subject to market conditions and obtaining mining permits.

Slide 93: Strip Ratio Supports Future Production
1. Total costs are transportation costs and site costs inclusive of inventory write-downs and capitalized stripping, excluding depreciation. 2018 is the mid-point of unit cost of sales guidance.

Slide 94: Reducing Average Mining Capital Spend by ~$7/t
1. All dollars referenced are Teck’s portion net of Poscan credits for Greenhills at 80% and excluding the portion of sustaining capital relating to water treatment. The portion of sustaining capital relating to water treatment is addressed on the following slide.

Slide 99 Quality and Basis Spreads
1. HCC price is average of the Argus Premium HCC Low Vol, Platts Premium Low Vol and TSI Premium Coking Coal assessments, all FOB Australia and in US dollars. SHCC price is average of the Platts HCC 64 Mid Vol and TSI HCC assessments, all FOB Australia and in US dollars. Source: Argus, Platts, TSI. Plotted to January 10, 2019.

Slide 100: Average Realized Steelmaking Coal Prices
1. Compares Teck’s average realized price to the negotiated quarterly benchmark price from Q1 2010 to Q1 2017, and to the index-linked quarterly contract price from April 1, 2017.
Copper
Business Unit & Markets
Copper Content in Electric Vehicles
Depends on technology, vehicle size and battery size

Copper Content by Type of Electric Vehicle

<table>
<thead>
<tr>
<th>Type of Electric Vehicle</th>
<th>Kgs of Copper per Vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Combustion</td>
<td>18</td>
</tr>
<tr>
<td>Hybrid Electric</td>
<td>23</td>
</tr>
<tr>
<td>Plug In Hybrid</td>
<td>23</td>
</tr>
<tr>
<td>Battery Electric</td>
<td>40</td>
</tr>
<tr>
<td>EBus Hybrid</td>
<td>40</td>
</tr>
</tbody>
</table>

- Battery
- Inverter
- Electric Motor
- HV Wire
- Other
- LV Wire
Copper Demand for Electric Vehicles

Electric Vehicles Copper Demand

Thousands of Tonnes of Copper Contained

2015 2020 2025 2030 2035 2040

Car ICE  Car BEV + PHEV  Car HEV  E-Bus Hybrid  E-Bus BEV

+7.5 Mt
Copper Demand for Charging Infrastructure

Additional Copper Demand Charging Equipment

Source: Navigant Research
Steady Demand Growth & Increasing Copper Intensity

Chinese Copper Demand to Grow ~3-4%\(^1\)

Increasing Copper Intensity with Booming Electric Vehicles\(^2\)

1. Chinese copper demand is expected to grow at an annual rate of 3-4%.
2. Increasing copper intensity with the booming electric vehicles sector is anticipated.

Graphs showing trends in demand and electric vehicle projections.
Global Copper Mine Production Increasing Slowly

- Mine production set to increase 1.8 Mt by 2023, including:
  - Glencore’s African mine restarts: 400 kmt
  - Cobre Panama: 330 kmt
  - Escondida: 390 kmt
  - Quellaveco: 350 kmt
  - Quebrada Blanca: 300 kmt
  - China: 490 kmt
  - All others (Oyu Tolgoi UG, Spence, Chuqui UG): 1,250 kmt
  - Reductions & closures: (1,500 kmt)

- Mine production currently peaks in 2022
- Chinese mine production growth relatively flat at ~100 kmt per year

- Total probable projects: 1,570 kmt
Copper Disruptions
Less impact at mines; smelters impacted more in 2018

Disruptions\(^1\)

Spot TC/RCs Rising\(^2\)

Disruptions\(^1\): 2018
- 3.0%

Spot TC/RCs Rising\(^2\): 2019
Copper Metal Stocks Falling
Better than expected demand – smelter disruptions

- Production cuts at Asian smelters combined with lower scrap availability contributed to a drawdown in cathode.
- Exchange stocks fell 600,000 tonnes since March 2018. Days of consumption now at 4.8 days, lowest since late 2014. Including bonded stocks – lowest since 2009.
- China's refined copper demand continues to be supportive – up 4% ytd in China. With end-use growth in housing starts +16% ytd & white goods +5.5% ytd.
- The cathode market will move into small deficit in 2019 with additional scrap restrictions in China tightening both concentrates and cathode markets.
- The concentrate market will move into tightness as new Chinese smelters start to come on line.
- Reported annual TC/RC settlements at $80.5/8.05 below 2018 settlements. Spot indications are trending down moving into Chinese New Year.
Rapid Growth in Chinese Copper Smelter Capacity
Limited domestic mine projects and lots of delays

Chinese Copper Mine Projects

<table>
<thead>
<tr>
<th>Year</th>
<th>Project Name</th>
<th>2017</th>
<th>2018</th>
<th>2019 - 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Dubashan</td>
<td>140 kt</td>
<td>40 kt</td>
<td>253 kt</td>
</tr>
<tr>
<td>2018</td>
<td>Qingqiu</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019 - 2021</td>
<td>Diobashan expansion</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yulong phase II</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chengzengshan</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+2 Mt of Smelting Projects in the Pipeline

<table>
<thead>
<tr>
<th>Year</th>
<th>Company Name</th>
<th>2017</th>
<th>2018</th>
<th>2019 - 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Yanhai Guorun</td>
<td>280 kt</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chinalco</td>
<td></td>
<td>1,290 kt</td>
<td>680 kt</td>
</tr>
<tr>
<td></td>
<td>Yantai Guorun</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yantai Copper</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nanguo Copper</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Wuxin</td>
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<td></td>
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<tr>
<td></td>
<td>Zijin</td>
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</tr>
<tr>
<td></td>
<td>Chifuling Jinjian</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Teck
China More Important in Global Copper Market
Buying more copper from the rest of the world

Substantial Concentrate Imports Growth\(^1\)

Continuous Growth of Imported Copper Units\(^2\)

Demand for imported cathodes shifting towards concentrate and scrap; Copper scrap imports to drop 300-400 kt under China’s ban
Planned Copper Projects Will Not Meet Demand
Copper mine production peaks in 2022

At least 4.2 Mt needed from new projects by 2028
- Low Demand (1.5%): 4.2 Mt
- Base Demand (2.0%): 5.6 Mt
- High Demand (2.7%): 8.0 Mt

Uncommitted Nearby projects only 1.5 Mt by 2028
- Includes: El Abra (300kmt), Kamoa/Kakula (300 kmt), Iranian Small Mines (135kmt), Golpu (110 kmt), Rosemont (120 kmt), Tominsky (90 kmt), Tia Maria (115 kmt), Udokan (250 kmt)

Highly Probable + Probable Projects Insufficient to Fill Gap
- Gap to low demand scenario

Mine Production: Brownfield Probable, Greenfield Probable, SXEW Projects
- Scrap
- Low Demand WM
- High Demand ICA/Yale

At least 4.2 Mt needed from new projects by 2028
Growth and Improvement Opportunities
Highland Valley Copper 2040 Project

• Advancing HVC Mine Life Extension Pre-Feasibility Study
  - Targeting extension of ~15 years, to at least 2040
  - Leveraging investments in Mill Optimization Project (2013) and D3 Ball Mill (2019)
  - Capturing value from Shovel-based Ore Sorting and Autonomous Hauling
Growth Potential: QB2, NuevaUnión, Project Satellite

Potential Production Profile On a Copper Equivalent Basis

Current Annual CuEq Production (kt)

~790 Zafranal
~313 San Nicolás
~313 NuevaUnión
QB2

Current #16
Potential #6
~680

2017 CuEq Production (excl. QB)

Potential Growth: QB2, NuevaUnión, Project Satellite

Mine Production 2017 - Copper Only

Teck Current #16
Teck Potential #6

Thousand Tonnes
Disciplined and coordinated decision making

Strategic capital allocation – prudent investment plans

Commercial, technical and community expertise

Quality Assets – Dedicated, Focused Team – Advancing to Key Milestones

Project Satellite
Defining the path to value recognition

Schaft Creek (75%)

Galore Creek (50%)
Newmont Partnership
July 26, 2018

San Nicolás (100%)
32,000m drill program complete
October 2018

Zafranal (80%)
FS and SEIA program nearing completion

Mesaba (100%)
Maiden Resource Statement Q4 2018

32,000m drill program complete
October 2018
FS and SEIA program nearing completion

Maiden Resource Statement Q4 2018

Newmont Partnership
July 26, 2018

Galore Creek (50%)

San Nicolás (100%)

Zafranal (80%)

Mesaba (100%)
Zafranal (80% Interest)
Advancing an attractive copper-gold asset in Peru

Long Life Asset
• 19 year life of mine
• Further upside potential within the deposit footprint and in the district

Quality Investment
• Attractive front-end grade profile
• Mid range forecast LOM C1 cash costs
• Competitive capital intensity

Stable Jurisdiction
• Strong support from Peruvian regulators including MINEM and SENACE
• Engaged with full spectrum of communities

Path to Value Realization:
• C$43M budget in 2018
• 2019 Work Plan and Budget in preparation
• Targeting Feasibility Study completion and SEIA submission in Q1 2019 and H1 2019 respectively

<table>
<thead>
<tr>
<th>Class</th>
<th>Tonnes (Mt)</th>
<th>Cu (%)</th>
<th>Au (g/t)</th>
<th>Cu (Mlbs)</th>
<th>Au (Mozs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured &amp; Indicated¹</td>
<td>467.3</td>
<td>0.38</td>
<td>0.07</td>
<td>3,925</td>
<td>1.051</td>
</tr>
<tr>
<td>Inferred¹</td>
<td>21.4</td>
<td>0.24</td>
<td>0.06</td>
<td>114</td>
<td>0.041</td>
</tr>
</tbody>
</table>

¹ Measured and indicated resource is estimated at a cut-off grade of 0.30% Cu and 0.025 g/t Au.
² Includes $35M carry during construction and $9M in 2018 exploration at Porvenir.
San Nicolás (100% Interest)
Unlocking value from a high grade copper-zinc Teck greenfield discovery

Long Life Asset
- One of the world’s most significant undeveloped VMS deposits¹

Quality Investment
- Expect C1 cash costs in the 1st quartile
- Competitive capital intensity
- Co-product Zn and Au & Ag credits¹

Stable Jurisdiction
- Well-established mining district in Mexico
- Community office established and engagement plan well underway

Path to Value Realization:
- 32,000m multi-purpose drill program complete Oct 2018
- C$28M Budget in 2018
- 2019 Work Plan and Budget in preparation
- PFS completion and MIA submission H2 2019

<table>
<thead>
<tr>
<th>Class</th>
<th>Tonnes (Mt)</th>
<th>Cu (%)</th>
<th>Zn (%)</th>
<th>Au (g/t)</th>
<th>Ag (g/t)</th>
<th>Cu (Mlbs)</th>
<th>Zn (Mlbs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicated¹</td>
<td>91.7</td>
<td>1.24</td>
<td>1.7</td>
<td>0.46</td>
<td>26.7</td>
<td>2,507</td>
<td>3,437</td>
</tr>
<tr>
<td>Inferred¹</td>
<td>10.8</td>
<td>1.24</td>
<td>1.0</td>
<td>0.26</td>
<td>17.4</td>
<td>295</td>
<td>238</td>
</tr>
</tbody>
</table>

¹ Refer to the Technical Report dated November 27, 2018 for a detailed description of the mineral resources and the classification of the mineral resources.
Galore Creek (50% Interest)
Updated partnership on a high grade copper-gold-silver deposit in NW BC

Long Life Asset
• Large high grade copper-gold system
• Legacy zone extension and Bountiful zone discovered in 2013-14

Quality Investment and Partnership
• Expect C1 cash costs in the 1st quartile
• Strong technical, commercial, and community expertise from Partners

Stable Jurisdiction
• Improving infrastructure in Golden Triangle
• Well-established Participation Agreement with Tahltan First Nation

Path to Value Realization:
• C$100M² investment plan over 3-4 years to complete prefeasibility study and re-initiate permitting studies
• 2019 Work Plan and Budget in preparation
• Focused on lower risk and cost access options

<table>
<thead>
<tr>
<th>Class</th>
<th>Tonnes (Mt)</th>
<th>Cu (%)</th>
<th>Au (g/t)</th>
<th>Cu (Mlbs)</th>
<th>Au (Mozs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proven¹</td>
<td>69</td>
<td>0.61</td>
<td>0.52</td>
<td>928</td>
<td>1.154</td>
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<tr>
<td>Probable¹</td>
<td>459.1</td>
<td>0.58</td>
<td>0.29</td>
<td>5,870</td>
<td>4.281</td>
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<tr>
<td>Measured¹</td>
<td>39.5</td>
<td>0.25</td>
<td>0.39</td>
<td>218</td>
<td>0.495</td>
</tr>
<tr>
<td>Indicated¹</td>
<td>247.2</td>
<td>0.34</td>
<td>0.26</td>
<td>1,853</td>
<td>2.066</td>
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<tr>
<td>Inferred¹</td>
<td>346.6</td>
<td>0.42</td>
<td>0.24</td>
<td>3,209</td>
<td>2.674</td>
</tr>
</tbody>
</table>

¹ Numbers are rounded.
## Project Satellite
### A path to value recognition

**Mesaba (100% Interest)**

*Positioning a significant undeveloped Cu-Ni-PGE (Au-Ag-Co) deposit*

- Maiden Resource statement due at the end of 2018
- Continued focus on developing a permitting pathway
- Evaluating partnership opportunities

**Schaft Creek (75% Interest)**

*Assessing development options for this large Cu-Mo-Au-Ag deposit*

- Received Multi-Year Area Based permit to carry out field studies over 5 years
- Evaluating staged development options
- Continuing baseline environmental and social programs
Notes: Appendix – Copper

Slide 106: Copper Content in Electric Vehicles
1. Source: ICA, Navigant Research, IDTechEx.
2. Source Photo: ICA, IDTechEx for ICA.

Slide 107: Copper Demand for Electric Vehicles
1. Wood Mackenzie.

Slide 108: Copper Demand for Charging Infrastructure
1. Source: Navigant Research for ICA presentation.
2. Source Photo: Baka.Ca/Solar – file is licensed under the Creative Commons Attribution-Share Alike 3.0 Unported license.

Slide 109: Steady Demand Growth & Increasing Copper Intensity
2. Source: Government plans, CAAM, ICA, Teck.

Slide 110: Global Copper Mine Production Increasing Slowly

Slide 111: Copper Disruptions

Slide 112: Copper Metal Stocks Falling
1. LME, SHFE, SMM, CME, Teck, Fast Markets.

Slide 113: Rapid Growth in Chinese Copper Smelter Capacity
1. Includes mine projects with copper capacity >10 ktpa. Source: BGRIMM.
2. Source: CRU, BGRIMM, SMM, Teck.

Slide 114: China More Important in Global Copper Market
1. Source: China Customs, Wood Mackenzie, BGRIMM, Teck.
2. Source: China Customs, Wood Mackenzie, SMM, Teck.

Slide 115: Planned Copper Projects Will Not Meet Demand

Slide 117: Growth Potential - QB2, NuevaUnión, Project Satellite
1. Illustrative potential production profiles, including 65% of Quebrada Blanca 2’s first five years of full production, 50% of NuevaUnión’s first ten years of full production, 100% of San Nicolás’ first five years of full production, and 80% of Zafranal’s first five years of full production, in each case based on relevant feasibility or pre-feasibility studies or scoping studies. Copper equivalent production calculation assumes gold at US$1,200 per ounce, silver at US$18 per ounce, copper at US$3.00 per pound, zinc at US$1.10 per pound and molybdenum at US$10 per pound.
Notes: Appendix – Copper

Slide 119: Zafranal (80% Interest)
1. See the June 2016 Technical Report on the Pre-Feasibility published by AQM Copper Inc. filed on SEDAR.
2. Total project budget. Teck’s 80% Pro-rated share is approximately C$35M.

Slide 120: San Nicolas (100% Interest)
1. For current Reserve and Resource statements, see Teck’s 2017 AIF filed on SEDAR.

Slide 121: Galore Creek (50% Interest)
1. See the July 2011 Technical Report on the Pre-Feasibility published by NovaGold and filed on SEDAR.
2. Total project budget. Teck’s 50% Pro-rated share is approximately C$50M.
Zinc

Business Unit & Markets
Steady Demand Growth & Increasing Zinc Intensity

Chinese Zinc Demand to Grow ~2%¹

More Cars Expected to be Galvanized²
Environmental/Safety Inspections & Depletions

Constraining zinc mine production

- Entire country under environmental & work safety inspections
- Blue regions are also suffering from depletion evidently
- 2018 mine production down 1% YoY

Most Regions Reporting Negative Growth

- Huoshaojun: -6kt, -6%
- Flat: -25kt, -7%
- -29kt, -9%
- -26kt, -23%
- -63kt, -40%
- +10kt, +12%
- +2kt, +2%
- +17kt, +558%
- -2kt, -2%
- -6kt, -6%
- +10kt, +12%
- -6kt, -6%
- +2kt, +2%

Estimated Zinc Mine Growth Rarely Achieved

- 2013: 360kt
- 2014: 350kt
- 2015: 200kt
- 2016: 180kt
- 2017: 300kt
- 2018E: 250kt

Early-year estimate: 100kt, 200kt, 270kt, 180kt, 300kt, 250kt
Adjusted estimate: -630kt, -50kt, -150kt

Teck
Zinc Mine Projects Increasingly Delayed
Impacted by inspections and low zinc ore grades

Future Mine Growth Heavily Dependent
On One Single Project

Mine Depletion & Low Grades of Projects

0 1 2 3 4 5 6
Ore Grade, Zinc %


Operating mines New projects

2017 133 kt 2018 86 kt 2019-2021 891 kt
China to Require More Zinc Concentrate Imports

Concentrate stocks rebounded since Q2 2018 due to Chinese smelter cuts and increasing imports; Chinese mine production fell again in 2018, increasing scope for imports.
Increasing Demand for Zinc Metal Imports

Smelter cutbacks lead to drawdown of warehouse inventories – now record low; If China does import 1.7 Mt of concentrates, still requires 1.5 Mt of metal imports
Zinc Price Incentivizing New Mines

- Decline in mine production in 2016 (845 kmt)
- 2018 increase brings mine production back to 2015 levels
  - Market living off refined stocks for the past four years
- Mine production peaks in 2021
- Mine production set to increase 975 kmt this year
  - Dugald River (170 kmt)
  - Gamsberg (250 kmt) to ramp up towards 2019
  - New Century (270 kmt)
  - Zhairem (160 kmt) by mid-2020
  - Several new small mines and restarts also planned
- Estimate mine production will increase 3.6%/yr 2019-2022
  - Limited Chinese mine growth (~100-200 kmt increase)
Zinc Treatment Charges Rebounded Since Q2 2018

Concentrate Stocks Rising – Still Low

Smelter Cuts Push Up TCs

TCs ~US$15/t
Chinese Smelters Co-ordinated Cut
• Global hidden stocks may have reached ~1.4 Mt in 2012, and total global stocks reached ~3.3 Mt
• Total stocks reached critical levels in 2018, which will make the metal market very tight
• SHFE stocks at the end of September reached the lowest level since 2007
Zinc Gap Forecast to Continue
Zinc mine production peaks in 2021

Almost 5 Mt needed from new projects by 2027
- Low Demand (1.6%): 4.7 Mt
- High Demand (2.0%): 5.32 Mt

Includes:
- Tala Hamza (60 kmt)
- Huoshaoyun (400 kmt)
- Citronen (180 kmt)
- Mehdiahid (400 kmt)
- Ozemoe (350 kmt)
- Pavlovskoye (150 kmt)
- McArthur Exp (185 kmt)
- Kipushi (225 kmt)
- Selwyn (450 kmt)
- Dairi (125 kmt)
- Asmara (70 kmt)
- Aznalcollar (100 kmt)

Zinc mine production peaks in 2021

Uncommitted Projects Insufficient to Fill Gap
- Low Demand (1.6%): 4.7 Mt
- High Demand (2.0%): 5.32 Mt

Almost 5 Mt needed from new projects by 2027
- Low Demand (1.6%): 4.7 Mt
- High Demand (2.0%): 5.32 Mt

Includes:
- Tala Hamza (60 kmt)
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- Mehdiahid (400 kmt)
- Ozemoe (350 kmt)
- Pavlovskoye (150 kmt)
- McArthur Exp (185 kmt)
- Kipushi (225 kmt)
- Selwyn (450 kmt)
- Dairi (125 kmt)
- Asmara (70 kmt)
- Aznalcollar (100 kmt)
Largest Global Net Zinc Mining Companies

Teck is the Largest Net Zinc Miner\(^1\)
Provides Significant Exposure to a Rising Zinc Price

Teck
Red Dog Quickly Adapting to New Ore Source

**Successful Qanaiyaq pit ramp up**
- Difficult metallurgy and weathered ore at start
- Stockpile blending strategies modified
- Achieving feed tonnage blend target of ~20%

**Significant cost reductions realized**
- Significantly improved throughput rates from 450 tph to 510 tph
- Optimized use of reagents
- Higher Zn and Pb recoveries

---

![Chart showing Zn Grade and QAN % of Mill Feed from 2017 to 2019E-2021E.](chart1.png)

![Chart showing Operating Costs from 2013 to 2018E.](chart2.png)

Unit costs down 15% 2013-2017

---

![Teck Logo](logo.png)
Red Dog Sales Seasonality

- Operates 12 months
- Ships ~ 4 months
- Shipments to inventory in Canada and Europe; Direct sales to Asia
- ~65% of zinc sales in second half of year
- ~100% of lead sales in second half of year

Zinc Sales\(^1\)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>0%</th>
<th>10%</th>
<th>20%</th>
<th>30%</th>
<th>40%</th>
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<tbody>
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<td>Q1</td>
<td>21%</td>
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<td>Q2</td>
<td>14%</td>
<td></td>
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<td>Q3</td>
<td>31%</td>
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<tr>
<td>Q4</td>
<td>34%</td>
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</table>

Lead Sales\(^1\)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>0%</th>
<th>10%</th>
<th>20%</th>
<th>30%</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>0%</td>
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<td></td>
</tr>
<tr>
<td>Q3</td>
<td>57%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>43%</td>
<td></td>
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</tr>
</tbody>
</table>
Red Dog Operating Cost Seasonality
Significant quarterly variation

• Seasonality of Red Dog unit costs largely due to lead sales during the shipping season
• Zinc is a by-product credit at Antamina and accounted for in the Copper Business Unit
Red Dog in Bottom Quartile of Zinc Cost Curves

C1 Cost Curve 2018

C1+Sustaining Cost Curve 2018

Red Dog
Strong Zinc Production at Antamina

- Large zinc production increase
  - >50% in 2017 vs. the last 5 years
  - Quarterly zinc production profile varies based on mine sequencing
- Mine life extension studies progressing
Resetting the Bar at Trail Operations

- Annual refined zinc production increased to ~310 kt since 2015
  - Targeting further sustainable improvements in zinc production

- Second new acid plant advancing well
  - Improved reliability and stability

- Margin improvement programs
  - Focus on cost management
  - Improve efficiency
  - Introduce value-added products

- Pend Oreille life extension potential
  - Important low-iron feed source very close to Trail
Building a Quality Zinc Inventory

Potential New GIANT System

Aktigiruq Exploration Target

80-150 Mt
16-18% Zn+Pb
Global Context of Teck’s Zinc Resources
Well positioned; world class

<table>
<thead>
<tr>
<th>Grade Zn+Pb %</th>
<th>Resource Million Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Red Dog Past Production

Aqqaluk
Anarraaq
Paalaaq
Teena
Su-Lik

Hermosa
Rampura Agucha
Aktigiruq Exploration Target
80-150 Mt
16-18% Zn+Pb

Giant Zinc Deposits (+6 Mt Zn+Pb)

Qanaiyaq

Teena
Teena (100% Interest)
Greenfield discovery - right time, right place, right insights

Long Life Asset
• 58Mt @ 11.1% Zn and 1.5% Pb (Inferred)¹
• Most significant Zn-Pb discovery in Australia since 1990 (Century/Cannington)

Quality Project
• Significant mineralized system
• High grade
• Premier zinc district

Stable Jurisdiction
• Stable regulatory environment
• Low sovereign risk
• Skilled workforce

Path to Value Realization:
• 2013 discovery
• 2016: Consolidated 100% ownership
• Next 18 months: Advancing delineation

¹ Inferred alignment with resource classification
Aktigiruq (100% Interest)
Uncovering potential in the brownfield environment

**Long Life Asset**
- Exploration target of 80-150 Mt @ 16-18% Zn + Pb

**Quality Project**
- Premier zinc district
- Significant mineralized system
- High grade

**Stable Jurisdiction**
- Operating history
- ~12 km from Red Dog operations
- Strong community ties

**Path to Value Realization:**
- 2001: Initial drill hole
- 2017: Exploration target announced
- Next 18 months: Advancing delineation
Notes: Appendix – Zinc

Slide 126: Steady Demand Growth & Increasing Zinc Intensity
1. Source: NBS/CNIA, CAAM, ChinaIoL, Wind, CEIC, Teck.
2. Source: Mysteel, Teck.

Slide 127: Environmental/Safety Inspections & Depletions
1. Source: NBS/CNIA.

Slide 128: Zinc Mine Projects Increasingly Delayed
1. Includes mine projects with zinc capacity ~ 10 ktpa. Source: BGRIMM, Antaike, Teck.
2. Source: BGRIMM.

Slide 129: China to Require More Zinc Concentrate Imports
2. Source: China Customs, Wood Mackenzie, Teck.

Slide 130: Increasing Demand for Zinc Metal Imports
2. "Smelter + consumer stocks" refers to zinc metal held in the plants of smelters and semi producers and those on the road; "Bonded stocks" refers to zinc stored in bonded zones and will need to complete Customs clearance before entering China; "Domestic commercial stocks" refers to zinc stored in SHFE warehouses and other domestic commercial warehouses not registered in SHFE.

Slide 131: Zinc Price Incentivizing New Mines

Slide 132: Zinc Treatment Charges Rebounded Since Q2 2018
2. Source: MyMetal, SMM, Teck.

Slide 133: Consecutive Deficits Decreasing Zinc Inventory

Slide 134: Zinc Gap Forecast to Continue
Notes: Appendix – Zinc

Slide 135: Largest Global Net Zinc Mining Companies

Slide 137: Red Dog Sales Seasonality
1. Average sales from 2010 to 2017.

Slide 138: Red Dog Operating Cost Seasonality
1. Average quarterly unit cost (2013-2017) before royalties, based on Teck’s reported financials.

Slide 139: Red Dog in Bottom Quartile of Zinc Cost Curves
1. Source: Wood Mackenzie

Slide 140: Strong Zinc Production at Antamina
1. Guidance numbers are based on the mid-point of production guidance. Production numbers reflect Teck’s 22.5% share.

Slide 142: Building a Quality Zinc Inventory
1. Sources: S&P Global Market Intelligence, SNL Metals & Mining Database, Teck Public Disclosures. Aktigiruq is an exploration target, not a resource. Refer to press release of September 18, 2017, available on SEDAR. Potential quantity and grade of this exploration target is conceptual in nature. There has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Slide 143: Global Context of Teck’s Zinc Resources
1. Sources: S&P Global Market Intelligence, SNL Metals & Mining Database, Teck Public Disclosures. Aktigiruq is an exploration target, not a resource. Refer to press release of September 18, 2017, available on SEDAR. Potential quantity and grade of this exploration target is conceptual in nature. There has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Slide 144: Teena (100% Interest)
1. At a 6% zinc plus lead cut off, estimated in compliance with the Joint Ore Reserves Committee (JORC) Code.

Slide 145: Aktigiruq (100% Interest)
1. Refer to press release of September 18, 2017, available on SEDAR. Aktigiruq is an exploration target, not a resource. Potential quantity and grade of this exploration target is conceptual in nature. There has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in the target being delineated as a mineral resource.
Energy Business Unit & Markets
Energy Benchmark Pricing

**Calendar NYMEX WTI**

- **$76.41**
- **$48.98**
- **$30.61**

**WTI/WCS Basis Differential**

- **Hardisty**
- **USGC**
- **$45.66**
- **$10.00**

1. NYMEX WTI
2. WTI/WCS Basis Differential

Graphs depict the price movements over time from January 2016 to December 2018.
Quality Barrels in a Progressive Jurisdiction
4th largest oil sands mining portfolio

Fort Hills is in operation
• Teck 21.3% = 0.6 billion barrels\(^1\)

Frontier is in the regulatory phase
• Teck 100% = 3.2 billion barrels\(^2\)

Lease 421 is a future growth opportunity
• Teck 50%
• High quality lease: high grade, high recovery, low fines
Energy Within Teck’s Portfolio
Consistent with all our strategic criteria

- Strategic diversification
- Long life assets
- Truck & shovel operations
- Low unit operating costs
- Resource quality & scale
- Stable jurisdiction
Our Energy Strategy
Teck as a partner of choice

Focus on maximizing value of Fort Hills
- Safe and efficient ramp-up, increase production volumes, lower costs

De-risk Frontier & Lease 421
- Frontier regulatory hearing scheduled for September 25, 2018

Drive business results through technology & innovation
- Safe & reliable production, cost and footprint
Fort Hills is a Premier Asset
Long-life of >45 years with a very low decline rate

• Commissioning has exceeded our expectations, with December 2018 production over 200 kbpd

• Alberta Government mandated curtailments will reduce 2019 production to 157–175 kbpd\(^1\)

• We won’t rest on our laurels; focus on unit costs & low capital intensity debottlenecking opportunities

• Executing our comprehensive sales & logistics strategy
Lower Carbon Intensity Product at Fort Hills
Comparative to the average barrel refined in the U.S.

PFT Diluted Bitumen has a Lower Carbon Intensity Than Around Half of the Barrels of Oil Refined in the US, on a Wells-to-Wheels Basis

- Paraffinic Froth Treatment (PFT) removes asphaltenes
- Best in-class Canadian oil sands carbon intensity, including in-situ
- Pushing technology for continuous improvement

A Modern Mine Built for Low Cost Operations
Provides the foundation for our Energy business

**Safe & efficient operations:**
- Using leading-edge technology
- Learnings from other facilities

**Operating costs:**
- Life of mine cash operating costs: C$22-23/bbl\(^1\)
- Target below C$20 per barrel

**Capital efficiency:**
- Life of mine sustaining capital: C$3-5/bbl\(^2\)
- Higher in 2019 due to tailings and equipment ramp-up spending
Potential capacity increase of 20-40 kbd on a 100% basis

- Teck’s 21.3% share of annual production could increase from 14.0 Mbpda to 15.5-17.0 Mbpda
- Near term opportunities to achieve some of the increase with minimal capital
- Longer term opportunities may require modest capital
Free Cash Flow for Decades
Providing Teck with steady and reliable cash flow

<table>
<thead>
<tr>
<th>Assumptions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>WTI price</td>
<td>US$75/bbl</td>
</tr>
<tr>
<td>Weighted average WTI-WCS differential</td>
<td>US$15/bbl</td>
</tr>
<tr>
<td>C$/US$ exchange rate</td>
<td>1.25</td>
</tr>
<tr>
<td>Operating costs</td>
<td>C$20/bbl</td>
</tr>
</tbody>
</table>

- Energy EBITDA potential of ~C$500M at full production of 14 MbpA\(^1\)
- Significant upside with debottlenecking
Significant Market Presence
Developing a reputation as a preferred counterparty

First sales in March 2018, rapid increase to full supply capability

Excellent acceptance of Fort Hills’ product (FRB) in the US Midwest and Gulf Coast

Active purchaser of diluent blendstock, sufficient supply to meet demand

Teck’s Commercial Activities¹

<table>
<thead>
<tr>
<th>Activity</th>
<th>Production (kbpd)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bitumen production</td>
<td>38.5</td>
</tr>
<tr>
<td>+ Diluent acquisition</td>
<td>11.0</td>
</tr>
<tr>
<td>= Bitumen blend sales</td>
<td>49.5</td>
</tr>
</tbody>
</table>

¹ - Includes diluent acquisition of 11.0 kbpd.
Executing Our Comprehensive Sales & Logistics Strategy

Seeing early returns from diverse market access

Our sales mix provides diverse market access\(^1\):
- 10 kbdp shipped to premium value US Gulf Coast market via Keystone pipeline
- 39.5 kbdp at **Hardisty**, a key Canadian market hub
- Significant connectivity to export pipelines and rail loading facilities

Well positioned for future opportunities, including:
- Rail loading capacity at Hardisty and customer sales
- Export pipeline expansions

---

\(^1\) Sales Mix

<table>
<thead>
<tr>
<th>Monthly basis at Hardisty</th>
<th>Long term contracts at Hardisty</th>
</tr>
</thead>
<tbody>
<tr>
<td>19.5 kbdp</td>
<td>20 kbdp</td>
</tr>
<tr>
<td>10 kbdp</td>
<td></td>
</tr>
</tbody>
</table>

Monthly basis to US Gulf Coast
Notes: Appendix – Energy

Slide 149: Energy Benchmark Pricing
2. Sources: Net Energy and CalRock.

Slide 150: Quality Barrels in a Progressive Jurisdiction
1. Proved and probable reserves as at December 31, 2017. See Teck’s annual information form dated February 26, 2018 for further information regarding Fort Hills reserves.
2. Best estimate of unrisked contingent resources as at December 31, 2017, prepared by an independent qualified resources evaluator. See Teck’s management discussion and analysis dated February 14, 2018 for further information regarding the Frontier resource. There is uncertainty that it will be commercially viable to produce any portion of the resources.

Slide 153: Fort Hills is a Premier Asset
1. Based on Suncor’s guidance as at December 14, 2018.

Slide 154: Lower Carbon Intensity Product at Fort Hills

Slide 155: A Modern Mine Built for Low Cost Operations
1. Operating cost estimate represents the Operator’s estimate of costs for the Fort Hills mining and processing operations and do not include the cost of diluent, transportation, storage and blending. Estimates of Fort Hills operating costs could be negatively affected by delays in or unexpected events involving the ramp up of production. Steady state operations assumes full production of ~90% of nameplate capacity of 194,000 barrels per day.
2. Sustaining cost estimates represent the Operator’s estimate of sustaining costs for the Fort Hills mining and processing operations. Estimates of Fort Hills sustaining costs could be negatively affected by delays in or unexpected events involving the ramp up of production. Fort Hills has a >40 year mine life.

Slide 157: Free Cash Flow for Decades
1. Free cash flow is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
2. Fort Hills full production is ~90% of nameplate capacity of 194,000 barrels per day. Includes Crown royalties assuming pre-payout phase. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 158: Significant Market Presence
1. Annualized average at full production. Reflects 21.3% Fort Hills partnership interest.

Slide 159: Executing Our Comprehensive Sales & Logistics Strategy
1. Annualized average at full production. Reflects 21.3% Fort Hills partnership interest.
## Operating Netback – Q2 2018 (June)

- Operating netback is a non-GAAP measure, **presented on a product and sales barrel basis** on page 22 of the Q2 2018 news release.
- Derived from the Energy segmented information (P&L), after adjusting for items not directly attributable to the revenues and costs associated with production and delivery.
- Excludes depreciation, taxes and other costs not directly attributable to production and delivery of Fort Hills product.

### CAD$/bbl June 1-30, 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bitumen price realized</td>
<td>$64.59</td>
</tr>
<tr>
<td>Transportation</td>
<td>($8.90)</td>
</tr>
<tr>
<td>Crown royalties</td>
<td>($3.59)</td>
</tr>
<tr>
<td>Operating costs</td>
<td>($38.25)</td>
</tr>
<tr>
<td><strong>Operating netback</strong></td>
<td><strong>$13.85</strong></td>
</tr>
</tbody>
</table>

- Blended bitumen sales revenue less diluent expense (includes diluent product, Norlite, East Tank Farm)
- Downstream of East Tank Farm: Wood Buffalo system, Keystone, Hardisty tank
- Royalties are payable at 1-9% of gross revenue or 25-40% of net revenue depending on project’s financial status. More information on royalties is available at: [Alberta Energy](#).
- Costs at the mine to produce bitumen: labour, fuel (diesel, natural gas), materials (tools, tires), maintenance, Teck 100% Fort Hills G&A.
Operating Netback – Q2 2018 (June)
Operating Netback Reconciliation – Q2 2018 (June)
Non-GAAP Financial Measure on page 49 of Q2 2018 news release

<table>
<thead>
<tr>
<th>(C$ in millions, except where noted)</th>
<th>One month ended</th>
<th>June 30, 2018</th>
<th>(C$ in millions, except where noted)</th>
<th>One month ended</th>
<th>June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue as reported</strong></td>
<td>$ 78</td>
<td></td>
<td><strong>Per barrel amounts (C$/barrel)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td>Bitumen price realized (A/B)</td>
<td>$64.59</td>
<td></td>
</tr>
<tr>
<td>Cost of diluent for blending</td>
<td>(22)</td>
<td></td>
<td>Transportation (C/B)</td>
<td>(8.90)</td>
<td></td>
</tr>
<tr>
<td>Add back: Crown royalties1 (D)</td>
<td>3</td>
<td></td>
<td>Crown royalties (D/B)</td>
<td>(3.59)</td>
<td></td>
</tr>
<tr>
<td>Adjusted revenue (A)</td>
<td>$ 59</td>
<td></td>
<td>Operating costs (E/B)</td>
<td>(38.25)</td>
<td></td>
</tr>
<tr>
<td><strong>Cost of sales as reported</strong></td>
<td>$ 77</td>
<td></td>
<td>Operating netback (C$/barrel)</td>
<td>$ 13.85</td>
<td></td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of diluent for blending</td>
<td>(22)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation (C)</td>
<td>(8)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(12)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales (E)</td>
<td>$ 35</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blended bitumen barrels sold (000s of barrels)</td>
<td>1,162</td>
<td>918</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: diluent barrels included in blended bitumen (000s of barrels)</td>
<td>(244)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bitumen barrels sold (000s of barrels (B)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Revenue is reported after deduction of crown royalties.
2. Average period exchange rates are used to convert to US$ per barrel equivalent.
### Energy Gross Profit - Q2 2018 (June)

#### From Revenue and Gross Profit Table
**Q2 2018 news release; page 35**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 1-30, 2018</th>
<th>CAD$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (A)</td>
<td></td>
<td>$78</td>
</tr>
<tr>
<td>Gross profit (loss) (B)</td>
<td></td>
<td>$1</td>
</tr>
</tbody>
</table>

#### From Cost of Sales Summary Table
**Q2 2018 news release; pages 36-37**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 1-30, 2018</th>
<th>CAD$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating costs (C)</td>
<td></td>
<td>$35</td>
</tr>
<tr>
<td>Transportation costs (D)</td>
<td></td>
<td>$8</td>
</tr>
<tr>
<td>Concentrate and diluent purchases (E)</td>
<td></td>
<td>$22</td>
</tr>
<tr>
<td>Depreciation and amortization (F)</td>
<td></td>
<td>$12</td>
</tr>
</tbody>
</table>

#### Blended Bitumen Revenue Calculation

<table>
<thead>
<tr>
<th>Description</th>
<th>June 1-30, 2018</th>
<th>CAD$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue, as reported (A)</td>
<td></td>
<td>$78</td>
</tr>
<tr>
<td>Add back: crown royalty (G) – from Q2 2018 news release; page 49</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Blended bitumen revenue, calculated (H)</td>
<td></td>
<td>$81</td>
</tr>
</tbody>
</table>

#### Energy Business Unit Operating Statement

<table>
<thead>
<tr>
<th>Description</th>
<th>June 1-30, 2018</th>
<th>CAD$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blend sales (H)</td>
<td></td>
<td>$81</td>
</tr>
<tr>
<td>Less: crown royalty (G)</td>
<td></td>
<td>(3)</td>
</tr>
<tr>
<td>Revenue (A)</td>
<td></td>
<td>$78</td>
</tr>
<tr>
<td>Less: Cost of sales:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of diluent for blending (E)</td>
<td></td>
<td>$22</td>
</tr>
<tr>
<td>Operating expenses (C)</td>
<td></td>
<td>35</td>
</tr>
<tr>
<td>Transportation (D)</td>
<td></td>
<td>8</td>
</tr>
<tr>
<td>Depreciation and amortization (F)</td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>Cost of sales, calculated</td>
<td></td>
<td>$77</td>
</tr>
<tr>
<td>Gross profit (B)</td>
<td></td>
<td>$1</td>
</tr>
</tbody>
</table>
Modelling Bitumen Price Realized – Q2 2018 (June)
Non-GAAP Financial Measure

**Bitumen price realized = (blend sales\(^A\) – diluent expense\(^B\)) / bitumen bbls sold\(^C\)**

A. Blend sales
   = blend sales @ Hardisty + blend sales @ U.S. Gulf Coast (USGC)
   = $81 per “Blended Bitumen Price Realized Reconciliation” and “Reconciliation of Energy Gross Profit”
   - Blend sales @ Hardisty = \([(\text{WTI} – \text{WTI/WCS differential @ Hardisty} – \text{negotiated differential}) \times \text{F/X rate}] \times \text{# of barrels sold at Hardisty}\)
   - Blend sales @ USGC = \([(\text{WTI} – \text{WTI/WCS differential @ USGC} – \text{negotiated differential}) \times \text{F/X rate}] \times \text{# of barrels sold at USGC}\)

***WTI/WCS differentials are not the same at Hardisty vs. USGC***

B. Cost of diluent for blending:
   = Cost of diluent product + diluent transportation/storage + blending cost
   = $22 per “Cost of Sales Summary Table” and “Reconciliation of Energy Gross Profit”
   - Cost of diluent product = \([(\text{WTI +/- condensate premium/discount}) \times \text{# of diluent barrels sold in blend}] \times \text{F/X rate}\)

***Diluent contained in a barrel of blend ranges from approximately 20% to 25% depending on the quality of blend and season (temperature)***
   - Diluent transportation and blending cost includes tolls on the Norlite pipeline, East Tank Farm blending facility and diluent storage at Fort Saskatchewan

C. Bitumen barrels sold – as provided on the “Operating Netback Reconciliation”
Illustrative EBITDA Calculation - Teck Attributable @ 21.3% (14 Mbdp)¹

<table>
<thead>
<tr>
<th>Assumption Per Barrel</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>WTI price</td>
<td>US$75.00</td>
</tr>
<tr>
<td>Less: Weighted average WTI-WCS differential</td>
<td>(US$15.00)</td>
</tr>
<tr>
<td>Multiplied by: C$/US$ exchange rate @ $1.25</td>
<td></td>
</tr>
<tr>
<td>WCS price (WTI price less WTI-WCS differential x C$/US$ exchange rate @ $1.25)</td>
<td>C$75.00</td>
</tr>
<tr>
<td>Less: Operating costs</td>
<td>(C$20.00)</td>
</tr>
<tr>
<td>Diluent cost (includes product, diluent transportation and blending costs)</td>
<td>(C$10.00)</td>
</tr>
<tr>
<td>Transportation (pipelines &amp; terminalling downstream of ETF)</td>
<td>(C$7.00)</td>
</tr>
<tr>
<td>Crown royalties</td>
<td>(C$3.00)</td>
</tr>
<tr>
<td>Total cost</td>
<td>(C$40.00)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>C$35.00</td>
</tr>
</tbody>
</table>

EBITDA potential (14 Mbdp x cash margin) ~C$500M
Slide 167: Energy EBITDA Simplified Model
1. EBITDA is a non-GAAP financial measure. This model is being provided to illustrate how Teck calculates EBITDA for its Energy business unit. The figures included are not forecasts of projected figures of Teck’s Energy EBITDA. See “Non-GAAP Financial Measures” slides.
Non-GAAP Financial Measures
Non-GAAP Financial Measures

EBITDA is profit attributable to shareholders before net finance expense, income and resource taxes, and depreciation and amortization. Adjusted EBITDA is EBITDA before the pre-tax effect of certain types of transactions that in our judgment are not indicative of our normal operating activities or do not necessarily occur on a regular basis. These adjustments to EBITDA highlight items and allow us and readers to analyze the rest of our results more clearly. EBITDA Margin for our operations as business units is EBITDA (as described above) for those operations and business units, divided by the revenue for the relevant operation or business unit for the year-to-date. We believe that disclosing these measures assist 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. Free cash flow is presented to provide a means to evaluate shareholder returns. Other non-GAAP financial measures, including those comparing our results to our diversified and North American peers, are presented to help the reader compare our performance with others in our industry. The measures described above do not have standardized meanings under IFRS, may differ from those used by other issuers, and may not be comparable to such measures as reported by others. These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

In addition to these measures, we have presented certain other non-GAAP financial measures for our peers based on information or data published by Capital IQ or Bloomberg and identified in the footnotes to this presentation. Those non-GAAP financial measures are presented to provide readers with a comparison of Teck to certain peer groups over certain measures using independent third-party data.

### Reconciliation of Gross Profit Before Depreciation and Amortization

<table>
<thead>
<tr>
<th>Nine months ended September 30, 2018</th>
<th>(C$ in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit</td>
<td>$3,610</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,083</td>
</tr>
<tr>
<td><strong>Gross profit before depreciation and amortization</strong></td>
<td><strong>$4,693</strong></td>
</tr>
</tbody>
</table>

Reported as:
- Steelmaking coal: $2,770
- Copper: 1,096
- Zinc: 807
- Energy\(^1\): 20

**Gross profit before depreciation and amortization**: $4,693

---

### Reconciliation of Free Cash Flow

<table>
<thead>
<tr>
<th>2003 to Q3 2018</th>
<th>(C$ in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow from Operations</td>
<td>$42,001</td>
</tr>
<tr>
<td>Debt interest and finance charges paid</td>
<td>(5,059)</td>
</tr>
<tr>
<td>Capital expenditures, including capitalized stripping costs</td>
<td>(20,806)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td><strong>$16,136</strong></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>$4,187</td>
</tr>
<tr>
<td>Payout ratio</td>
<td>26%</td>
</tr>
</tbody>
</table>

---

\(1\). Energy results are effective from June 1, 2018.
## Non-GAAP Financial Measures

### Reconciliation of EBITDA and Adjusted EBITDA

<table>
<thead>
<tr>
<th>Description</th>
<th>Nine months ended September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit attributable to shareholders</td>
<td>$2,674</td>
</tr>
<tr>
<td>Finance expense net of finance income</td>
<td>161</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>1,104</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,083</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td><strong>$5,022</strong></td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
</tr>
<tr>
<td>Debt purchase (gains) losses</td>
<td>26</td>
</tr>
<tr>
<td>Debt prepayment option (gains) losses</td>
<td>9</td>
</tr>
<tr>
<td>Asset sales and provisions</td>
<td>(885)</td>
</tr>
<tr>
<td>Foreign exchange (gains) losses</td>
<td>(23)</td>
</tr>
<tr>
<td>Collective agreement charges</td>
<td>1</td>
</tr>
<tr>
<td>Other items</td>
<td>(15)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td><strong>$4,135</strong></td>
</tr>
</tbody>
</table>

### Reconciliation of Basic Earnings Per Share to Adjusted Basic Earnings Per Share

<table>
<thead>
<tr>
<th>Description</th>
<th>Nine months ended September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share</td>
<td>$4.66</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
</tr>
<tr>
<td>Debt purchase (gains) losses</td>
<td>0.03</td>
</tr>
<tr>
<td>Debt prepayment option (gains) losses</td>
<td>0.02</td>
</tr>
<tr>
<td>Asset sales and provisions</td>
<td>(1.41)</td>
</tr>
<tr>
<td>Foreign exchange (gains) losses</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Other items</td>
<td>(0.03)</td>
</tr>
<tr>
<td><strong>Adjusted basic earnings per share</strong></td>
<td><strong>$3.26</strong></td>
</tr>
</tbody>
</table>

### Reconciliation of Diluted Earnings Per Share to Adjusted Diluted Earnings Per Share

<table>
<thead>
<tr>
<th>Description</th>
<th>Nine months ended September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diluted earnings per share</td>
<td>$4.59</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
</tr>
<tr>
<td>Debt purchase (gains) losses</td>
<td>0.03</td>
</tr>
<tr>
<td>Debt prepayment option (gains) losses</td>
<td>0.02</td>
</tr>
<tr>
<td>Asset sales and provisions</td>
<td>(1.39)</td>
</tr>
<tr>
<td>Foreign exchange (gains) losses</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Other items</td>
<td>(0.03)</td>
</tr>
<tr>
<td><strong>Adjusted diluted earnings per share</strong></td>
<td><strong>$3.21</strong></td>
</tr>
</tbody>
</table>
## Non-GAAP Financial Measures

### Reconciliation of Net Debt-to-Adjusted EBITDA Ratio & Net Debt-to-Debt-Plus-Equity Ratio

<table>
<thead>
<tr>
<th></th>
<th>(A) Twelve months ended December 31, 2017</th>
<th>(B) Nine months ended September 30, 2017</th>
<th>(C) Nine months ended September 30, 2018</th>
<th>(A-B+C) Twelve months ended September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>$ 5,589</td>
<td>$ 4,026</td>
<td>$ 5,022</td>
<td>$ 6,585</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>5,697</td>
<td>4,197</td>
<td>4,135</td>
<td>5,635</td>
</tr>
<tr>
<td>Total debt at period end</td>
<td>6,369</td>
<td>4,135</td>
<td>5,235</td>
<td>3,752</td>
</tr>
<tr>
<td>Less: cash and cash equivalents at period end</td>
<td>(952)</td>
<td>(1,483)</td>
<td>(1,483)</td>
<td>(1,483)</td>
</tr>
<tr>
<td>Net debt</td>
<td>5,417</td>
<td></td>
<td>3,752</td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>19,993</td>
<td></td>
<td>22,466</td>
<td></td>
</tr>
<tr>
<td>Net debt to EBITDA ratio</td>
<td>(F/D) 1.0</td>
<td></td>
<td>(G/E) 0.6</td>
<td></td>
</tr>
<tr>
<td>Net debt to adjusted EBITDA ratio</td>
<td>(F/A) 1.0</td>
<td></td>
<td>(G/B) 0.6</td>
<td></td>
</tr>
<tr>
<td>Net debt to net debt-plus-equity</td>
<td>(F/(F+J)) 21%</td>
<td></td>
<td>(G/(G+K)) 14%</td>
<td></td>
</tr>
</tbody>
</table>

*We include net debt measures as we believe they provide readers with information that allows them to assess our credit capacity and the ability to meet our short and long-term financial obligations, as well as providing a comparison to our peers.*
### Non-GAAP Financial Measures

#### Steelmaking Coal Unit Cost Reconciliation

<table>
<thead>
<tr>
<th>(C$ in millions, except where noted)</th>
<th>Nine months ended September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost of sales as reported</strong></td>
<td>$2,454</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td>(720)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(549)</td>
</tr>
<tr>
<td>Adjusted cash cost of sales</td>
<td>$1,185</td>
</tr>
</tbody>
</table>

| Tonnes sold (millions)              | 19.4                                |

| Per unit costs (C$/t)               |                                     |
| Adjusted cash cost of sales         | $61                                 |
| Transportation                      | 37                                  |
| Cash unit costs (C$/t)              | $98                                 |

| **US$ AMOUNTS**                    |                                     |
| Average exchange rate (C$/US$)     | $1.29                               |
| Per unit costs (US$/t)¹             |                                     |
| Adjusted cash cost of sales         | $47                                 |
| Transportation                      | 29                                  |
| Cash unit costs (US$/t)             | $76                                 |

¹. Average period exchange rates are used to convert to US$ per tonne equivalent.
Non-GAAP Financial Measures

Copper Unit Cost Reconciliation

<table>
<thead>
<tr>
<th>(C$ in millions, except where noted)</th>
<th>Nine months ended September 30, 2018</th>
<th>US$ AMOUNTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue as reported</strong></td>
<td>$ 2,081</td>
<td>Average exchange rate (C$/US$) $ 1.29</td>
</tr>
<tr>
<td>By-product revenue (A)</td>
<td>(361)</td>
<td>Adjusted per unit costs (US$/lb) $ 1.54</td>
</tr>
<tr>
<td>Smelter processing charges</td>
<td>116</td>
<td>Smelter processing charges 0.19</td>
</tr>
<tr>
<td>Adjusted revenue</td>
<td>$ 1,836</td>
<td>Total cash unit costs (US$/lb) $ 1.73</td>
</tr>
<tr>
<td><strong>Cost of sales as reported</strong></td>
<td>$ 1,342</td>
<td>Cash margin for by-products (US$/lb) (0.52)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(357)</td>
<td>Net cash unit costs (US$/lb) $ 1.21</td>
</tr>
<tr>
<td>Inventory write-downs</td>
<td>(3)</td>
<td></td>
</tr>
<tr>
<td>Collective agreement charges</td>
<td>(1)</td>
<td></td>
</tr>
<tr>
<td>By-product cost of sales (B)</td>
<td>(46)</td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales</td>
<td>$ 935</td>
<td></td>
</tr>
<tr>
<td>Payable pounds sold (millions) (C)</td>
<td>470.5</td>
<td></td>
</tr>
<tr>
<td>Adjusted per unit cash costs (C$/lb)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales</td>
<td>$ 1.99</td>
<td></td>
</tr>
<tr>
<td>Smelter processing charges</td>
<td>0.24</td>
<td></td>
</tr>
<tr>
<td>Total cash unit costs (C$/lb)</td>
<td>$ 2.23</td>
<td></td>
</tr>
<tr>
<td>Cash margin for by-products (C$/lb)</td>
<td>(0.67)</td>
<td></td>
</tr>
<tr>
<td>((A-B)/C)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash unit costs (C$/lb)</td>
<td>$ 1.56</td>
<td></td>
</tr>
</tbody>
</table>

1. By-products include both by-products and co-products. By-product cost of sales also includes cost recoveries associated with our streaming transactions.
2. Net unit cash cost of principal product after deducting co-production and by-product margins per unit of principal product and excluding depreciation and amortization.
3. Average period exchange rates are used to convert to US$ per pound equivalent.
Non-GAAP Financial Measures

Zinc Unit Cost Reconciliation (Mining Operations)¹

<table>
<thead>
<tr>
<th>(C$ in millions, except where noted)</th>
<th>Nine months ended September 30, 2018</th>
<th>(C$ in millions, except where noted)</th>
<th>Payable pounds sold (millions) (C)</th>
<th>Nine months ended September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue as reported</strong></td>
<td>$ 2,274</td>
<td><strong>Payable pounds sold (millions) (C)</strong></td>
<td></td>
<td>687.8</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trail Operations revenue, as reported</td>
<td>(1,549)</td>
<td>Adjusted per unit cash costs (C$/lb)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other revenues as reported</td>
<td>(6)</td>
<td>Adjusted cash cost of sales</td>
<td>$ 0.41</td>
<td></td>
</tr>
<tr>
<td>Add back: Intra-segment as reported</td>
<td>501</td>
<td>Smelter processing charges</td>
<td>0.26</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 1,220</td>
<td>Total cash unit costs (C$/lb)</td>
<td>$ 0.67</td>
<td></td>
</tr>
<tr>
<td>By-product revenue (A)²</td>
<td>(219)</td>
<td>Cash margin for by-products (C$/lb) (A/C)²</td>
<td>(0.25)</td>
<td></td>
</tr>
<tr>
<td>Smelter processing charges</td>
<td>182</td>
<td>Net cash unit costs (C$/lb)³</td>
<td>$ 0.42</td>
<td></td>
</tr>
<tr>
<td>Adjusted revenue</td>
<td>$ 1,183</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost of sales as reported</strong></td>
<td>$ 1,611</td>
<td><strong>US$ AMOUNTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trail Operations cost of sales, as reported</td>
<td>(1,486)</td>
<td>Adjusted per unit costs (US$/lb)⁴</td>
<td>$ 1.28</td>
<td></td>
</tr>
<tr>
<td>Other costs as reported</td>
<td>7</td>
<td>Adjusted cash cost of sales</td>
<td>$ 0.31</td>
<td></td>
</tr>
<tr>
<td>Add back: Intra-segment as reported</td>
<td>501</td>
<td>Smelter processing charges</td>
<td>0.21</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 633</td>
<td>Total cash unit costs (US$/lb)</td>
<td>$ 0.52</td>
<td></td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td>Cash margin for by-products (US$/lb)</td>
<td>(0.19)</td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(88)</td>
<td>Net cash unit costs (US$/lb)</td>
<td>$ 0.33</td>
<td></td>
</tr>
<tr>
<td>Royalty costs</td>
<td>(215)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By-product cost of sales (B)²</td>
<td>(50)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales</td>
<td>$ 280</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Red Dog and Pend Oreille.
2. By-products include both by-products and co-products.
3. Net cash unit cost of principal product after deducting co-production and by-product margins per unit of principal product and excluding depreciation, amortization and royalty costs.
4. Average period exchange rates are used to convert to US$ per pound equivalent.
Non-GAAP Financial Measures

### Blended Bitumen Price Realized Reconciliation

(C$ in millions, except where noted)  
<table>
<thead>
<tr>
<th>Description</th>
<th>Nine months ended September 30, 2018</th>
<th>Nine months ended September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue as reported</td>
<td>$ 287</td>
<td></td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of diluent for blending</td>
<td>(88)</td>
<td>Bitumen price realized (A/B)</td>
</tr>
<tr>
<td>Non-proprietary product revenue</td>
<td>(18)</td>
<td>Crown royalties (D/B)</td>
</tr>
<tr>
<td>Add back: Crown royalties²</td>
<td>10</td>
<td>Transportation (C/B)</td>
</tr>
<tr>
<td>Adjusted revenue (A)</td>
<td>$ 191</td>
<td>Operating costs (E/B)</td>
</tr>
<tr>
<td>Cost of sales as reported</td>
<td>$ 300</td>
<td>Operating netback (C$/barrel)</td>
</tr>
<tr>
<td>Less: Depreciation and amortization</td>
<td>(33)</td>
<td></td>
</tr>
<tr>
<td>Cash cost of sales</td>
<td>$ 267</td>
<td></td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of diluent for blending</td>
<td>(88)</td>
<td></td>
</tr>
<tr>
<td>Cost of non-proprietary product</td>
<td>(12)</td>
<td></td>
</tr>
<tr>
<td>Transportation for non-proprietary product</td>
<td>(3)</td>
<td></td>
</tr>
<tr>
<td>Transportation for FRB (C)</td>
<td>(32)</td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales (E)</td>
<td>$ 132</td>
<td></td>
</tr>
<tr>
<td>Blended bitumen barrels sold (000s of barrels)</td>
<td>4,267</td>
<td></td>
</tr>
<tr>
<td>Less: diluent barrels included in blended bitumen (000s of barrels)</td>
<td>(865)</td>
<td>Blended bitumen barrels sold (000s of barrels) (B)</td>
</tr>
<tr>
<td>Bitumen barrels sold (000s of barrels (B)</td>
<td>3,402</td>
<td>Blended bitumen price realized (C$/barrel)³ (A/B)=D</td>
</tr>
<tr>
<td>Average exchange rate (C)</td>
<td>1.31</td>
<td>Blended bitumen price realized (US$/barrel)³ (D/C)</td>
</tr>
</tbody>
</table>

1. Results for the nine months ended September 30, 2018 are effective from June 1, 2018.
2. Revenue is reported after deduction of crown royalties.
3. Calculated per unit amounts may differ due to rounding.

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.
Non-GAAP Financial Measures

Reconciliation of Coal Business Unit Adjusted EBITDA

(C$ in millions) October 1, 2008 to September 30, 2018

Gross Profit $16,228
Add back: Depreciation and amortization 6,156
Gross profit, before depreciation and amortization $22,384
Deduct: Other costs (419)
Adjusted EBITDA $21,965

Reconciliation of EBITDA Margin

(C$ in millions) Nine months ended September 30, 2018

<table>
<thead>
<tr>
<th>Coal</th>
<th>Copper</th>
<th>Red Dog</th>
<th>Other1</th>
<th>Teck</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,157</td>
<td>484</td>
<td>544</td>
<td>619</td>
<td>3,804</td>
</tr>
<tr>
<td>29</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>(26)</td>
</tr>
<tr>
<td>549</td>
<td>357</td>
<td>78</td>
<td>99</td>
<td>1,083</td>
</tr>
<tr>
<td>37</td>
<td>32</td>
<td>22</td>
<td>70</td>
<td>161</td>
</tr>
<tr>
<td>2,714</td>
<td>876</td>
<td>644</td>
<td>788</td>
<td>5,022</td>
</tr>
<tr>
<td>4,675</td>
<td>2,081</td>
<td>1,151</td>
<td>1,410</td>
<td>9,317</td>
</tr>
<tr>
<td>58%</td>
<td>42%</td>
<td>56%</td>
<td>56%</td>
<td>54%</td>
</tr>
</tbody>
</table>

1. Other includes Energy business unit, Corporate business unit and the Zinc business unit without Red Dog.