Both these slides and the accompanying oral presentations contain certain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) and comparable legislation in other provinces (collectively referred to herein as forward-looking statements). Forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variation of such words and phrases or state that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Teck to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

These forward-looking statements include, but are not limited to, statements concerning: the goals, targets and future expectations stated in the slide titled “Our Key Priorities”; EBITDA and other benefits and value to be generated from our RACE21™ innovation-driven efficiency program and the associated implementation costs and timing; our intention to implement certain RACE21™ programs more broadly across other operations and to identify and implement additional RACE21™ projects; expectations regarding the Neptune Bulk Terminals facility upgrade including costs, benefits and timing thereof; targeted cost reduction amounts and timing; all projections and expectations regarding QB2 and QB3, excluding, but not limited to, those set out in the “QB2 Value Creation” and “Quebrada Blanca” Appendix (including, but not limited to, statements that QB2 will be a world class, low cost copper opportunity, statements and expectations regarding the value and amount of contingent consideration, timing of first production, long-life and expansion potential, projected IRR, QB2 throughput, mine life, projected copper production including Teck’s pro-forma copper exposure estimates, strip-ratios, costs (including C1 and AISC), reserves and resources, construction schedule and ownership of pipelines and port facilities, expansion and extension potential, all economic and financial projections regarding the QB2 project including expected EBITDA from the project); Teck’s share of remaining equity capital and timing of contributions relating to our QB2 project; Teck’s goal to be a carbon neutral operator by 2050; availability of funding from our credit facilities; potential growth options; production, sales, unit costs and other cost guidance, expectations and forecasts for our products, business units and individual operations and our expectation that we will meet that guidance; capital expenditure guidance and expectations, capitalized stripping guidance; mine lives and duration of operations at our various mines and operations; our ability to extend the lives of certain mines and to increase production to offset the closure of other operations; objectives of Teck’s capital allocation framework, including with respect to its dividend policy (including a base $0.20 per share annual dividend), potential share repurchases and/or supplemental dividends, and maintenance of investment grade metrics; supply, demand and outlook regarding coal, copper, zinc and energy for Teck and global markets generally; our reserve and resource estimates; all guidance including but not limited to production guidance, sales and unit cost guidance and capital expenditures guidance; future commodity prices; the benefits of our innovation strategy and initiatives described under the “Technology and Innovation” Appendix and elsewhere, including regarding smart ships, autonomous haul trucks and artificial intelligence, and the savings potential associated therewith; the coal market generally; growth potential for our steelmaking coal production, including our expectation that our coal reserves support approximately 27+ million tonnes of production in 2020 and beyond; strip ratios; capital expenditures in coal; West Coast port capacity increases and access; capital costs for water treatment; the copper market generally; copper growth potential and expectations regarding the potential production profile of our various copper projects; the zinc market generally; anticipated zinc production; zinc expansion and other projects include assumptions that the relevant project is constructed and operated in accordance with current expectations. Our Guidance tables include footnotes with further assumptions relating to our guidance. Our anticipated RACE21™ related EBITDA improvements and associated costs assume that the relevant projects are implemented in accordance with our plans and budget and that the relevant projects will achieve the
Caution Regarding Forward-Looking Statements

expected production and operating results, and are based on current commodity price assumptions and forecast sale volumes. Payment of dividends is in the discretion of the board of directors. Assumptions regarding QB2 include current project assumptions and assumptions regarding the final feasibility study. Assumptions are also included in the footnotes to the slides.

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. Our estimated profit and EBITDA and EBITDA sensitivity estimates are based on the commodity price and assumptions stated on the relevant slide or footnote, as well as other assumptions including foreign exchange rates. Cost statements are based on assumptions noted in the relevant slide or footnote. Statements regarding future production are based on the assumption of project sanctions and mine production.

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 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 logistics suppliers) to perform their contractual obligations, changes in our credit ratings, unanticipated increases in costs to construct our development projects, difficulty in obtaining permits, inability to address concerns regarding permits of environmental impact assessments, and changes or further deterioration in general economic conditions. Certain operations and projects are not controlled by us; schedules and costs may be adjusted by our partners, and timing of spending and operation of the operation or project is not in our control. Current and new technologies relating to our Elk Valley water treatment efforts may not perform as anticipated, and ongoing monitoring may reveal unexpected environmental conditions requiring additional remedial measures. EBITDA improvements may be impacted by the effectiveness of our projects, actual commodity prices and sales volumes, among other matters.

We assume no obligation to update forward-looking statements except as required under securities laws. Further information concerning risks and uncertainties associated with these forward-looking statements and our business can be found in our Annual Information Form for the year ended December 31, 2018, filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov) under cover of Form 40-F, as well as subsequent filings that can also be found under our profile.

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 “QB2 Project Economics Comparison” and “QB2 Reserves and Resources Comparison” and is further discussed in our 2018 Annual Information Form filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov).

We are developing a new baseline schedule and updated capital cost estimate, which is expected to be completed in the first quarter of 2020.

The scientific and technical information regarding the QB2 project and Teck’s other material properties 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 Key Priorities

- **QB2** is a long-life, low-cost operation with major expansion potential
- Rebalances our portfolio over time
- QB3 has potential to become a top five global copper producer
- Accelerating RACE²¹™ our innovation-driven business transformation program
- Targeting ~$1 billion in ongoing annualized EBITDA¹ improvements by end of 2021
- Our Neptune facility upgrade secures a long term, low cost and reliable supply chain for our steelmaking coal business
- Helps us deliver on our commitments to shareholders and customers
- Company-wide cost reduction program underway
- Increased target for total reductions to ~$610 million through the end of 2020

Focus on health and safety and sustainability leadership

Forecast results. Scale not necessarily representative of EBITDA¹ results or impact.
QB2 Value Creation

Delivers on Copper Growth Strategy

- Rebalances Teck’s portfolio over time to make the contribution from copper similar to steelmaking coal
- World class, low cost copper opportunity in an excellent geopolitical jurisdiction
- First production in late 2021
- Very attractive IRR¹
  - At US$3.00/lb copper, unlevered IRR is 19% and levered IRR is 30%
- Vast, long life deposit with expansion potential (QB3)
- QB2 partnership and financing plan dramatically reduces Teck’s capital requirements

Low Strip Ratio²

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>QB2 (0.7:1)</td>
<td></td>
</tr>
<tr>
<td>Antamina (2.9:1)³</td>
<td></td>
</tr>
<tr>
<td>Collahuasi (3.4:1)³</td>
<td></td>
</tr>
<tr>
<td>Escondida (2.6:1)³</td>
<td></td>
</tr>
</tbody>
</table>

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.
RACE21™
Our innovation-driven business transformation program

- Implementing existing, proven technology across the mining value chain to improve productivity and lower costs
- Implemented initiatives aimed at achieving $160 million\(^1\) in annualized EBITDA\(^2\) improvements as of the end of 2019
  - Exceeded our initial target of $150 million
- Currently includes ~30 projects

<table>
<thead>
<tr>
<th>Cumulative Annualized EBITDA(^2)</th>
<th>$100 million</th>
<th>$500 million</th>
<th>$1 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>End 2019</td>
<td>$160 million(^2)</td>
<td>$500 million</td>
<td>$1 billion</td>
</tr>
</tbody>
</table>

$160 million\(^1\) in annualized EBITDA\(^2\) improvements in 2019

Processing Analytics
- 65% of value created

Mineral Analytics
- 25% of value created

Predictive Maintenance
- 10% of value created
Neptune Facility Upgrade

• Secures a long term, low cost and reliable supply chain for our steelmaking coal business
• Facilitates market access through all cycles
• Significant returns generated from lower operating costs and increased flexibility to respond to market opportunities
• Expected completion in Q1 2021
Cost Reduction Program
Implemented in Q3 2019 in response to global economic uncertainty

• Increased our total targeted reductions to ~$610 million of previously planned spending through the end of 2020, vs. the previous target of $500 million
  - In Q4 2019, achieved ~$210 million of capital and operating reductions, exceeding our target of $170 million
  - For 2020, expect ~$400 million of capital and operating reductions

• Expect to eliminate ~500 full-time equivalent positions by the end of 2020

Does not include initiatives that would reduce production volumes or that could adversely affect the environment or health and safety
Focus on Sustainability Leadership
Teck’s performance on top ESG ratings

**Top-ranked mining company** 2019 World & North American Indices
- In the index for 10 consecutive years

**2020 Global 100**
- 2020 Global 100 Most Sustainable Corporations list — Corporate Knights
- Only mining company

**MSCI**
- “A” rating since 2013 (scale of CCC – AAA)
- Outperforming all 10 of our largest industry peers

**ISS QualityScore**
- Environment and Social Scores top 10% out of all industries

**FTSE4Good**
- Listed on Index Series
- 91% percentile rank in mining and metals industry

- Tied for 2nd in mining & metals category
- Ranked in the 100th percentile
Well positioned for **Low-Carbon Economy**

**Carbon pricing** already built into majority of business

Among world’s **lowest GHG intensities for steelmaking coal and copper** production

Fort Hills – one of the **lowest carbon intensities** among North American oil sands producers on a wells-to-wheels basis

---

**GHG Emissions Intensity Ranges Among ICMM Members**

(kgCO₂e per tonne of product)

- **Copper**
  - Range: 1 – 9
  - Teck in bottom quartile for miners

- **Steelmaking**
  - Range: 60 – 175
  - Among world’s lowest GHG intensities for steelmaking coal and copper production

- **Coal**
  - Range: 60 – 150

---

**Teck**
Carbon Neutral Operator by 2050

• Demonstrates Teck’s support of the transition to a low-carbon economy and worldwide efforts to meet the goal of the Paris Agreement to limit global temperature increase
• Aligns with commitments by Canada and Chile to be carbon neutral by 2050
• Teck has set out an initial roadmap to achieve carbon neutrality by first avoiding emissions and then eliminating or minimizing emissions
• Announced a long-term renewable power purchase agreement with AES Corporation for approximately half the power required for operation of QB2
Global Tailings Review:

- Co-convened by ICMM, UN Environment Programme & Principles for Responsible Investment

- Goal of establishing an international standard for safe management of tailings facilities

- Discussions on draft standard with expert panel and co-convenors ongoing

ICMM Mining Principles Launched

1. **What are ICMM’s Mining Principles?**
   - Define what good practice in environmental, social and governance looks like for industry
   - 10 principles backed up by a comprehensive set of performance expectations
   - Required for all ICMM member companies

2. **How are they implemented?**
   - Robust site-level validation
   - Public disclosure of validation activities and outcomes

3. **What is the value?**
   - Demonstrate ESG performance at the asset level
Strong Financial Position

- ~C$5.8 billion\(^1\) of liquidity; including $532 million\(^1\) in cash
- US$4.0 billion committed revolving credit facility recently extended to November 2024
- Investment grade credit rating
- US$2.5 billion QB2 project finance facility closed in Q4 2019; first borrowing expected in Q1 2020
- QB2 partnership and financing plan dramatically reduces Teck’s capital requirements; No contributions to project capital expected until early 2021
- Shares outstanding reduced to 547 million\(^1\)

Note Maturity Profile\(^4\) (C$M)

- Notes outstanding reduced from US$7.2 billion in September 2015 to US$3.2 billion\(^2\)
- No significant note maturities until 2035
A Perfect Storm

- Coronavirus
- QB2 project update
- Neptune facility upgrade
- Lower coal production in H1 2020
- Q1 2020 logistics challenges
- Frontier
- ESG: Climate change and steelmaking coal
Our Key Priorities

2019 Adjusted EBITDA\(^1\) $4.3 billion

- QB2 is a long-life, low-cost operation with major expansion potential
- Rebalances our portfolio over time
- QB3 has potential to become a top five global copper producer

- Accelerating RACE21\(^{TM}\) our innovation-driven business transformation program
- Targeting ~$1 billion in ongoing annualized EBITDA\(^1\) improvements by end of 2021

- Our Neptune facility upgrade secures a long term, low cost and reliable supply chain for our steelmaking coal business
- Helps us deliver on our commitments to shareholders and customers

- Company-wide cost reduction program underway
- Increased target for total reductions to ~$610 million through the end of 2020

Focus on health and safety and sustainability leadership

Forecast results. Scale not necessarily representative of EBITDA\(^1\) results or impact.
Appendix
Slide 4: Our Key Priorities
1. EBITDA and adjusted EBITDA are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
2. Scale suggests Teck’s potential attributable share of the first 5 full years of annual EBITDA, assuming a C$/US$ exchange rate of 1.33. Annual EBITDA for the project based on the first five full years of copper equivalent production is US$1.1 billion to US$1.4 billion based on feasibility price assumptions and production plans. 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. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
3. Targeting total of $1 billion annualized EBITDA improvements by end of 2021. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
4. Targeting reductions of approximately $610 million of previously planned spending through the end of 2020.

Slide 5: QB2 Value Creation
2. 1 truck = a strip ratio of 0.1.

Slide 6: RACE21™
1. Based on commodity prices at December 31, 2019 and assumed to remain in effect through 2020: steelmaking coal US$136.50 per tonne, copper US$2.79 per pound, zinc US$1.04 per pound and a C$/US$ exchange rate of $1.30.
2. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q4 2019 news release for further information.

Slide 10: Low-Carbon Producer

Slide 13: Strong Financial Position
1. As at February 20, 2020.

Slide 15: Our Key Priorities
1. EBITDA and adjusted EBITDA are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
2. Scale suggests Teck’s potential attributable share of the first 5 full years of annual EBITDA, assuming a C$/US$ exchange rate of 1.33. Annual EBITDA for the project based on the first five full years of copper equivalent production is US$1.1 billion to US$1.4 billion based on feasibility price assumptions and production plans. 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. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
3. Targeting total of $1 billion annualized EBITDA improvements by end of 2021. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
4. Targeting reductions of approximately $610 million of previously planned spending through the end of 2020.
Quebrada Blanca

*Photo:* Concentrator Grinding Area
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 “QB2 Project Economics Comparison” and “QB2 Reserves and Resources Comparison” and is further discussed in our Annual Information Form filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov).

We are developing a new baseline schedule and updated capital cost estimate, which is expected to be completed in the first quarter of 2020.

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 Project Update

Progress
- Overall: 25%
- Earthworks: 47%
- Engineering, Procurement & Contract Formation: >95%

Workforce
- ~7,500

Earthworks: 47%
Concrete: 29%

SAG Mill #1 Shell Lift, January 2020
**Highlights**

- Vast, long life deposit in favourable jurisdiction
- Very low strip ratio
- Low all-in sustaining costs (AISC)\(^1\)
- Will be a top 20 producer
- High grade, clean concentrates
- Significant brownfield development
- Community agreements in place and strong local relationships
- Fully sanctioned and construction well underway
- Expansion potential (QB3) with potential to be a top 5 producer

**Location**

[Map of South America showing key mining locations and companies associated with QB2 Project]
QB2 Rebalances Teck’s Portfolio
Delivers on copper growth strategy

- 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

Teck's Annual Copper Production (kt Cu)

<table>
<thead>
<tr>
<th></th>
<th>2018A</th>
<th>Pro Forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>QB2 Consolidated (100%)</td>
<td>290 kt²</td>
<td>584</td>
</tr>
<tr>
<td>QB2 Attrib. (60%)</td>
<td>294¹</td>
<td>174²</td>
</tr>
<tr>
<td>Teck 2018A</td>
<td></td>
<td>294¹</td>
</tr>
</tbody>
</table>

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 is a World Class Copper Opportunity

**Project Metrics**

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

QB2 Uses <25% of R&R
Continuing to Grow

**Transaction Metrics**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>~US$3B</td>
<td>Implied Value of Teck’s 90% Ownership Prior to Sumitomo Transaction&lt;sup&gt;8&lt;/sup&gt;</td>
</tr>
<tr>
<td>US$4.7B</td>
<td>Capital Cost (100%)&lt;sup&gt;7&lt;/sup&gt;</td>
</tr>
<tr>
<td>30%-40%</td>
<td>Teck’s Levered After-Tax IRR Post Transaction&lt;sup&gt;2,3,9&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

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

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

Reducing Teck's Equity Contributions

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

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

- Unlevered: 19%, 21%, 24%
- Levered: 30%, 35%, 40%

QB2 Funding Profile Before Escalation\(^2\) (US$M)

- 2019E Pre Close: $138
- 2019E Post Close: $1,062
- 2020E: $1,782
- 2021E: $1,392
- 2022E: $95

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’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

Low Cash Cost Position

C1 Cash Cost\(^3\) & AISC\(^4\) Curve\(^1\) (US$/lb, 2023E)

[Graph showing C1 Cash Cost and AISC curve for QB2, Antamina, Collahuasi, and Escondida.]
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**

**Reserve and Resource Tonnage (Mt)**

<table>
<thead>
<tr>
<th></th>
<th>2017 Annual Information Form</th>
<th>Sanction Case Mine Plan Tonnage</th>
<th>2018 Updated Resource Tonnage¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inferred</td>
<td>1,202</td>
<td>199</td>
<td>3,393</td>
</tr>
<tr>
<td>M&amp;I (Exclusive)</td>
<td>1,259</td>
<td>1,325</td>
<td></td>
</tr>
<tr>
<td>P&amp;P</td>
<td>1,202</td>
<td>1,472</td>
<td></td>
</tr>
</tbody>
</table>

¹ Resource and Reserve Tonnage <25% of current Reserve and Resource Tonnage
QB3 – Long-Term Growth
Expansion potential to realize full potential of the orebody

• QB2 utilizes less than 25% of resource
• QB3 evaluating options to exploit the full value of the resource through mill expansion and / or mine life extension
• Scoping Study underway to be followed by a Prefeasibility Study

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

Copper Mineralization from 2018 Drilling¹
• 2018 drilling returned long intervals of +0.5% Cu, with predictable sulfide zonation patterns
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
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.

### Changes Since Feasibility Study

<table>
<thead>
<tr>
<th>Operating Metrics (Annual Avg.)</th>
<th>2016 FS (Reserves)</th>
<th>Reserve Case</th>
<th>Sanction Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mine Life</td>
<td>25</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>Throughput</td>
<td>140</td>
<td>143</td>
<td>143</td>
</tr>
<tr>
<td>LOM Mill Feed</td>
<td>1,259</td>
<td>1,400</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>0.40</td>
<td>0.16</td>
<td>0.44</td>
</tr>
<tr>
<td>LOM²</td>
<td>0.52</td>
<td>0.41</td>
<td>0.70</td>
</tr>
<tr>
<td>Copper Production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td>275</td>
<td>286</td>
<td>290</td>
</tr>
<tr>
<td>LOM²</td>
<td>238</td>
<td>228</td>
<td>247</td>
</tr>
<tr>
<td>Copper Equivalent Production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td>301</td>
<td>313</td>
<td>316</td>
</tr>
<tr>
<td>LOM²</td>
<td>262</td>
<td>256</td>
<td>279</td>
</tr>
<tr>
<td>C1 Cash Cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td>$1.28</td>
<td>$1.29</td>
<td>$1.28</td>
</tr>
<tr>
<td>LOM²</td>
<td>$1.39</td>
<td>$1.47</td>
<td>$1.37</td>
</tr>
<tr>
<td>AISC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td>$1.34</td>
<td>$1.40</td>
<td>$1.38</td>
</tr>
<tr>
<td>LOM²</td>
<td>$1.43</td>
<td>$1.53</td>
<td>$1.42</td>
</tr>
</tbody>
</table>

### Sensitivity Analysis

<table>
<thead>
<tr>
<th></th>
<th>RESERVE CASE</th>
<th></th>
<th>SANCTION CASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual EBITDA (US$B)</td>
<td>$1.0</td>
<td>$1.2</td>
<td>$1.3</td>
</tr>
<tr>
<td>First 5 Full Years</td>
<td>$1.0</td>
<td>$1.1</td>
<td>$1.3</td>
</tr>
<tr>
<td>Payback Period (Years)</td>
<td>5.7</td>
<td>5.0</td>
<td>4.4</td>
</tr>
<tr>
<td>NPV at 8% (US$B)</td>
<td>$2.0</td>
<td>$2.9</td>
<td>$3.7</td>
</tr>
<tr>
<td>Project Unlevered IRR (%)</td>
<td>13%</td>
<td>16%</td>
<td>17%</td>
</tr>
<tr>
<td>Teck’s Unlevered IRR (%)</td>
<td>18%</td>
<td>21%</td>
<td>23%</td>
</tr>
<tr>
<td>Teck’s Levered IRR (%)</td>
<td>29%</td>
<td>35%</td>
<td>40%</td>
</tr>
</tbody>
</table>
# QB2 Reserves and Resources Comparison

## Reserve Case (as at Nov. 30, 2018)

<table>
<thead>
<tr>
<th>RESERVES</th>
<th>Mt</th>
<th>Cu Grade %</th>
<th>Mo Grade %</th>
<th>Silver Grade ppm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proven</td>
<td>476</td>
<td>0.51</td>
<td>0.018</td>
<td>1.40</td>
</tr>
<tr>
<td>Probable</td>
<td>924</td>
<td>0.47</td>
<td>0.019</td>
<td>1.25</td>
</tr>
<tr>
<td>Reserves</td>
<td>1,400</td>
<td>0.48</td>
<td>0.018</td>
<td>1.30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RESOURCES (EXCLUSIVE OF RESERVES)</th>
<th>Mt</th>
<th>Cu Grade %</th>
<th>Mo Grade %</th>
<th>Silver Grade ppm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured</td>
<td>36</td>
<td>0.42</td>
<td>0.014</td>
<td>1.23</td>
</tr>
<tr>
<td>Indicated</td>
<td>1,558</td>
<td>0.40</td>
<td>0.016</td>
<td>1.14</td>
</tr>
<tr>
<td>M&amp;I (Exclusive)</td>
<td>1,594</td>
<td>0.40</td>
<td>0.016</td>
<td>1.14</td>
</tr>
<tr>
<td>Inferred</td>
<td>3,125</td>
<td>0.38</td>
<td>0.018</td>
<td>1.15</td>
</tr>
</tbody>
</table>

## Sanction Case (as at Nov. 30, 2018)

<table>
<thead>
<tr>
<th>RESERVES</th>
<th>Mt</th>
<th>Cu Grade %</th>
<th>Mo Grade %</th>
<th>Silver Grade ppm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proven</td>
<td>409</td>
<td>0.54</td>
<td>0.019</td>
<td>1.47</td>
</tr>
<tr>
<td>Probable</td>
<td>793</td>
<td>0.51</td>
<td>0.021</td>
<td>1.34</td>
</tr>
<tr>
<td>Reserves</td>
<td>1,202</td>
<td>0.52</td>
<td>0.020</td>
<td>1.38</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RESOURCES (EXCLUSIVE OF RESERVES)</th>
<th>Mt</th>
<th>Cu Grade %</th>
<th>Mo Grade %</th>
<th>Silver Grade ppm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured</td>
<td>36</td>
<td>0.42</td>
<td>0.014</td>
<td>1.23</td>
</tr>
<tr>
<td>Indicated</td>
<td>1,436</td>
<td>0.40</td>
<td>0.016</td>
<td>1.13</td>
</tr>
<tr>
<td>M&amp;I (Exclusive)</td>
<td>1,472</td>
<td>0.40</td>
<td>0.016</td>
<td>1.14</td>
</tr>
<tr>
<td>Inferred</td>
<td>3,194</td>
<td>0.37</td>
<td>0.017</td>
<td>1.13</td>
</tr>
<tr>
<td>+ Inferred in SC pit</td>
<td>199</td>
<td>0.53</td>
<td>0.022</td>
<td>1.21</td>
</tr>
</tbody>
</table>
ENAMI Interest in QB

- 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\(^1\)
  - Thereafter, ENAMI receives 10% of dividends / free cash flow\(^1\)
- ENAMI is entitled to board representation
Quebrada Blanca Accounting Treatment

**Balance Sheet**
- 100% of project spending included in property, plant and equipment
- Debt includes 100% of project financing
- Total shareholder funding to be split between loans and equity approximately 75%/25% over the life of the project
- Sumitomo (SMM/SC)¹ contributions will be shown as advances as a non-current liability and non-controlling interest as part of equity
- Teck contributions, whether debt or equity eliminated on consolidation

**Cash Flow**
- 100% of project spending included in capital expenditures
- In 2019, Sumitomo¹ contribution recorded within financing activities and split approximately 50%/50% as:
  - Loans recorded as “Advances from Sumitomo”
  - Equity recorded as “Sumitomo Share Subscriptions”
- 100% of draws on project financing included in financing activities
- After start-up of operations
  - 100% of profit in cash flow from operations
  - Sumitomo’s¹ 30% and ENAMI’s 10% share of distributions included in non-controlling interest

**Income Statement**
- Teck’s income statement will include 100% of QB’s revenues and expenses
- Sumitomo’s¹ 30% and ENAMI’s 10% share of profit will show as profit attributable to non-controlling interests
Slide 20: QB2 Project Update
2. Number of active workers versus employees on payroll.

Slide 21: QB2 Project
1. All-in sustaining costs (AISC) are net cash unit costs (also known as C1 cash costs) plus sustaining capital expenditures. Net cash unit costs are calculated after cash margin by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. Net cash unit costs for QB2 include stripping costs during operations. AISC, Net cash unit cost and cash margins for by-products are non-GAAP financial measures which do not have a standardized meanings prescribed by International Financial Reporting Standards (IFRS) or Generally Accepted Accounting Principles in the United States. These measures may differ from those used by other issuers and may not be comparable to such measures as reported by others. These measures are meant to provide further information about our financial expectations to investors. These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS. For more information on our calculation of non-GAAP financial measures please see our Management’s Discussion and Analysis for the year ended December 31, 2018, which can be found under our profile on SEDAR at www.sedar.com.
2. Based on QB2 Sanction Case first five full years of copper production.
3. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 23: QB2 is a World Class Copper Opportunity
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: Quebrada Blanca

2. Number of active workers versus employees on payroll.
3. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
4. Copper equivalent production calculated assuming US$3.00/lb copper, US$10.00/lb molybdenum and US$18.00/oz silver. Net cash unit costs for QB2 include stripping costs during operations. AISC, Net cash unit cost and cash margins for by-products are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
5. C1 cash costs (also known as net cash unit costs) are presented after by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. C1 cash costs for QB2 include stripping costs during operations. AISC, Net cash unit cost and cash margins for by-products are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
6. All-in sustaining costs (AISC) are net cash unit costs (also known as C1 cash costs) plus sustaining capital expenditures. Net cash unit costs are calculated after cash margin by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. Net cash unit costs for QB2 include stripping costs during operations. AISC, Net cash unit cost and cash margins for by-products are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
7. The valuation of approximately ~US$3 billion for Teck’s 90% interest prior to the Sumitomo transaction 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, 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 6%, 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.
8. Does not include contingent consideration.
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.
10.umbo of Sumitomo contributions associated with purchase price spent before first draw of project finance facility. 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.
Notes - Appendix: Quebrada Blanca

Slide 25: 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 (also known as net cash unit costs) are presented after by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. C1 cash costs for QB2 include stripping costs during operations. Net cash unit costs and C1 cash costs are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
4. All-in sustaining costs (AISC) are net cash unit costs (also known as C1 cash costs) plus sustaining capital expenditures. Net cash unit costs are calculated after cash margin by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. Net cash unit costs for QB2 include stripping costs during operations. AISC, Net cash unit cost and cash margins for by-products are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.

Slide 26: 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 27: QB3 – Long-Term Growth
1. DDH-756 @176.6m, Field of view 2cm.

Slide 29: 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 for QB2 include stripping costs during operations. Net cash unit costs and C1 cash costs are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
5. All-in sustaining costs (AISC) are net cash unit costs (also known as C1 cash costs) plus sustaining capital expenditures. Net cash unit costs are calculated after cash margin by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. Net cash unit costs for QB2 include stripping costs during operations. AISC, Net cash unit cost and cash margins for by-products are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
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.
10. Includes impact of US$2.5 billion project financing. Does not consider contingent consideration.

EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 30: 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.
Notes - Appendix: Quebrada Blanca

Slide 31: ENAMI Interest in QB2
1. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 32: Quebrada Blanca Accounting Treatment
1. Sumitomo Metal Mining Co. Ltd. and Sumitomo Corporation are collectively referred to as Sumitomo.
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
- Highland Valley Copper
- Ocelore Creek
- Schaft Creek
- Mesaba
- San Nicolas

South America
- Antamina
- Quebrada Blanca
- Carmen de Andacollo
- Quebrada Blanca Phase 2
- Nueva Unión
- Zafranal

Copper
- Producing Operation
- Development Project

Zinc
- Red Dog
- Trail Operations

Steelmaking Coal
- Cardinal River
- Coal Mines in B.C.
  - Forcing River
  - Greenhills
  - Line Creek
  - Elkview

Energy
- Fort Hills
- Frontier
Global Customer Base
Revenue contribution from diverse markets (2019)
Diverse Pipeline of Growth Options

In Construction

<table>
<thead>
<tr>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong platform with substantial growth options</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Zinc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premier resource with integrated assets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Steelmaking Coal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well established with capital efficient value options</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building a new business through partnership</td>
</tr>
</tbody>
</table>

Medium-Term Growth Options

<table>
<thead>
<tr>
<th>QB2</th>
<th>QB3</th>
<th>Galore Creek</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Zafranal</th>
<th>Shaft Creek</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HVC Brownfield</th>
<th>Mesaba</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NuevaUnión</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>San Nicolás (Cu-Zn)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Red Dog VIP2 Project</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Antamina Brownfield</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Red Dog Satellite Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Elk Valley Replacement Brownfield</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Neptune Terminals Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fort Hills Debottlenecking &amp; Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quintette/Mt. Duke</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Coal Mountain 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Elk Valley Brownfield</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Frontier</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lease 421</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>
Disciplined Approach to M&A

Recent Transaction History

Total net proceeds of C$3.1B:
- Balance sheet strengthened by divestment of non-core assets at high EBITDA\(^8\) 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
<table>
<thead>
<tr>
<th></th>
<th>2019 RESULTS</th>
<th>2020 GUIDANCE¹</th>
<th>3-YEAR GUIDANCE¹ (2021-2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steelmaking Coal</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>25.7 Mt</td>
<td>23.0-25.0 Mt</td>
<td>26.0-27.0 Mt</td>
</tr>
<tr>
<td><strong>Copper²,³,⁴,⁶</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highland Valley</td>
<td>121.3 kt</td>
<td>133-138 kt</td>
<td>155-165 kt</td>
</tr>
<tr>
<td>Antamina</td>
<td>100.9 kt</td>
<td>88-92 kt</td>
<td>90 kt</td>
</tr>
<tr>
<td>Carmen de Andecollo</td>
<td>54 kt</td>
<td>57-62 kt</td>
<td>55-60 kt</td>
</tr>
<tr>
<td>Quebrada Blanca</td>
<td>21.1 kt</td>
<td>7-8 kt</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Copper</strong></td>
<td>297.3 kt</td>
<td>285-300 kt</td>
<td>300-315 kt</td>
</tr>
<tr>
<td><strong>Zinc²,³,⁵</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Red Dog</td>
<td>552.4 kt</td>
<td>500-535 kt</td>
<td>500-540 kt</td>
</tr>
<tr>
<td>Antamina</td>
<td>68.3 kt</td>
<td>100-105 kt</td>
<td>90-100 kt</td>
</tr>
<tr>
<td>Pend Oreille</td>
<td>19.4 kt</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Zinc</strong></td>
<td>640.1 kt</td>
<td>600-640 kt</td>
<td>590-640 kt</td>
</tr>
<tr>
<td><strong>Refined Zinc - Trail</strong></td>
<td>287.4 kt</td>
<td>305-315 kt</td>
<td>310-315 kt</td>
</tr>
<tr>
<td>**Bitumen - Fort Hills³,⁷</td>
<td>12.3 Mbb</td>
<td>12-14 Mbb</td>
<td>14 Mbb</td>
</tr>
<tr>
<td><strong>Lead - Red Dog²</strong></td>
<td>102.8 kt</td>
<td>95-100 kt</td>
<td>80-90 kt</td>
</tr>
<tr>
<td><strong>Refined Lead - Trail</strong></td>
<td>69 kt</td>
<td>60-70 kt</td>
<td>65-70 kt</td>
</tr>
<tr>
<td><strong>Molybdenum²,³</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highland Valley</td>
<td>6.6 Mlbs</td>
<td>4.5-5.5 Mlbs</td>
<td>3.5-5.0 Mlbs</td>
</tr>
<tr>
<td>Antamina</td>
<td>1.8 Mlbs</td>
<td>2.0 Mlbs</td>
<td>2.0-3.0 Mlbs</td>
</tr>
<tr>
<td><strong>Total Molybdenum</strong></td>
<td>8.4 Mlbs</td>
<td>6.5-7.5 Mlbs</td>
<td>5.5-8.0 Mlbs</td>
</tr>
<tr>
<td><strong>Refined Silver - Trail</strong></td>
<td>14.0 Moz</td>
<td>10-12 Moz</td>
<td>N/A-</td>
</tr>
</tbody>
</table>
### Sales and Unit Cost Guidance

#### Q4 2019 RESULTS  |  Q1 2020 GUIDANCE^1
--- | ---
**Steelmaking Coal** |  |  
6.3 Mt | 4.8-5.2 Mt  
**Zinc - Red Dog Zinc in Concentrate** |  |  
174 kt | 135-140 kt  

#### Unit Costs

<table>
<thead>
<tr>
<th>Steelmaking Coal</th>
<th>2019 RESULTS</th>
<th>2020 GUIDANCE^1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted site cost of sales^2</td>
<td>C$65/t</td>
<td>C$63-67/t</td>
</tr>
<tr>
<td>Transportation costs^2</td>
<td>C$39/t</td>
<td>C$40-43/t</td>
</tr>
<tr>
<td>Inventory write-down</td>
<td>C$1/t</td>
<td>-</td>
</tr>
<tr>
<td><strong>Unit costs^2</strong></td>
<td>C$105/t</td>
<td>C$103-110/t</td>
</tr>
</tbody>
</table>

#### Copper

<table>
<thead>
<tr>
<th></th>
<th>2019 RESULTS</th>
<th>2020 GUIDANCE^1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cash unit costs^3</td>
<td>US$1.68/lb</td>
<td>US$1.55-1.65/lb</td>
</tr>
<tr>
<td>Net cash unit costs^3</td>
<td>US$1.39/lb</td>
<td>US$1.25-1.35/lb</td>
</tr>
</tbody>
</table>

#### Zinc

<table>
<thead>
<tr>
<th></th>
<th>2019 RESULTS</th>
<th>2020 GUIDANCE^1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cash unit costs^4</td>
<td>US$0.51/lb</td>
<td>US$0.55-0.60/lb</td>
</tr>
<tr>
<td>Net cash unit costs^4</td>
<td>US$0.34/lb</td>
<td>US$0.40-0.45/lb</td>
</tr>
</tbody>
</table>

#### Bitumen

<table>
<thead>
<tr>
<th></th>
<th>2019 RESULTS</th>
<th>2020 GUIDANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted operating costs^5</td>
<td>C$29.24/bbl</td>
<td>C$26-29/bbl</td>
</tr>
</tbody>
</table>
## Capital Expenditures Guidance

### Sustaining, Major Enhancement, New Mine Development

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sustaining</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal²</td>
<td>$403</td>
<td>$475</td>
</tr>
<tr>
<td>Copper</td>
<td>184</td>
<td>175</td>
</tr>
<tr>
<td>Zinc</td>
<td>138</td>
<td>160</td>
</tr>
<tr>
<td>Energy</td>
<td>45</td>
<td>100</td>
</tr>
<tr>
<td>Corporate</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total Sustaining</strong></td>
<td>$786</td>
<td>$920</td>
</tr>
<tr>
<td><strong>Major Enhancement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal²</td>
<td>$347</td>
<td>$530</td>
</tr>
<tr>
<td>Copper</td>
<td>46</td>
<td>50</td>
</tr>
<tr>
<td>Zinc</td>
<td>90</td>
<td>15</td>
</tr>
<tr>
<td>Energy</td>
<td>105</td>
<td>50</td>
</tr>
<tr>
<td>RACE21™</td>
<td>6</td>
<td>85</td>
</tr>
<tr>
<td><strong>Total Major Enhancement</strong></td>
<td>$594</td>
<td>$730</td>
</tr>
<tr>
<td><strong>New Mine Development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copper³</td>
<td>$115</td>
<td>$50</td>
</tr>
<tr>
<td>Zinc</td>
<td>32</td>
<td>5</td>
</tr>
<tr>
<td>Energy</td>
<td>41</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$188</td>
<td>$80</td>
</tr>
</tbody>
</table>

### Total Sustaining, Major Enhancement, and New Mine Development

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steelmaking coal²</strong></td>
<td>$750</td>
<td>$1,005</td>
</tr>
<tr>
<td><strong>Copper³</strong></td>
<td>345</td>
<td>275</td>
</tr>
<tr>
<td><strong>Zinc</strong></td>
<td>260</td>
<td>180</td>
</tr>
<tr>
<td><strong>Energy</strong></td>
<td>191</td>
<td>175</td>
</tr>
<tr>
<td><strong>Corporate</strong></td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td><strong>RACE21™</strong></td>
<td>6</td>
<td>85</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,568</td>
<td>$1,730</td>
</tr>
</tbody>
</table>
## Capital Expenditures Guidance (continued)

### Quebrada Blanca Phase 2

<table>
<thead>
<tr>
<th>(Teck’s share in CAD$ millions)</th>
<th>2019</th>
<th>2020 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>QB2 Capital Expenditures</td>
<td>$1,220</td>
<td>$2,420</td>
</tr>
<tr>
<td>Total capex, before SMM/SC contribution</td>
<td>$2,788</td>
<td>$4,150</td>
</tr>
<tr>
<td>Estimated SMM/SC contributions²</td>
<td>(1,035)</td>
<td>(660)</td>
</tr>
<tr>
<td>Estimated QB2 project financing draw</td>
<td>-</td>
<td>(1,760)</td>
</tr>
<tr>
<td>Total Teck spend</td>
<td>$1,753</td>
<td>$1,730</td>
</tr>
</tbody>
</table>

### Capitalized Stripping

<table>
<thead>
<tr>
<th>(Teck’s share in CAD$ millions)</th>
<th>2019</th>
<th>2020 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalized Stripping</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal</td>
<td>$443</td>
<td>$370</td>
</tr>
<tr>
<td>Copper</td>
<td>192</td>
<td>200</td>
</tr>
<tr>
<td>Zinc</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$680</strong></td>
<td><strong>$625</strong></td>
</tr>
</tbody>
</table>
## Commodity Price Leverage

<table>
<thead>
<tr>
<th>MID-POINT OF 2020 PRODUCTION GUIDANCE</th>
<th>CHANGE</th>
<th>ESTIMATED EFFECT ON ANNUALIZED PROFIT</th>
<th>ESTIMATED EFFECT ON ANNUALIZED EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$C/$US</td>
<td>C$0.01</td>
<td>C$37M /$0.01Δ</td>
<td>C$58M /$0.01Δ</td>
</tr>
<tr>
<td>Coal [24] Mt</td>
<td>US$1/tonne</td>
<td>C$18M /$1Δ</td>
<td>C$28M /$1Δ</td>
</tr>
<tr>
<td>Copper 292.5 kt</td>
<td>US$0.01/lb</td>
<td>C$5M /$0.01Δ</td>
<td>C$8M /$0.01Δ</td>
</tr>
<tr>
<td>Zinc⁴ 930 kt</td>
<td>US$0.01/lb</td>
<td>C$10M /$0.01Δ</td>
<td>C$13M /$0.01Δ</td>
</tr>
<tr>
<td>WCS⁵ 13 Mbbl</td>
<td>US$1/bbl</td>
<td>C$12M /$1Δ</td>
<td>C$17M /$1Δ</td>
</tr>
<tr>
<td>WTI⁶</td>
<td>US$1/bbl</td>
<td>C$9M /$1Δ</td>
<td>C$12M /$1Δ</td>
</tr>
</tbody>
</table>
For this purpose, we define available cash flow as cash flow from operating activities after interest and finance charges, lease payments and distributions to non-controlling interests less: (i) sustaining capital and capitalized stripping; (ii) committed enhancement and growth capital; (iii) any cash required to adjust the capital structure to maintain solid investment grade credit metrics; and (iv) our base $0.20 per share annual dividend. Proceeds from any asset sales may also be used to supplement available cash flow. Any additional cash returns will be made through share repurchases and/or supplemental dividends depending on market conditions at the relevant time.

The balance of remaining cash is available to finance further enhancement or growth opportunities. If there is no immediate need for this capital for investment purposes, it may be used for further returns to shareholders or retained as cash on the balance sheet.
Strong Track Record of Returning Cash to Shareholders
~$6.5 billion returned from January 1, 2003 to December 31, 2019

Dividends
• $4.4 billion since 2003, representing ~28% of free cash flow¹

Share Buybacks
• $2.1 billion since 2003, representing ~14% of free cash flow¹
Tax-Efficient Earnings in Canada

~C$3.4 billion in available tax pools

- $2.6 billion in net operating loss carryforwards
- $0.5 billion in Canadian Development Expenses (30% declining balance p.a.)
- $0.3 billion in allowable capital loss carryforwards

- Applies to cash income taxes in Canada
- Does not apply to:
  - Resource taxes in Canada
  - Cash taxes in foreign jurisdictions
## Share Structure & Principal Shareholders

### Teck Resources Limited\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>SHAREs HELD</th>
<th>PERCENT</th>
<th>VOTING RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Class A Shareholdings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temagami Mining Company Limited</td>
<td>4,300,000</td>
<td>55.4%</td>
<td></td>
</tr>
<tr>
<td>SMM Resources Inc (Sumitomo)</td>
<td>1,469,000</td>
<td>18.9%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>1,996,503</td>
<td>25.7%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,765,503</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>SHAREs HELD</th>
<th>PERCENT</th>
<th>VOTING RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Class B Shareholdings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temagami Mining Company Limited</td>
<td>725,000</td>
<td>0.1%</td>
<td></td>
</tr>
<tr>
<td>SMM Resources Inc (Sumitomo)</td>
<td>295,800</td>
<td>0.1%</td>
<td></td>
</tr>
<tr>
<td>China Investment Corporation (Fullbloom)</td>
<td>59,304,474</td>
<td>11.0%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>479,202,460</td>
<td>88.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>539,527,734</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>SHAREs HELD</th>
<th>PERCENT</th>
<th>VOTING RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Shareholdings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temagami Mining Company Limited</td>
<td>5,025,000</td>
<td>0.9%</td>
<td>32.7%</td>
</tr>
<tr>
<td>SMM Resources Inc (Sumitomo)</td>
<td>1,764,800</td>
<td>0.3%</td>
<td>11.1%</td>
</tr>
<tr>
<td>China Investment Corporation (Fullbloom)</td>
<td>59,304,474</td>
<td>10.8%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Other</td>
<td>481,198,963</td>
<td>87.9%</td>
<td>51.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>547,293,237</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
Slide 39: Global Customer Base
1. Gross profit before depreciation and amortization is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 41: 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. QB2 Partnership (sale of 30% interest of project to Sumitomo; SMM and SC) for total consideration of US$1.2 billion, including US$800 million earn-in and US$400 million matching contribution; converted at FX of 1.34 on March 29, 2019.
8. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 42: Production Guidance
2. Metal contained in concentrate.
3. We include 100% of production and sales from our Quebrada Blanca 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% and 21.3% of production and sales from Antamina and Fort Hills, respectively, representing our proportionate ownership interest in these operations.
4. Copper production includes cathode production at Quebrada Blanca and Carmen de Andacollo.
5. Total zinc includes co-product zinc production from our 22.5% proportionate interest in Antamina.
7. The 2021–2023 bitumen production guidance does not include potential near-term debottlenecking opportunities. See energy business unit in quarterly press releases for more information.

Slide 43: Sales and Unit Cost Guidance
2. Steelmaking coal unit costs are reported in Canadian dollars per tonne. Adjusted site cost of sales includes site costs, transport costs, and other and does not include deferred stripping or capital expenditures. Adjusted site cost of sales is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
3. Copper unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Total cash unit costs are before co-product and by-product margins. Copper net cash unit costs are after by-product margins and include adjusted cash cost of sales and smelter processing charges, less cash margin for by-products including co-products. Assumes a zinc price of US$1.05 per pound, a molybdenum price of US$11 per pound, a silver price of US$16.00 per ounce, a gold price of US$1,300 per ounce and a Canadian/U.S. dollar exchange rate of $1.32. See “Non-GAAP Financial Measures” slides.
4. Zinc unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Total cash unit costs are before co-product and by-product margins. Zinc net cash unit costs are after by-product margins and are mine costs including adjusted cash cost of sales and smelter processing charges, less cash margin for by-products. Assumes a lead price of US$0.90 per pound, a silver price of US$16.00 per ounce and a Canadian/U.S. dollar exchange rate of $1.32. 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. Adjusted operating costs represent costs for the Fort Hills mining and processing operations and do not include the cost of diluent, transportation, storage and blending. See “Non-GAAP Financial Measures” slides.
Slide 44: Capital Expenditures Guidance
2. Steelmaking coal sustaining capital guidance includes $290 million of water treatment capital. 2019 includes $176 million of water treatment capital. Steelmaking coal major enhancement capital guidance includes $390 million relating to the facility upgrade at Neptune Bulk Terminals.
3. Copper new mine development guidance for 2020 includes studies for QB3, Zafranal, San Nicolás and Galore Creek.
4. RACE21™ capital expenditures for 2020 include $65 million relating to steelmaking coal, $5 million relating to copper, $5 million relating to zinc and the remainder relating to corporate projects. We also expect to spend approximately $70 million on RACE21™ for research and innovation expenses and intangible assets in 2020.

Slide 45: Capital Expenditures Guidance (Continued)
2. Total estimated contributions from Sumitomo Metal and Mining (SMM) and Sumitomo Corporation (SC) were $1.7 billion.

Slide 46: Commodity Price Leverage
2. All production estimates are subject to change based on market and operating conditions.
3. 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 profit 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.
4. Zinc includes 310,000 tonnes of refined zinc and 620,000 tonnes of zinc contained in concentrate.
5. Bitumen volumes from our energy business unit.
6. Our WTI oil price sensitivity takes into account our interest in Fort Hills for respective change in revenue, partially offset by the effect of the change in diluent purchase costs as well as the effect on the change in operating costs across our business units, as our operations use a significant amount of diesel fuel.

Slide 48: Strong Track Record of Returning Cash to Shareholders

Slide 49: Tax-Efficient Earnings In Canada
1. As at December 31, 2019.

Slide 50: Share Structure & Principal Shareholders
1. As at December 31, 2019.
Sustainability
Focus on Sustainability Leadership

Sustainability strategy

- Sustainability reporting for **19 years**
- **Established** ambitious sustainability strategy and goals in **2010**
- Strategy focused on developing **opportunities** and managing **risks**
- Implementing a sustainability strategy with **short-term, five-year goals and long-term goals** stretching out to 2030
- New goal on climate action launched and other strategic sustainability priorities to be **launched in March 2020**
Why Sustainability Matters

- Reduced risk of operations disruption
- Efficient project and permit approvals
- Meet rising supply chain and societal expectations
- Employee retention and recruitment

- Increased access to capital at a lower cost
- Increased cost savings and productivity
- Higher financial returns
- Brand value and reputation

Driving growth and managing risk
Health and Safety Performance

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

62% reduction in High-Potential Incident Frequency rate over past four years
Reducing Freshwater Use
Teck top of 50+ companies ranked by DJSI

- Water recycled average of 3 times at mining operations in 2018
- Target to reduce freshwater use at Chilean operations by 15% by 2020
- Desalinated seawater for Quebrada Blanca 2 project in place of freshwater; 26.5 million m³ per year

Related SASB Metric: EM-MM-140a.1 | Link to Data
Taking Action on Climate Change
Teck in top 3 of 50+ companies ranked by DJSI

- Commitment to be a carbon neutral operator by 2050
- Goal to reduce GHG emissions by 450,000 tonnes by 2030 and have already reduced 289,000 tonnes of emissions as a result of projects implemented since 2011
- Advocating for climate action – member of Carbon Pricing Leadership Coalition
- Released second Climate Action and Portfolio Resilience report in 2019, which is structured to align with the recommendations from the Task Force on Climate Related Financial Disclosure
Low-Carbon Producer

Scope 1+2 emissions per copper equivalent ranking\(^1\)
(tCO\(_2\)/t CuEq, 2017)

CO\(_2\) emissions per unit of energy consumed\(^1\)
(CO\(_2\)/GJ)

[Bar chart showing emissions data for different companies]
Lower-Risk Jurisdictions, Comprehensive Assessments
Teck in top 3 of 50+ companies ranked by DJSI

- All operations in countries with well-developed mining industries: Canada, United States, Chile, Peru
- Robust regulatory regimes and rule of law in place
- Strong foundation for protection of human rights
- Human rights assessments conducted at all operations in 2018

Related SASB Metric: EM-MM-210b.1 | Link to Data
• Agreements in place at all mining operations within or adjacent to Indigenous Peoples’ territories
• Achieved agreements with all Indigenous communities near the QB2 project
  – 8 of 8 agreements with Indigenous communities; 7 of 7 agreements with fishermen’s unions
• Achieved agreements with 14 out of 14 potentially affected Indigenous groups near our Frontier project
• Working with UN Women in Chile to advance economic opportunities for Indigenous women

Related SASB¹ Metric: EM-MM-210a.3 | Link to Data
Employee Relations and Diversity

- 57% of our employees are unionized
- Focused on strengthening diversity, with women making up 31% of new hires in 2018
- In 2018, 9% of total hires self-identified as Indigenous from our Red Dog, Highland Valley Copper and steelmaking coal operations in the Elk Valley

Related SASB Metrics: EM-MM-310a.1 | Link to Data
<table>
<thead>
<tr>
<th>OPERATION</th>
<th>EXPIRY DATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line Creek</td>
<td>May 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>Antamina</td>
<td>July 31, 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>
<tr>
<td>Quebrada Blanca</td>
<td>January 31, 2022</td>
</tr>
<tr>
<td></td>
<td>March 31, 2022</td>
</tr>
<tr>
<td></td>
<td>November 20, 2022</td>
</tr>
<tr>
<td>Carmen de Andacollo</td>
<td>September 30, 2022</td>
</tr>
<tr>
<td></td>
<td>December 31, 2022</td>
</tr>
</tbody>
</table>
Notes: Sustainability

Slide 57: Reducing Freshwater Use
1. Sustainability Accounting Standards Board Standards. [https://www.sasb.org/](https://www.sasb.org/)
2. SAM Corporate Sustainability Assessment 2018.

Slide 58: Taking Action on Climate Change
1. Sustainability Accounting Standards Board Standards. [https://www.sasb.org/](https://www.sasb.org/)
2. SAM Corporate Sustainability Assessment 2018.

Slide 59: Low Carbon Producer
1. Source: Barclays Research, Teck.

Slide 60: Lower-Risk Jurisdictions, Comprehensive Assessments
1. Sustainability Accounting Standards Board Standards. [https://www.sasb.org/](https://www.sasb.org/)
2. SAM Corporate Sustainability Assessment 2018.

Slide 61: Strengthening Relationships with Indigenous Peoples
1. Sustainability Accounting Standards Board Standards. [https://www.sasb.org/](https://www.sasb.org/)

Slide 62: Employee Relations and Diversity
1. Sustainability Accounting Standards Board Standards. [https://www.sasb.org/](https://www.sasb.org/)
Technology and Innovation
RACE21™
Our innovation-driven business transformation program

- Implementing existing, proven technology across the mining value chain to improve productivity and lower costs
- Initial target of $150 million in annualized EBITDA¹ improvements by the end of 2019; focused on delivering significant value by 2021
- More than 40 different projects implemented across our operations
Renew

• Unify and modernize Teck’s core systems
• Establish technology foundation that facilitates deployment of Connect and Automate reliably and at scale
• For example: Wireless site infrastructure to support automation, sensing, site communications, information access, pit-to-port integration and advanced analytics

Automate

• Accelerate and scale autonomy program
• Transformational shift in safety
• Reduce per-tonne mining costs with smaller fleets
• Provide innovation platform to enable implementation of advanced analytics to drive cycle time improvement & predictive maintenance
**Connect**

- Link disparate systems into a collaborative digital platform with powerful tools for sensing and analyzing in real time
- For example: Dynamic and predictive models to reduce variability, leading to significant improvements in throughput and recovery

**Empower**

- The natural implication of Renew, Automate, and Connect is we can re-imagine what it means to work at Teck and re-design our operating model to attract, recruit, train and retain the workforce of the future
Significant Value To Be Captured

**SAFETY**
Transformational safety impact with fewer people in high risk environments

**PROFITABILITY**
Step-change impact to profitability

**PRODUCTIVITY**
Increased productivity through new technologies and internal innovation

**COST**
Reduced operational costs by achieving manufacturing levels of variability

Example value capture areas: Autonomy, Integrated Operations, Advanced Analytics, Real Time Data Systems

A Sustainable Future
Electrification of Mining

Teck is taking steps to reduce its carbon footprint by starting to electrify the fleet.

- Electric crew buses at our steel making coal operations.
- Electric boom vehicles to be tested in pit.
- Working with OEMs through ICMM to develop zero-GHG surface mining vehicles
1. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q4 2019 news release for further information.
Steelmaking Coal
Business Unit & Markets
Steelmaking Coal Market

- Growing demand, especially in Southeast Asia and India
  - Teck’s sales to India surpassed China from 2018
- Raw materials pricing under pressure due to weak steel margins
- Capital markets are rationing capital to coal, which is directed at thermal coal but impacts steelmaking coal; will constrain supply and increase the value of existing assets
- Investment remains modest; permitting is challenging
- Chinese safety checks and coronavirus containment measures restrict domestic coal production

Steelmaking Coal Prices\(^1\) (US$/t)

Steelmaking coal price has averaged US$180/t\(^1\) since January 1, 2008

Argus Premium HCC FOB Australia
12-Month Moving Average
Steelmaking Coal Facts

Global Coal Production\(^1\): ~7.8 billion tonnes

**Steelmaking Coal Production\(^2\):** ~1,150 million tonnes

**Export Steelmaking Coal\(^2\):** ~355 million tonnes

**Seaborne Steelmaking Coal\(^2\):** ~315 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\(^4\)

Our market is seaborne hard coking coal\(^2\): ~205 million tonnes
Steelmaking Coal Demand Growth Forecast
Southeast Asia and India are growth drivers

Seaborne Steelmaking Coal Imports¹ (Mt)
Change 2020 vs. 2019

Includes:
• Southeast Asia: Growth from Indonesia and Vietnam
• India: Driven by secular demand and government growth targets
• Brazil & Europe: Steel production recovery
• India: Analyst views range from +1 Mt to +3 Mt²
• China: Analyst views range from -2 Mt to +3 Mt²
• JKT: Analyst views range from -2 Mt to +3 Mt²
Indian Steelmaking Coal Imports
Imports supported by secular demand and government growth targets
Chinese Steelmaking Coal Imports
2019 seaborne imports up by +4 Mt

Chinese Crude Steel Production (CSP), Hot Metal Production (HMP) and Coal Production (Mt)\(^1\)

Chinese Coking Coal Imports\(^2\) (Mt)

---

1. CSP (LHS) - Hot Metal Production (HMP) - Coking Coal Production (RHS)
2. Mongolian Coking Coal Imports - Seaborne Coking Coal Imports
Large Users in China Increasing Imports
~2/3 of China crude steel produced on coast; projects support imports

Seaborne Coking Coal Imports\(^1\) (Mt)

- **ZONGHENG FENGNAN PROJECT**
  - Inland plant relocating to coastal area
  - Capacity: crude steel 8 Mt
  - Status: Construction started in 2017; 2 of 5 blast furnaces (BFs) completed by May 2019; remaining 3 BFs to complete in 2020

- **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; 1 of 2 BFs completed in Apr 2019

- **BAOWU YANCHENG PROJECT**
  - Inland plant relocating to coastal area
  - Capacity: crude steel 20 Mt (phase 1: 8-10 Mt)
  - Status: Phase 1 construction started in May 2019

---

**LIUSTEEL FANGCHENG PROJECT**
- Greenfield project
- Capacity: Phase 1 crude steel ~10 Mt
- Status: Construction started in 2017; 1 of 4 BFs completed in Dec 2019

**BAOWU ZHANJIANG PLANT**
- Expansion
- Capacity: crude steel 3.6 Mt (phase 2)
- Status: Construction started in Apr 2019; completion in 2021
Chinese Steel Margins
Margins have declined but remain positive

China Hot Rolled Coil (HRC) Margins and Steelmaking Coal (HCC) Prices¹ (US$/t)
Chinese Scrap Use to Increase Slowly
EAF share in crude steel production to recover only to 2012’s level

China’s Scrap Ratio was ~1/2 of World Average in 2017¹ (%)

China Steel Use By Sector (2000-2018)²

Crude Steel and Electric Arc Furnace Production³ (Mt)

Costs

1. Year

2. Source: Teck

3. Source: Teck
Steelmaking Coal Supply Growth Forecast
Growth comes mostly from Australia

Seaborne Steelmaking Coal Exports¹ (Mt)
Change 2020 vs. 2019

Includes:
- Australia: Growth from existing and restarted mines
- Indonesia: Ramp up of Bumi Barito Mineral (BBM) mine
- USA: Lower production from existing mines
- Mozambique: Analyst views range from flat to +1 Mt²
- Russia: Analyst views range from -1 Mt to +1 Mt²
US Coal Producers are Swing Suppliers

Australian Steelmaking Coal Exports\(^1\) (Mt)

US Steelmaking Coal Exports\(^2\) (Mt)
Canadian & Mozambique Steelmaking Coal Exports

Canadian Exports\(^1\) (Mt)

Mozambique Exports\(^2\) (Mt)
2nd Largest Seaborne Steelmaking Coal Supplier
Competitively positioned to supply steel producers worldwide

Sales Distribution

CHINA
2013: ~30%
2017: ~15%
2019: ~10%

INDIA
2013: ~5%
2017: ~10%
2019: ~15%

ASIA EXCL. CHINA & INDIA
2013: ~40%
2017: ~45%
2019: ~55%

AMERICAS
~5%

EUROPE
2013: ~15%
2017: ~20%
2019: ~15%

Sales to India exceeded China from 2018
An Integrated Long Life Coal Business

- 940 million tonnes\(^1\) 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
Long Life with Growth Potential in Steelmaking Coal

27 million tonnes of annual production capacity in 2021 and beyond
- Investment in plant throughput capacity at Elkview to capitalize on lower strip ratio beginning in 2020

Investing in low capital intensity production capacity to maximize long term profit and generate production capacity
Setting Up for Strong Long-Term Cash Flows In Steelmaking Coal

Executing on four structural pillars to reduce costs and optimize margins

- Strip ratio decreasing over next four years
  - Future strip ratio on par with historical average

- Strategically replacing high cost tonnes with low cost tonnes
  - Cardinal River closure offset with Elkview expansion in 2020

- Investing in RACE21™ technology and digital transformation
  - Lowering operating costs and increasing EBITDA

- Increasing Neptune capacity to >18.5 Mt
  - Lowering port costs and increasing logistics chain flexibility
Reinvesting to Maintain Productivities And Manage Costs in Steelmaking Coal

Maintaining historical dollar per tonne sustaining investment levels

2010-2016: Average spend of ~$6 per tonne
  • Reinvestment in 5 shovels, 50+ haul trucks

2017-2023: Average spend of ~$6 per tonne
  • Reinvestment in equipment fleets and technology to increase mining productivity and processing capacity

Long term run rate for sustaining capital is ~$6 per tonne
Major enhancement projects increasing long-term production capacity:

- Castle at Fording River Operations
- Baldy Ridge Extension at Elkview Operations
- 9 Million project at Elkview Operations

2010-2016: Average spend of ~$160 million² per year
- Increased production capacity by ~3.5 million tonnes

2017-2023: Average spend of ~$142 million² per year
- Increasing production capacity for 2020-2026 production by ~2.5 million tonnes per year
  - Increasing plant capacity at Elkview Operations (EVO 9M)
Progress on Elk Valley Water Quality Plan

• Spent ~ $437 million on the implementation of the Elk Valley Water Quality Plan as of year-end 2019
• West Line Creek water treatment facility is operating and successfully treating 7.5 million litres per day
• Construction of the Fording River South water treatment facility to treat 20 million litres per day continued in 2019 and the project is targeting completion for the end of 2020
• Since January 2018, our first Saturated Rock Fill facility has been successfully treating up to 10 million litres of mine-affected water per day at Elkview Operations, and achieving near-complete removal of selenium and nitrate

We expect to have the capacity to treat up to 47.5 million litres per day by the end of 2020
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
• Varies quarter-to-quarter based on the mine plans

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

Pricing Mechanisms (%)
- 80% Index Linked
- 20% Fixed Price

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

HCC / SHCC Prices and Spread\(^1\) (US$/t)

HCC FOB / CFR Prices and Spread\(^2\) (US$/t)
West Coast Port Capacity

NEPTUNE COAL TERMINAL
- Planned capacity growth to >18.5 Mtpa
- 100% ownership of coal capacity
- Current coal capacity 12.5 Mtpa
- Significant investment to upgrade and rejuvenate

RIDLEY TERMINALS
- Current capacity 18 Mtpa
- Teck contract:
  - 3 Mtpa until December 2020
  - 6 Mtpa with option to extend up to 9 Mtpa from January 2021 to December 2027
- Planned growth to >20 Mtpa

WESTSHORE TERMINALS
- Current capacity 35 Mtpa
- Teck contracted capacity 19 Mtpa
- Contract expires March 31, 2021
Notes: Appendix – Steelmaking Coal

Slide 73: Steelmaking Coal Market

Slide 74: Steelmaking Coal Facts
1. Source: IEA.
2. Source: World Coal Association. Assumes all of the steel required is produced by blast furnace-basic oxygen furnace route.
3. Source: The Coal Alliance. Assumes all of the steel required is produced by blast furnace-basic oxygen furnace route.

Slide 75: Steelmaking Coal Demand Growth Forecast
1. Source: Data compiled by Teck based on information from Wood Mackenzie (Short Term Outlook January 2020).

Slide 76: Indian Steelmaking Coal Imports
1. Source: Data compiled by Teck based on information from WSA and Wood Mackenzie. 2020 is based on information from Wood Mackenzie (Long Term Outlook H2 2019).
2. Source: Data compiled by Teck based on information from Global Trade Atlas and Wood Mackenzie. 2019 is based on information from Wood Mackenzie (Short Term Outlook January 2020). 2020 is data compiled by Teck based on information from Wood Mackenzie (Short Term Outlook January 2020) and CRU (Coal Market Outlook November 2019).

Slide 77: Chinese Steelmaking Coal Imports
1. Source: Data compiled by Teck based on information from NBS, Wood Mackenzie and Fenwei. 2020 is based on information from Wood Mackenzie (Long Term Outlook H2 2019) for crude steel and hot metal production and is based on information from Fenwei for coking coal production.
2. Source: Data compiled by Teck based on information from China Customs and Fenwei. 2020 is based on information from Wood Mackenzie (Short Term Outlook January 2020) for Mongolia and based on information from Wood Mackenzie (Long Term Outlook H2 2019) and CRU (Coal Market Outlook November 2019) for seaborne imports.

Slide 78: Large Users in China Increasing Imports
1. Source: Data compiled by Teck based on information from China Customs, Fenwei and internal sources.

Slide 79: Chinese Steel Margins

Slide 80: Chinese Scrap Use to Increase Slowly
1. Source: Data compiled by Teck based on information from WSA.
2. Source: Data compiled by Teck based on information from China Metallurgy Industry Planning and Research Institute.
3. Source: Data compiled by Teck based on information from Wood Mackenzie (Long Term Outlook H2 2019) and CRU (Crude Steel Market Outlook October 2019).

Slide 81: Steelmaking Coal Supply Growth Forecast
1. Source: Data compiled by Teck based on information from Wood Mackenzie (Short Term Outlook January 2020).
2. Source: Data compiled by Teck based on information from Wood Mackenzie (Short Term Outlook January 2020) and CRU (Coal Market Outlook November 2019).

Slide 82: US Coal Producers are Swing Suppliers
1. Source: Data compiled by Teck based on information from Global Trade Atlas, Wood Mackenzie. 2019 is November year-to-date annualized. 2020 is based on information from Wood Mackenzie (Short Term Outlook January 2020).
2. Source: Data compiled by Teck based on information from Global Trade Atlas and Wood Mackenzie. 2019 is November year-to-date annualized. 2020 is based on information from Wood Mackenzie (Short Term Outlook January 2020).

Slide 83: Canadian & Mozambique Steelmaking Coal Exports
1. Source: Data compiled by Teck based on information from Global Trade Atlas and Wood Mackenzie. 2019 is November year-to-date annualized. 2020 is based on information from Wood Mackenzie (Short Term Outlook January 2020).
2. Source: Data compiled by Teck based on information from Wood Mackenzie and CRU. 2010-2019 is based on information from Wood Mackenzie (Long Term Outlook H2 2019). 2020 is based on information from Wood Mackenzie (Short Term Outlook January 2020) and CRU (Coal Market Outlook November 2019).
1. Sites at 100% tonnes as at January 1, 2019. Source: Teck AIF.

1. Subject to market conditions and obtaining relevant permits.

1. Reflects weighted average strip ratio of all coal operations.

1. Historical spend has not been adjusted for inflation or foreign exchange. 2020-2023 assumes annualized average production of 26.9 million tonnes. Capital spending excludes capitalized leases in all periods. All dollars referenced are Teck’s portion net of POSCAN credits for Greenhills Operations at 80% and excludes the portion of sustaining capital relating to water treatment and Neptune Terminal.

1. Historical spend has not been adjusted for inflation or foreign exchange. Capital spending excludes capitalized leases in all periods.

1. All dollars referenced are Teck’s portion net of POSCAN credits for Greenhills Operations at 80% and excludes the portion of major enhancement capital relating to the Neptune Facility Upgrade.

1. Castle, Baldy Ridge Extension, and Elkview 9M project spending in 2020 is noted to illustrate the peak in major enhancement spending. All projects have spending prior and subsequent to 2020.

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 February 4, 2020.

Copper
Business Unit & Markets
Supply Fundamentals Offset Weaker Copper Demand

- Cathode market balanced for next 2 years, with potential risks to supply
- Global macro concerns affected demand in 2019; potential upside in 2020 on improved trade outlook and lower US$
- Concentrate market tightness continues into 2020; lowest annual TC/RC since 2011
- Copper metal stocks continue to fall
- Mine growth to resume in 2021; peak in 2023
- Longer term mega-trends supportive of demand
Global Copper Mine Production Increasing Slowly

Mine Production Set To Increase 1.7 Mt By 2023

Includes:

<table>
<thead>
<tr>
<th>Mine</th>
<th>kmt</th>
</tr>
</thead>
<tbody>
<tr>
<td>PT – Freeport (vs 2019)</td>
<td>450</td>
</tr>
<tr>
<td>Kamoa – Kakula</td>
<td>350</td>
</tr>
<tr>
<td>Quebrada Blanca</td>
<td>300</td>
</tr>
<tr>
<td>Quellaveco</td>
<td>300</td>
</tr>
<tr>
<td>Cobre Panama (vs 2019)</td>
<td>272</td>
</tr>
<tr>
<td>China to 2023</td>
<td>300</td>
</tr>
<tr>
<td>All others (Spence, Chuqui UG, Escondida)</td>
<td>1,480</td>
</tr>
<tr>
<td>SXEW Reductions to 2023</td>
<td>(290)</td>
</tr>
<tr>
<td>Reductions &amp; Closures</td>
<td>(1,460)</td>
</tr>
</tbody>
</table>

- Chinese mine production growth flat at 100 kmt/yr
- Total probable projects: 950 kmt
Copper Disruptions Return To Impact Mines

TC/RCs Spot and BM Falling\(^1\) (US$/lb)

Disruptions (kt)\(^2\);

<table>
<thead>
<tr>
<th>Year</th>
<th>Disruptions (kt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>5.0% YTD</td>
</tr>
<tr>
<td>2007</td>
<td>4.5%</td>
</tr>
<tr>
<td>2009</td>
<td>3.0%</td>
</tr>
<tr>
<td>2011</td>
<td>2.8%</td>
</tr>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) TC/RCs Spot and BM Falling
\(^2\) Disruptions (kt)
Rapid Growth in Chinese Copper Smelter Capacity
Limited domestic mine projects and lots of delays

Chinese Copper Mine Growth\(^1\)
(kt)

- **2019**: 49 kt
- **2020**: 61 kt
- **2020 – 2023**: 240 kt

+3.0 Mt of Smelting Projects in the Pipeline\(^2\)
(kt blister)

- **2018/2019**: 2,030 kt
- **2020**: 520 kt
- **2020 – 2023**: 480 kt

Cities and Projects:
- Ningde
- Chifeng Yunnan
- Qinghai
- Tongling Jincheng
- Zijin - Qijiahe
- Baiyin
- Chifeng Yunnan II
- Jinjien
- Wuxin Exp.
- Zhongqi Copper
- ZTS - Houtia
- Yantai Guokong
- Hengbang
Copper Supply
Mine production rising and scrap availability falling

Sanctioned Projects Since 2017¹ (kt)
New mines commissioned will add 2.5 Mt from 2017-2025

Chinese Scrap/Blister Imports Fall²
(Copper content, kt)

Chinese Imports Shift to Concentrates³
(Copper content, kt)

Teck
Copper Metal Stocks
Better than expected demand; smelter disruptions

- Exchange stocks have fallen 498,000 tonnes since March 2018, now equivalent to 6.1 days of global consumption

- SHFE stocks increased ~72,000t in first reporting week after Lunar New Year (LNY) stocks in line with post-LNY build in previous years

- Transportation issues limiting deliveries of metal to customers, late return of manufacturers could delay stock declines

- Prices decrease -10% between January 16, 2020 to February 7, 2020
  - Largest drop in prices since the beginning of the China/US Trade dispute back in July 2018

![Daily Copper Prices (US$/mt) and Stocks^1 (kt)](chart)
Copper Supply / Demand Balance
Projects available to fill low demand scenario gap

Assumed Average Growth to 2024:
- High Demand (2.2%): 2.3 million tonne gap
- Base Demand (1.9%): 1.6 million tonne gap
- Low Demand (1.5%): 1.0 million tonne gap

Probable Projects Sufficient Only To Fill Low Gap Scenario (kt)

Gap to High
Greenfield Probable
SXEW Projects
Long Life and Stable Assets in Copper

Guidance of 88,000 to 92,000 tonnes copper
Higher zinc production in 2020 at 100,000 to 105,000 tonnes
Advancing expansion and debottlenecking studies

Antamina

Guidance of 133,000 to 138,000 tonnes copper
Higher recoveries and throughput from ore characteristics, RACE21™ and D3 ball mill
RACE21™ initiatives implemented targeting +4% throughput and +2% recovery

Highland Valley

Guidance of 57,000 to 62,000 tonnes copper
New 36-month collective bargaining agreement with Workers Union in December 2019
Improving sizer availability and mill throughput

Carmen de Andacollo

Guidance of 7,000 to 8,000 tonnes copper cathode
Cathode production continues to end of 2020
Mine fleet supporting QB2 construction activities
QB2 operations readiness well advanced

Quebrada Blanca

Foundation of stable operations
## Cost Discipline and Improvement Focus in Copper

### Operating Expenses & Productivity
- **RACE21™** driving benefits across all sites, with focus on processing analytics
- Focus on asset management and cross site sharing continues to improveavailabilities and reduce costs
- Robust continuous improvement pipeline is also a key driver of margins

### Supply Management at Teck
- Leveraging Teck-wide spending
- >$80 million in sustained annual savings
- China sourcing initiative expanding

### Focused Investment Priorities
- Numerous projects finishing by early 2020
  - D3 Ball Mill at HVC, QB1 water management
- Near term spending driven by tailings facility cost at Antamina – declining in 2022
- Long-term sustaining capex in copper expected at $125 million, excluding QB2

### Copper Sustaining Capital Profile (C$M)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>300</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>
Major Growth and Life Extension Projects in Copper
Setting up for long-term success

Quebrada Blanca
- QB2: 316 kt of CuEq production for first 5 years\(^1\)
  - Doubles copper production with low strip ratio and AISC of US$1.38/lb copper\(^2\)
- QB3: Scoping Study on expansion potential complete
  - Mineral resource supports up to 3 times milling rate, with low strip ratio and low anticipated AISC\(^2\)
  - Targeted trade-off studies planned in 2020

NuevaUnión
- Feasibility Study (FS) completion in Q1 2020

Life Extension Projects
- HVC 2040: FS completion expected H1 2020
  - Targeting ~13 year extension
- Antamina: advancing extension and debottlenecking studies
- Red Dog: limited studies on Aktigiruq and Anarraaq deposits
Notes: Appendix – Copper

Slide 98: Global Copper Mine ProductionIncreasing Slowly
1. Source: Data compiled by Teck based on information from Wood Mackenzie and Company Reports (average production first 10 years).
2. Source: Data compiled by Teck based on information from Wood Mackenzie and Teck’s analysis of publicly available quarterly financial reports and other public disclosures of various entities.

Slide 99: Copper Disruptions Return to Impact Mines
1. Source: Data compiled by Teck based on information from Wood Mackenzie, CRU, and Metal Bulletin.
2. Source: Data compiled by Teck based on information from Wood Mackenzie and Teck’s analysis of publicly available quarterly financial reports and other public disclosures of various entities.

Slide 100: Rapid Growth in Chinese Copper Smelter Capacity
1. Includes mine projects with copper capacity >10 ktpa. Source: BGRIMM.
2. Source: BGRIMM, SMM, Teck.

Slide 101: Copper Supply
2. Source: Wood Mackenzie, GTIS, SMM.

Slide 102: Copper Metal Stocks
1. Source: LME, Comex, SHFE, SMM

Slide 103: Copper Supply / Demand Balance
1. Source: Wood Mackenzie, Teck. Low Demand based on Wood Mackenzie, BGRIMM forecast demand outlook with potential impact of Q1 2020 slowdown. Base Case Demand based on Teck copper demand model. High Demand based on combination of ICA study done for long term Copper Demand and a Yale University study done based on IEA forecasts for 2DS on Climate reduction goals.
2. Source: Wood Mackenzie, Teck. Forecasts based on projects from Wood Mackenzie Probable list of projects from Q4 2019 flexed at their historic rates of probable projects entering production (70% of Probable Brownfields, 50% of Probable Greenfield projects and an allowance for unidentified mine extensions based on historic precedent that 20% of capacity projected to close will stay open through such extensions).

Slide 106: Major Growth and Life Extension Projects in Copper
1. Copper equivalent production calculated for the first 5 full years of production assuming US$3.00/lb copper, US$10.00/lb molybdenum and US$18.00/oz silver without adjusting for payability.
2. All-in sustaining costs (AISC) are net cash unit costs (also known as C1 cash costs) plus sustaining capital expenditures. Net cash unit costs are calculated after cash margin by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. Net cash unit costs for QB2 include stripping costs during operations. AISC, Net cash unit cost and cash margins for by-products are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides.
Zinc
Business Unit & Markets
Supply Fundamentals Offset Weaker Zinc Demand

- Global concentrate market in surplus; smelter production returning to new normal
- Smelter bottleneck in China restricted metal production, drawing down stocks
- Metal inventories well below long term averages
- Physical metal market stable despite low inventories, consumers waiting for surplus
- High cost miners under pressure and closing due to low price and high treatment charges
Refined Production Recovered from Environmental Policy Constraints

Chinese Mine Production Flat in 2019\(^1\) (kt Contained)

Chinese Refined Production Up 9% in 2019\(^2\) (kt Contained)
Despite Increased Production, Increased Demand from ROW Continues

Smelter cutbacks led to drawdown of warehouse inventories – now record low; If China does import 1.7 Mt of concentrates, still requires 1.4 Mt of additional metal
Zinc Supply
Mine production remains at risk of missing expectations in 2020

• Global mine production missed forecast in both 2018 and 2019
  – 8.1% increase in mine production originally expected for 2019; now only 4.9%
  – Slow or delayed start-ups of ROW mines and Chinese mine production continues to underperform

• Mines remain under pressure from poor profitability
  – Since beginning of 2019 three mines have closed, with multiple mines currently at risk

• Chinese government maintains focus on environmental inspections at domestic mines
  – 2.7% increase expected in 2020, but likely to come in below this as it has in the previous five years

Zinc Mine Production^1 (kt contained)
Chinese Zinc Mine Projects Delayed
Impacted by inspections and low zinc ore grades

Estimated Chinese Zinc Mine Growth Rarely Achieved¹ (Kmt Contained)

Changes in Mine Production Since Q1 2018²
- New Mines
- China Mines
- ROW Mines
- Change

Zinc Ore Grades Falling at Chinese Mines³
(Ore grade, zinc %)

Early-year estimate
Adjusted estimate
Zinc Concentrate Treatment Charges

Treatment Charges\(^1\) (USD/dmt)

Jan-10  | Jan-11  | Jan-12  | Jan-13  | Jan-14  | Jan-15  | Jan-16  | Jan-17  | Jan-18  | Jan-19  | Jan-20

Spot TC | Benchmark TC

Teck
Zinc Metal Stocks
Consecutive deficits decreasing zinc inventories

- Deficits in past 5 years have driven down stocks
- LME refined zinc stocks decreased almost 80,000 tonnes in 2019
- Only 50,000 tonnes of refined zinc remaining on LME
- Chinese refined production has recovered, surpassing subdued levels from 2018
- Despite growing domestic production, SHFE stocks continue to decrease - down 96,000 from 2019 peak
**Zinc Supply / Demand Balance**

Zinc refined production peaks in 2022

---

**Existing and Fully Committed Supply**

- **Refined Production**
- **Base Demand**
- **Low Demand**
- **High Demand**

**Probable Projects Sufficient To Fill Gap**

- **Additional gap to high demand**
- **Additional gap to base demand**
- **Gap to low demand**

**Assumed Average Growth to 2024:**
- **High Demand (2.0%):** 1.7 million tonne gap
- **Base Demand (1.2%):** 1.3 million tonne gap
- **Low Demand (0.7%):** 0.7 million tonne gap

---

**Teck**
Largest Global Net Zinc Mining Companies

Teck is the Largest Net Zinc Miner\(^1\)(kt)
Provides significant exposure to a rising zinc price
Integrated Zinc Business

- Guidance of 500,000 to 535,000 tonnes zinc in 2020
- VIP2 project ready for commissioning in Q1 2020 and expected to improve throughput by ~15%
- RACE21™ targeting additional 5% throughput increase
- Increased number of tailings and water projects to manage changing climate

- Guidance of 305,000 to 315,000 tonnes refined zinc, and 60,000 to 70,000 tonnes refined lead
- Repairs to refinery electrical equipment completed end of November, ahead of schedule
- Focus on margin improvement including automation in melting plant
- Improving outlook for TC’s and profitability in 2020

- Care and maintenance started in August 2019
- Decision on path forward anticipated in 2020

Strengthening our Zinc business
Cost Discipline and Improvement Focus in Zinc

Operating Expenses & Productivity
- RACE21™ driving benefits across all sites, with focus on processing analytics
- Focus on asset management and cross site sharing continues to improve availabilities and reduce costs
- Robust continuous improvement pipeline also a key driver of margins

Supply Management at Teck
- Leveraging Teck-wide spending
- >$80 million in sustained annual savings
- China sourcing initiative expanding

Focused Investment Priorities
- Red Dog VIP2 mill enhancement project completion in Q1 2020
- Near term spending driven by tailings and water-related projects at Red Dog
- Long-term sustaining capex in zinc expected at $150 million

Zinc Sustaining Capital Profile (C$M)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>200</td>
<td>200</td>
<td>300</td>
<td>250</td>
<td>200</td>
<td>250</td>
<td>300</td>
<td>250</td>
<td>200</td>
</tr>
</tbody>
</table>
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
Red Dog Net Cash Unit 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

Total Cash + Capex Cost Curve 2020¹ (US¢/lb)

- 2020 Costs Based on Current Prices
- Current Spot LME Price

RED DOG
Red Dog Extension Project

Long Life Asset
- Aktigiruq exploration target of 80-150 Mt @ 16-18% Zn + Pb
- Anarraaq Inferred Resource: 19.4 Mt @14.4% Zn, 4.2% Pb

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

Stable Jurisdiction
- Operating history
- ~12 km from Red Dog operations
- Strong community ties
Building a Quality Zinc Inventory

Potential New GIANT System¹
(Contained Zn+Pb in Mt and Grade Zn+Pb in %)

Aktigiruq Exploration Target¹
80-150 Mt
16-18% Zn+Pb

GIANT ZINC DEPOSITS (+6 Mt Zn+Pb)
Global Context of Teck’s Zinc Resources
Well positioned; world class

Teck’s Zinc Resources
(Resource in Mt and Grade Zn+Pb in %)

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

GIANT ZINC DEPOSITS (+6 Mt Zn+Pb)
Notes: Appendix – Zinc

Slide 110: Refined Production Recovered From Environmental Policy Constraints
1. Source: Data compiled by Teck based on information from BGRIMM, CNIA, Antaike.
2. Source: Data compiled by Teck based on information from BGRIMM, CNIA, Antaike.

Slide 111: Despite Increased Production, Increased Demand from ROW Continues
1. Source: Data compiled by Teck Analysis based on information SHFE, SMM.
2. Source: “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.
3. Source: Data compiled by Teck Analysis based on historic numbers from China Customs, and forecasts based on data from BGRIMM, Antaike and Teck’s commercial contacts.

Slide 112: Zinc Supply
1. Source: Data compiled by Teck based on information from BGRIMM, CNIA, Antaike and Teck analysis.

Slide 113: Chinese Zinc Mine Projects Delayed
1. Source: Data compiled by Teck based on information from BGRIMM, CNIA, Antaike. Early year estimates from consolidation of several analyst views in the year preceding.
2. Source: Data compiled by Teck based on information from BGRIMM, CNIA, Antaike.
3. Source: Data compiled by Teck based on information from BGRIMM, CNIA, Antaike., NBS.

Slide 114: Zinc Concentrate Treatment Charges

Slide 115: Zinc Metal Stocks
1. Source: Data compiled by Teck from information from LME, SHFE, SMM.
2. Source: Data compiled by Teck from information from LME, Fastmarkets, Argus, Acuity, company reports.

Slide 116: Zinc Supply / Demand Balance
1. Source: Data compiled by Teck from information from Wood Mackenzie, SMM. Base Case Demand based on Teck Zinc demand model. High Demand based long term historical averages and view on improved Trade Outlook flexed into Base Demand Model.
2. Source: Data compiled by Teck from information from Wood Mackenzie, AME. Forecasts based on projects from Wood Mackenzie Probable list of projects from Q4 2019 flexed at their historic rates of probable projects entering production (only 50-60% of probable zinc projects and zinc mine life extensions historically are brought to market).

Slide 117: Largest Global Net Zinc Mining Companies
1. Source: Data compiled by Teck from information from Wood Mackenzie – Company smelter production netted against company mine production on an equity basis.

Slide 120: Red Dog Sales Seasonality
1. Average sales from 2015 to 2019.

Slide 121: Red Dog Net Cash Unit Cost Seasonality
1. Average quarterly net cash unit cost in 2015 to 2019, before royalties. Based on Teck’s reported financials. Net cash unit cost is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 122: Red Dog in Bottom Quartile of Zinc Cost Curves
1. Source: Data compiled by Teck from information from Wood Mackenzie, LME – Based on WM Forecast information and estimates for 2020 based on current short term average prices.
Slide 123: Red Dog Extension Project
1. 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.
2. See 2018 Annual Information Form.

Slide 124: 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 125: 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.
Energy
Business Unit & Markets
Energy Benchmark Pricing

Calendar NYMEX WTI Price$ and WTI/WCS Basis Differential$ (US$/bbl)

- Calendar NYMEX WTI Price
- WTI/WCS Basis Differential at Hardisty
- WTI/WCS Basis Differential at the USGC
US Midwest and US Gulf Coast are Key Markets

The US Gulf Coast Market Has The Greatest Opportunity For Growth In Canadian Heavy Blend Sales
Export Capacity Needed To Meet Global Demand

Near term (2019-2021):
- Canadian export capacity lagging
- Reliant on rail (400-500 Kbdp)

Pipeline development progressing:
- Enbridge: 370 Kbdp (2020-2021)
- Keystone XL: 800 Kbdp (2022-2023)
- TMX: 600 Kbdp (2022-2023)

Longer term:
- Global heavy refining capacity increase
- US, India and China largest markets

Western Canada Supply & Markets\(^1\) (Mbpd)

<table>
<thead>
<tr>
<th>Year</th>
<th>Production</th>
<th>Portfolio Optimization</th>
<th>Rail</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>2020</td>
<td>4.5</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>2021</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>2022</td>
<td>5.5</td>
<td>5.5</td>
<td>5.5</td>
</tr>
<tr>
<td>2023</td>
<td>6.0</td>
<td>6.0</td>
<td>6.0</td>
</tr>
</tbody>
</table>

Existing pipeline/rail sufficient to meet takeaway capacity through 2023
GHG Emissions Intensity of Oil Sands Facilities

Comparing GHG intensity by oil sands facility

Source: Bloomberg, BMO Capital Markets
Best In Class Low Carbon Intensity Production
Our blend will displace carbon intensive crudes

Estimated Improvements Since 2012
Production & Refining
End-User Fuel Consumption
U.S. Refined Average

Fort Hills
Lower carbon intensity than 50% of the US refined barrels of oil

Total Life Cycle Emissions Intensity (kg CO$_2$e/bbl refined product – gasoline/diesel)
Best In Class Low Carbon Intensity Production cont’d

Our blend will displace carbon intensive crudes

- A superior global refinery feedstock
- Improves operating efficiencies at complex refineries
- **Best in-class Canadian oil sands carbon intensity, including in-situ**
- Pushing technology for continuous improvement
Fort Hills Blend Widely Accepted In Market

We produce a high quality refinery feedstock
• Low GHG intensity: <50% of US crude supply
• Including in-situ and upgraded synthetic

Our sales mix provides diverse market access
• 78.6% pipeline connected and 21.4% rail loading
• 10 Kbpd to US Gulf Coast and 36.7 Kbpd at Hardisty

Teck’s Commercial Activities¹
Bitumen production 35.5 kbpd
+ Diluent acquisition 11.2 kbpd
= Bitumen blend sales 46.7 kbpd

Delivery Location (Kbpd)

<table>
<thead>
<tr>
<th>Teck Blend: 46.7 Kbpd</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.0</td>
</tr>
<tr>
<td>US Gulf Coast: monthly basis</td>
</tr>
<tr>
<td>10.0</td>
</tr>
<tr>
<td>Hardisty rail: long term contract</td>
</tr>
<tr>
<td>10.0</td>
</tr>
<tr>
<td>Hardisty pipeline: long term contract</td>
</tr>
<tr>
<td>16.7</td>
</tr>
<tr>
<td>Hardisty pipeline: monthly basis</td>
</tr>
</tbody>
</table>

We are well-positioned for future opportunities

¹ Teck's Commercial Activities
Diverse Portfolio of Sales in Energy

Blend Sales By Delivery Point (%)

- US Gulf Coast
- Hardisty

Revenue (US$/bbl)

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>NYMEX WTI</th>
<th>WESTERN CANADIAN SELECT DIFFERENTIAL BASIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Gulf Coast (Pipeline)</td>
<td>Calendar average monthly WTI</td>
<td>Monthly contracted spot differential at US Gulf Coast</td>
</tr>
<tr>
<td>Hardisty: Pipeline &amp; Rail Transfers</td>
<td>Calendar average monthly WTI</td>
<td>Weighted average WTI/WCS indexed differential at Hardisty</td>
</tr>
</tbody>
</table>

Fort Hills blend sales subject to crude quality differential vs Western Canadian Select:
- Estimated at minus US$3.50/bbl for 2020
Quality Barrels in a Progressive Jurisdiction
4th largest oil sands mining portfolio

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

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

Lease 421: future growth
• Teck 50%
• High quality lease: high grade, high recovery, low fines

Strong strategic fit: long life mining assets and low operating costs
Our Energy Strategy

Maximizing value of Fort Hills
• Start-up complete, increase production volumes, lower costs

De-risking Frontier & Lease 421
• Frontier regulatory hearing completed in 2018, decision in early 2020

Driving business results through technology & innovation
• Safe & reliable production, cost and footprint

Focus on maximizing shareholder value and positioning Teck as a partner of choice
Fort Hills is a Modern Mine
Built for low cost operations

Fort Hills 2018 Production @100% (Barrels per day)

201,000 bpd
December 2018

<$23/bbl
adjusted operating costs\(^1\)
December 2018

PFT Product
low GHG emissions

High quality barrels with significant debottlenecking potential
Attractive Debottlenecking Opportunities at Fort Hills
To be implemented in two phases

Potential capacity increase of 20 kbpd to 40 kbpd

• Teck’s share of annual production could increase from 14.0 Mbpa to 15.5-17.0 Mbpa
• Near term opportunities require little to no capital (phase 1)
• Longer term opportunities may require modest capital (phase 2)

Significant incremental EBITDA\(^1\) potential
Significant EBITDA Upside Potential in Energy
Providing the basis for strong and steady cash flow for decades

---

### Assumptions

<table>
<thead>
<tr>
<th>ASSUMPTIONS</th>
<th>WTI @ US$70/bbl</th>
<th>WTI @ US$60/bbl</th>
</tr>
</thead>
<tbody>
<tr>
<td>WTI-WCS differential</td>
<td>US$10.00</td>
<td>US$14.75</td>
</tr>
<tr>
<td>C$/US$ exchange rate</td>
<td>1.30</td>
<td>1.32</td>
</tr>
<tr>
<td>Adjusted operating costs$</td>
<td>C$20/bbl</td>
<td>C$20/bbl</td>
</tr>
</tbody>
</table>

### EBITDA\(^1\) Potential – Teck’s share ($ millions)

- **+$150M**
- **+$100M**

- 194,000 bpd (nameplate)
- 214,000 bpd (phase 1)
- 234,000 bpd (phase 2)

**Potential annual EBITDA\(^1\) of $400 million to $700 million with debottlenecking**
Teck’s Energy Outlook
$144 million gross profit before depreciation and amortization\(^1\) generated in 2019

- Government of Alberta curtailments effective January 1, 2019 and continuing into 2020
- Fort Hills:

<table>
<thead>
<tr>
<th>PRODUCTION</th>
<th>ADJUSTED OPERATING COSTS(^2)</th>
<th>CAPITAL</th>
</tr>
</thead>
</table>
| 2020       | • Annual bitumen production guidance of 33,000-38,000 barrels per day  
• Lower than design capacity due to ongoing curtailment | • Adjusted operating costs\(^2\) guidance of C$26-29 per barrel  
• Impacted by lower volumes due to ongoing curtailment | • Guidance of C$150 million, or C$10.50 – C$12.50 per barrel, in 2020  
• A reduction from C$165 million, or C$13.50 per barrel, in 2019  
• Impacted by lower volumes due to ongoing curtailment |

| Life of Mine | | |
|-------------| | |
| • Nameplate capacity 194,000 bpd  
• ~38,500\(^3\) bpd Teck’s share | • C$22-23/bbl\(^4\)  
• Long term target below C$20/bbl | • C$3-5/bbl\(^5\) |

Sharp focus on reducing costs (operating and capital)
Notes: Appendix – Energy

Slide 129: Energy Benchmark Pricing
1. The WTI CMA is an average of the daily settle quoted price for WTI prices for future deliveries for the trading days during a calendar month. Source: CME Group. As at February 11, 2020.
2. WCS at Hardisty: an index value determined during the trading period, which is typically the first 9 to 11 business days of the month prior to the month of delivery and does not include trades done after this trading period or during the month of delivery. Sources: Net Energy and CalRock. As at February 11, 2020.
3. Source: Link. A simple average of Link brokerage assessments for the month of delivery during the trading period, which is typically the 25th of two months prior to the month of delivery to the 25th of the month prior to the month of delivery. As at February 11, 2020.

Slide 131: Export Capacity Needed to Meet Global Demand

Slide 132: GHG Emissions Intensity of Oil Sands Facilities

Slide 137: Quality Barrels in a Progressive Jurisdiction
1. Proved and probable reserves as at December 31, 2018. See Teck’s 2018 Annual Information Form available under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov) for further information regarding Fort Hills reserves.
2. Best estimate of unrisked contingent resources as at December 31, 2018, prepared by an independent qualified resources evaluator. Further information about these resource estimates, and the related risks and uncertainties and contingencies that prevent the classification of resources as reserves, is set out in Teck’s management discussion and analysis dated February 12, 2019 available under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov). There is no certainty that the Frontier project will produce any portion of the volumes currently classified as contingent resources.

Slide 139: Fort Hills is a Modern Mine
1. Adjusted operating costs is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 140: Attractive Debottlenecking Opportunities at Fort Hills
1. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 141: Significant EBITDA Upside Potential in Energy
1. EBITDA assumes production is ~90% of stated amounts to account for planned outages. Includes Crown royalties assuming pre-payout phase. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
2. Adjusted operating costs is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.

Slide 142: Teck’s Energy Outlook
1. Gross profit before depreciation and amortization is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
2. Adjusted operating costs is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides.
3. Teck’s share of production assumes ~90% of nameplate capacity to account for planned outages.
4. Life of mine 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 or 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.
5. 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.
Non-GAAP Financial Measures
Non-GAAP Financial Measures

Our financial results are prepared in accordance with International Financial Reporting Standards (IFRS). This document refers to a number of Non-GAAP Financial Measures, which are not measures recognized under IFRS in Canada and do not have a standardized meaning prescribed by IFRS or Generally Accepted Accounting Principles (GAAP) in the United States. The Non-GAAP Measures described below 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 have been derived from our financial statements and applied on a consistent basis as appropriate. We disclose these measures because we believe they assist readers in understanding the results of our operations and financial position and are meant to provide further information about our financial results to investors. Free cash flow is presented to provide a means to evaluate shareholder returns. These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

EBITDA is profit attributable to shareholders before net finance expense, income and resource taxes, and depreciation and amortization. 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. C1 cash costs (also known as net cash unit costs) are presented after by-product credits assuming US$10.00/lb molybdenum and US$18.00/oz silver. C1 cash costs for QB2 include stripping costs during operations. Gross profit before depreciation and amortization is gross profit with the depreciation and amortization expense added back. We believe this measure assists us and readers to assess our ability to generate cash flow from our business units or operations. Unit costs for our steelmaking coal operations are total cost of goods sold, divided by tonnes sold in the period, excluding depreciation and amortization charges. We include this 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 the industry. Adjusted site cost of sales for our steelmaking coal operations is defined as the cost of the product as it leaves the mine excluding depreciation and amortization charges, outbound transportation costs and any one-time collective agreement charges and inventory write-down provisions. Total cash unit costs for our copper and zinc operations include adjusted cash costs of sales, as described above, plus the smelter and refining charges added back in determining adjusted revenue. This presentation allows a comparison of total cash unit costs, including smelter charges, to the underlying price of copper or zinc in order to assess the margin for the mine on a per unit basis. Net cash unit costs: Net cash unit costs of principal product, after deducting co-product and by-product margins, are also a common industry measure. By deducting the co- and by-product margin per unit of the principal product, the margin for the mine on a per unit basis may be presented in a single metric for comparison to other operations. Readers should be aware that this metric, by excluding certain items and reclassifying cost and revenue items, distorts our actual production costs as determined under IFRS. Cash margins for by-products is revenue from by-products and coproducts, less any associated cost of sales of the by-product and co-product. In addition, for our copper operations, by-product cost of sales also includes cost recoveries associated with our streaming transactions. Adjusted operating costs for our energy business unit are defined as the costs of product as it leaves the mine, excluding depreciation and amortization charges, cost of diluent for blending to transport our bitumen by pipeline, cost of non-proprietary product purchased, and transportation costs of our product, and non-proprietary product and any one-time collective agreement charges or inventory write-down provisions. Operating netbacks per barrel in our energy business unit are calculated as blended bitumen sales revenue net of diluent expenses (also referred to as bitumen price realized), less Crown royalties, transportation and operating expenses divided by barrels of bitumen sold. We include this information as investors and investment analysts use it to measure our profitability on a per barrel basis and compare it to similar information provided by other companies in the oil sands industry.
Non-GAAP Financial Measures

**Gross profit before depreciation and amortization** is gross profit with the depreciation and amortization expense added back. We believe this measure assists us and readers to assess our ability to generate cash flow from our business units or operations.

**Adjusted site cost of sales** for our steelmaking coal operations is defined as the cost of the product as it leaves the mine excluding depreciation and amortization charges, out-bound transportation costs and any one-time collective agreement charges and inventory write-down provisions.

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

**Net cash unit costs** of principal product, after deducting co-product and by-product margins, are also a common industry measure. By deducting the co- and by-product margin per unit of the principal product, the margin for the mine on a per unit basis may be presented in a single metric for comparison to other operations. Readers should be aware that this metric, by excluding certain items and reclassifying cost and revenue items, distorts our actual production costs as determined under IFRS.
Reconciliation of Profit (Loss) and Adjusted Profit

<table>
<thead>
<tr>
<th>(C$ in millions)</th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit (loss) attributable to shareholders</td>
<td>(891)</td>
<td>433</td>
<td>339</td>
<td>3,107</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset impairments</td>
<td>999</td>
<td>30</td>
<td>1,108</td>
<td>30</td>
</tr>
<tr>
<td>Debt prepayment option (gain) loss</td>
<td>-</td>
<td>24</td>
<td>(77)</td>
<td>31</td>
</tr>
<tr>
<td>Debt redemption or purchase loss</td>
<td>-</td>
<td>-</td>
<td>166</td>
<td>19</td>
</tr>
<tr>
<td>Gain on sale of Waneta Dam</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(812)</td>
</tr>
<tr>
<td>Taxes and other</td>
<td>14</td>
<td>13</td>
<td>16</td>
<td>(3)</td>
</tr>
<tr>
<td>Adjusted profit attributable to shareholders</td>
<td>122</td>
<td>500</td>
<td>1,552</td>
<td>2,372</td>
</tr>
<tr>
<td>Adjusted basic earnings per share</td>
<td>0.22</td>
<td>0.87</td>
<td>2.77</td>
<td>4.13</td>
</tr>
<tr>
<td>Adjusted diluted earnings per share</td>
<td>0.22</td>
<td>0.86</td>
<td>2.75</td>
<td>4.07</td>
</tr>
</tbody>
</table>
## Non-GAAP Financial Measures

### Reconciliation of Basic Earnings (Loss) Per Share to Adjusted Basic Earnings Per Share

(Per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings (loss) per share</td>
<td>$ (1.62)</td>
<td>$ 0.75</td>
<td>$ 0.61</td>
<td>$ 5.41</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset impairments</td>
<td>1.81</td>
<td>0.05</td>
<td>1.98</td>
<td>0.05</td>
</tr>
<tr>
<td>Debt prepayment option loss (gain)</td>
<td>-</td>
<td>0.04</td>
<td>(0.14)</td>
<td>0.06</td>
</tr>
<tr>
<td>Debt redemption or purchase loss</td>
<td>-</td>
<td>-</td>
<td>0.29</td>
<td>0.03</td>
</tr>
<tr>
<td>Gain on sale of Waneta Dam</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1.41)</td>
</tr>
<tr>
<td>Taxes and other</td>
<td>0.03</td>
<td>0.03</td>
<td>0.03</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Adjusted basic earnings (loss) per share</td>
<td>$ 0.22</td>
<td>$ 0.87</td>
<td>$ 2.77</td>
<td>$ 4.13</td>
</tr>
</tbody>
</table>

### Reconciliation of Diluted Earnings (Loss) Per Share to Adjusted Diluted Earnings Per Share

(Per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diluted earnings (loss) per share</td>
<td>$ (1.62)</td>
<td>$ 0.75</td>
<td>$ 0.60</td>
<td>$ 5.34</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset impairments</td>
<td>1.80</td>
<td>0.05</td>
<td>1.96</td>
<td>0.05</td>
</tr>
<tr>
<td>Debt prepayment option loss (gain)</td>
<td>-</td>
<td>0.03</td>
<td>(0.13)</td>
<td>0.05</td>
</tr>
<tr>
<td>Debt redemption or purchase loss</td>
<td>-</td>
<td>-</td>
<td>0.29</td>
<td>0.03</td>
</tr>
<tr>
<td>Gain on sale of Waneta Dam</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1.39)</td>
</tr>
<tr>
<td>Taxes and other</td>
<td>0.04</td>
<td>0.03</td>
<td>0.03</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Adjusted diluted earnings (loss) per share</td>
<td>$ 0.22</td>
<td>$ 0.86</td>
<td>$ 2.75</td>
<td>$ 4.07</td>
</tr>
</tbody>
</table>
Non-GAAP Financial Measures

Reconciliation of Net Debt to EBITDA and Net Debt to Capitalization Ratio

<table>
<thead>
<tr>
<th>(C$ in millions)</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit attributable to shareholders</td>
<td>$ 339</td>
<td>$ 3,107</td>
</tr>
<tr>
<td>Finance expense net of finance income</td>
<td>218</td>
<td>219</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>305</td>
<td>1,365</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,619</td>
<td>1,483</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>(A) $ 2,481</td>
<td>(B) $ 6,174</td>
</tr>
<tr>
<td>Total debt at period end</td>
<td>(C) $ 4,834</td>
<td>(D) $ 5,519</td>
</tr>
<tr>
<td>Less: cash and cash equivalents at period end</td>
<td>(1,026)</td>
<td>(1,734)</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>(E) $ 3,808</td>
<td>(F) $ 3,785</td>
</tr>
<tr>
<td>Debt to EBITDA ratio</td>
<td>(C/A) 1.9</td>
<td>(D/B) 0.9</td>
</tr>
<tr>
<td>Net debt to EBITDA ratio</td>
<td>(E/A) 1.5</td>
<td>(F/B) 0.6</td>
</tr>
<tr>
<td>Equity attributable to shareholders of the company</td>
<td>(G) 22,248</td>
<td>(H) 22,884</td>
</tr>
<tr>
<td>Net debt to capitalization ratio</td>
<td>(E/C+G) 0.14</td>
<td>(F/D+H) 0.13</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

### Reconciliation of EBITDA (loss) and Adjusted EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit (loss) attributable to shareholders</td>
<td>$ (891)</td>
<td>$ 433</td>
<td>$ 339</td>
<td>$ 3,107</td>
</tr>
<tr>
<td>Finance expense net of finance income</td>
<td>46</td>
<td>58</td>
<td>218</td>
<td>219</td>
</tr>
<tr>
<td>Provision for (recovery of) income taxes</td>
<td>(325)</td>
<td>261</td>
<td>305</td>
<td>1,365</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>415</td>
<td>400</td>
<td>1,619</td>
<td>1,483</td>
</tr>
<tr>
<td><strong>EBITDA (loss)</strong></td>
<td>$ (755)</td>
<td>$ 1,152</td>
<td>$ 2,481</td>
<td>$ 6,174</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset impairment</td>
<td>1,378</td>
<td>41</td>
<td>1,549</td>
<td>41</td>
</tr>
<tr>
<td>Debt prepayment option loss (gain)</td>
<td>-</td>
<td>33</td>
<td>(105)</td>
<td>42</td>
</tr>
<tr>
<td>Debt redemption or purchase loss</td>
<td>-</td>
<td>-</td>
<td>224</td>
<td>26</td>
</tr>
<tr>
<td>Gain on sale of Waneta Dam</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(888)</td>
</tr>
<tr>
<td>Taxes and other</td>
<td>26</td>
<td>29</td>
<td>104</td>
<td>(5)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$ 649</td>
<td>$ 1,255</td>
<td>$ 4,253</td>
<td>$ 5,390</td>
</tr>
</tbody>
</table>
## Reconciliation of Gross Profit Before Depreciation and Amortization

<table>
<thead>
<tr>
<th>(C$ in millions)</th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit</td>
<td>$ 460</td>
<td>$ 1,011</td>
<td>$ 3,340</td>
<td>$ 4,621</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>415</td>
<td>400</td>
<td>1,619</td>
<td>1,483</td>
</tr>
<tr>
<td>Gross profit before depreciation and amortization</td>
<td>$ 875</td>
<td>$ 1,411</td>
<td>$ 4,959</td>
<td>$ 6,104</td>
</tr>
</tbody>
</table>

Reported as:

<table>
<thead>
<tr>
<th>(A)</th>
<th>(B)</th>
<th>(C)</th>
<th>(D)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steelmaking coal</td>
<td>$ 448</td>
<td>$ 1,000</td>
<td>$ 2,904</td>
</tr>
<tr>
<td>Copper</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highland Valley Copper</td>
<td>117</td>
<td>44</td>
<td>395</td>
</tr>
<tr>
<td>Antamina</td>
<td>164</td>
<td>192</td>
<td>614</td>
</tr>
<tr>
<td>Carmen de Andacollo</td>
<td>(14)</td>
<td>48</td>
<td>89</td>
</tr>
<tr>
<td>Quebrada Blanca</td>
<td>(28)</td>
<td>(24)</td>
<td>(18)</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>(1)</td>
<td>-</td>
</tr>
<tr>
<td>Zinc</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trail Operations</td>
<td>(10)</td>
<td>(28)</td>
<td>-</td>
</tr>
<tr>
<td>Red Dog</td>
<td>210</td>
<td>304</td>
<td>837</td>
</tr>
<tr>
<td>Pend Oreille</td>
<td>-</td>
<td>6</td>
<td>(4)</td>
</tr>
<tr>
<td>Other</td>
<td>(15)</td>
<td>(4)</td>
<td>(2)</td>
</tr>
<tr>
<td>Energy</td>
<td>185</td>
<td>278</td>
<td>831</td>
</tr>
</tbody>
</table>

| Gross profit before depreciation and amortization | $ 875 | $ 1,411 | $ 4,959 | $ 6,104 |

1. Fort Hills financial results included from June 1, 2018.
## Reconciliation of Gross Profit Margins Before Depreciation

<table>
<thead>
<tr>
<th>(C$ in millions)</th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal (E)</td>
<td>$1,105</td>
<td>$1,674</td>
<td>$5,522</td>
<td>$6,349</td>
</tr>
<tr>
<td>Copper (F)</td>
<td>592</td>
<td>633</td>
<td>2,469</td>
<td>2,714</td>
</tr>
<tr>
<td>Zinc (G)</td>
<td>745</td>
<td>820</td>
<td>2,968</td>
<td>3,094</td>
</tr>
<tr>
<td>Energy1 (H)</td>
<td>213</td>
<td>120</td>
<td>975</td>
<td>407</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,655</td>
<td>$3,247</td>
<td>$11,934</td>
<td>$12,564</td>
</tr>
<tr>
<td><strong>Gross profit before depreciation and amortization</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal (A)</td>
<td>$448</td>
<td>$1,000</td>
<td>$2,904</td>
<td>$3,770</td>
</tr>
<tr>
<td>Copper (B)</td>
<td>239</td>
<td>259</td>
<td>1,080</td>
<td>1,355</td>
</tr>
<tr>
<td>Zinc (C)</td>
<td>185</td>
<td>278</td>
<td>831</td>
<td>1,085</td>
</tr>
<tr>
<td>Energy1 (D)</td>
<td>3</td>
<td>(126)</td>
<td>144</td>
<td>(106)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$875</td>
<td>$1,411</td>
<td>$4,959</td>
<td>$6,104</td>
</tr>
<tr>
<td><strong>Gross profit margins before depreciation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steelmaking coal (A/E)</td>
<td>41%</td>
<td>60%</td>
<td>53%</td>
<td>59%</td>
</tr>
<tr>
<td>Copper (B/F)</td>
<td>40%</td>
<td>41%</td>
<td>44%</td>
<td>50%</td>
</tr>
<tr>
<td>Zinc (C/G)</td>
<td>25%</td>
<td>34%</td>
<td>28%</td>
<td>35%</td>
</tr>
<tr>
<td>Energy1 (D/H)</td>
<td>1%</td>
<td>(105)%</td>
<td>15%</td>
<td>(26)%</td>
</tr>
</tbody>
</table>

1. Fort Hills financial results included from June 1, 2018.
## Steelmaking Coal Unit Cost Reconciliation

<table>
<thead>
<tr>
<th></th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales as reported</td>
<td>$864</td>
<td>$855</td>
<td>$3,410</td>
<td>$3,309</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation costs</td>
<td>(249)</td>
<td>(255)</td>
<td>(976)</td>
<td>(975)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(207)</td>
<td>(181)</td>
<td>(792)</td>
<td>(730)</td>
</tr>
<tr>
<td>Inventory write-downs</td>
<td>(28)</td>
<td>-</td>
<td>(32)</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted site cost of sales</td>
<td>$380</td>
<td>$419</td>
<td>$1,610</td>
<td>$1,604</td>
</tr>
<tr>
<td>Tonnes sold (millions)</td>
<td>6.3</td>
<td>6.6</td>
<td>25.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Per unit amounts (C$/t)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted site cost of sales</td>
<td>$60</td>
<td>$63</td>
<td>$65</td>
<td>$62</td>
</tr>
<tr>
<td>Transportation costs</td>
<td>40</td>
<td>39</td>
<td>39</td>
<td>37</td>
</tr>
<tr>
<td>Inventory write-downs</td>
<td>4</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Unit costs (C$/t)</td>
<td>$104</td>
<td>$102</td>
<td>$105</td>
<td>$99</td>
</tr>
</tbody>
</table>

### US$ Amounts

<table>
<thead>
<tr>
<th></th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average exchange rate (C$/US$)</td>
<td>$1.32</td>
<td>$1.32</td>
<td>$1.33</td>
<td>$1.30</td>
</tr>
<tr>
<td>Per unit amounts (US$/t)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted site cost of sales</td>
<td>$46</td>
<td>$48</td>
<td>$49</td>
<td>$47</td>
</tr>
<tr>
<td>Transportation costs</td>
<td>30</td>
<td>29</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td>Inventory write-downs</td>
<td>3</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Unit costs (US$/t)</td>
<td>$79</td>
<td>$77</td>
<td>$79</td>
<td>$76</td>
</tr>
</tbody>
</table>

1. Average period exchange rates are used to convert to US$ per tonne equivalent. 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

**Copper Unit Cost Reconciliation**

<table>
<thead>
<tr>
<th></th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue as reported</strong></td>
<td>$592</td>
<td>$633</td>
<td>$2,469</td>
<td>$2,714</td>
</tr>
<tr>
<td>By-product revenue (A)</td>
<td>(68)</td>
<td>(111)</td>
<td>(311)</td>
<td>(472)</td>
</tr>
<tr>
<td>Smelter processing charges (B)</td>
<td>38</td>
<td>41</td>
<td>164</td>
<td>157</td>
</tr>
<tr>
<td><strong>Adjusted revenue</strong></td>
<td>$562</td>
<td>$563</td>
<td>$2,322</td>
<td>$2,399</td>
</tr>
<tr>
<td><strong>Cost of sales as reported</strong></td>
<td>$462</td>
<td>$495</td>
<td>$1,852</td>
<td>$1,837</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(109)</td>
<td>(121)</td>
<td>(463)</td>
<td>(478)</td>
</tr>
<tr>
<td>Inventory write-downs</td>
<td>(20)</td>
<td>(41)</td>
<td>(24)</td>
<td>(44)</td>
</tr>
<tr>
<td>Labour settlement and strike costs</td>
<td>(22)</td>
<td>(4)</td>
<td>(35)</td>
<td>(5)</td>
</tr>
<tr>
<td>By-product cost of sales (C)</td>
<td>(19)</td>
<td>(15)</td>
<td>(58)</td>
<td>(61)</td>
</tr>
<tr>
<td><strong>Adjusted cash cost of sales (D)</strong></td>
<td>$292</td>
<td>$314</td>
<td>$1,272</td>
<td>$1,249</td>
</tr>
<tr>
<td>Payable pounds sold (millions) (E)</td>
<td>158.5</td>
<td>152.4</td>
<td>641.7</td>
<td>622.9</td>
</tr>
<tr>
<td><strong>Per unit amounts (C$/lb)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales (D/E)</td>
<td>$1.84</td>
<td>$2.06</td>
<td>$1.98</td>
<td>$2.01</td>
</tr>
<tr>
<td>Smelter processing charges (B/E)</td>
<td>0.24</td>
<td>0.27</td>
<td>0.26</td>
<td>0.25</td>
</tr>
<tr>
<td><strong>Total cash unit costs (C$/lb)</strong></td>
<td>$2.08</td>
<td>$2.33</td>
<td>$2.24</td>
<td>$2.26</td>
</tr>
<tr>
<td>Cash margin for by-products (C$/lb) ((A-C)/E)</td>
<td>(0.31)</td>
<td>(0.63)</td>
<td>(0.39)</td>
<td>(0.66)</td>
</tr>
<tr>
<td><strong>Net cash unit costs (C$/lb)</strong></td>
<td>$1.77</td>
<td>$1.70</td>
<td>$1.85</td>
<td>$1.60</td>
</tr>
<tr>
<td><strong>US$ AMOUNTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average exchange rate (C$/US$)</td>
<td>$1.32</td>
<td>$1.32</td>
<td>$1.33</td>
<td>$1.30</td>
</tr>
<tr>
<td><strong>Per unit amounts (US$/lb)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales</td>
<td>$1.40</td>
<td>$1.56</td>
<td>$1.49</td>
<td>$1.55</td>
</tr>
<tr>
<td>Smelter processing charges</td>
<td>0.18</td>
<td>0.20</td>
<td>0.19</td>
<td>0.19</td>
</tr>
<tr>
<td><strong>Total cash unit costs (US$/lb)</strong></td>
<td>$1.58</td>
<td>$1.76</td>
<td>$1.68</td>
<td>$1.74</td>
</tr>
<tr>
<td>Cash margin for by-products (US$/lb)</td>
<td>(0.24)</td>
<td>(0.48)</td>
<td>(0.29)</td>
<td>(0.51)</td>
</tr>
<tr>
<td><strong>Net cash unit costs (US$/lb)</strong></td>
<td>$1.34</td>
<td>$1.28</td>
<td>$1.39</td>
<td>$1.23</td>
</tr>
</tbody>
</table>

1. Average period exchange rates are used to convert to US$ per pound equivalent. 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.
## Zinc Unit Cost Reconciliation (Mining Operations)¹

<table>
<thead>
<tr>
<th></th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue as reported</strong></td>
<td>$745</td>
<td>$820</td>
<td>$2,968</td>
<td>$3,094</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trail Operations revenues as reported</td>
<td>(406)</td>
<td>(393)</td>
<td>(1,829)</td>
<td>(1,942)</td>
</tr>
<tr>
<td>Other revenues as reported</td>
<td>(2)</td>
<td>(2)</td>
<td>(8)</td>
<td>(8)</td>
</tr>
<tr>
<td>Add back: Intra-segment revenues as reported</td>
<td>111</td>
<td>149</td>
<td>519</td>
<td>650</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$448</td>
<td>$574</td>
<td>$1,650</td>
<td>$1,794</td>
</tr>
<tr>
<td>By-product revenue (A)</td>
<td>(86)</td>
<td>(97)</td>
<td>(317)</td>
<td>(316)</td>
</tr>
<tr>
<td>Smelter processing charges (B)</td>
<td>99</td>
<td>73</td>
<td>308</td>
<td>255</td>
</tr>
<tr>
<td><strong>Adjusted revenue</strong></td>
<td>$461</td>
<td>$550</td>
<td>$1,641</td>
<td>$1,733</td>
</tr>
</tbody>
</table>

| **Cost of sales as reported** | $625                                 | $614                                 | $2,367                               | $2,225                               |
| Less:             |                                      |                                      |                                      |                                      |
| Trail Operations cost of sales as reported | (439)                                | (440)                                | (1,915)                              | (1,926)                              |
| Other costs of sales as reported | (17)                                 | (6)                                  | (10)                                 | 1                                    |
| Add back: Intra-segment as reported     | 111                                  | 149                                  | 519                                  | 650                                  |
| **Total**            | $280                                 | $317                                 | $961                                  | $950                                  |
| Less:                |                                      |                                      |                                      |                                      |
| Depreciation and amortization           | (42)                                 | (53)                                 | (144)                                | (141)                                |
| Severance charge                      | -                                    | -                                    | (4)                                  | -                                    |
| Royalty costs                     | (96)                                 | (113)                                | (307)                                | (328)                                |
| By-product cost of sales (C)            | (24)                                 | (20)                                 | (75)                                 | (70)                                  |
| **Adjusted cash cost of sales (D)**    | $118                                 | $131                                 | $431                                  | $411                                  |

---

1. Red Dog and Pend Oreille. 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

Zinc Unit Cost Reconciliation (Mining Operations)\(^1\) - Continued

<table>
<thead>
<tr>
<th>(C$ in millions, except where noted)</th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable pounds sold (millions) (E)</td>
<td>325.0</td>
<td>347.7</td>
<td>1,094.2</td>
<td>1,035.5</td>
</tr>
<tr>
<td>Per unit amounts (C$/lb)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales (D/E)</td>
<td>$ 0.36</td>
<td>$ 0.38</td>
<td>$ 0.40</td>
<td>$ 0.40</td>
</tr>
<tr>
<td>Smelter processing charges (B/E)</td>
<td>0.31</td>
<td>0.21</td>
<td>0.28</td>
<td>0.25</td>
</tr>
<tr>
<td>Total cash unit costs (C$/lb)</td>
<td>$ 0.67</td>
<td>$ 0.59</td>
<td>$ 0.68</td>
<td>$ 0.65</td>
</tr>
<tr>
<td>Cash margin for by-products (C$/lb)</td>
<td>(0.19)</td>
<td>(0.22)</td>
<td>(0.22)</td>
<td>(0.24)</td>
</tr>
<tr>
<td>Net cash unit costs (C$/lb)</td>
<td>$ 0.48</td>
<td>$ 0.37</td>
<td>$ 0.46</td>
<td>$ 0.41</td>
</tr>
</tbody>
</table>

**US$ AMOUNTS\(^2\)**

<table>
<thead>
<tr>
<th>(C$/US$)</th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average exchange rate (C$/US$)</td>
<td>$ 1.32</td>
<td>$ 1.32</td>
<td>$ 1.33</td>
<td>$ 1.30</td>
</tr>
<tr>
<td>Per unit amounts (US$/lb)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted cash cost of sales</td>
<td>$ 0.27</td>
<td>$ 0.29</td>
<td>$ 0.30</td>
<td>$ 0.30</td>
</tr>
<tr>
<td>Smelter processing charges</td>
<td>0.23</td>
<td>0.16</td>
<td>0.21</td>
<td>0.19</td>
</tr>
<tr>
<td>Total cash unit costs (US$/lb)</td>
<td>$ 0.50</td>
<td>$ 0.45</td>
<td>$ 0.51</td>
<td>$ 0.49</td>
</tr>
<tr>
<td>Cash margin for by-products (US$/lb)</td>
<td>(0.14)</td>
<td>(0.17)</td>
<td>(0.17)</td>
<td>(0.18)</td>
</tr>
<tr>
<td>Net cash unit costs (US$/lb)</td>
<td>$ 0.36</td>
<td>$ 0.28</td>
<td>$ 0.34</td>
<td>$ 0.31</td>
</tr>
</tbody>
</table>

1. Red Dog and Pend Oreille.
2. Average period exchange rates are used to convert to US$ per pound equivalent.

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

Energy Operating Netback, Bitumen & Blended Bitumen Price Realized Reconciliations\(^1\)

<table>
<thead>
<tr>
<th>(C$ in millions, except where noted)</th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue as reported</td>
<td>$213</td>
<td>$120</td>
<td>$975</td>
<td>$407</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of diluent for blending</td>
<td>(80)</td>
<td>(93)</td>
<td>(322)</td>
<td>(181)</td>
</tr>
<tr>
<td>Non-proprietary product revenue</td>
<td>(8)</td>
<td>-</td>
<td>(32)</td>
<td>(18)</td>
</tr>
<tr>
<td>Add back: Crown royalties (D)</td>
<td>3</td>
<td>4</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>Adjusted revenue (A)</td>
<td>$128</td>
<td>$31</td>
<td>$639</td>
<td>$222</td>
</tr>
<tr>
<td>Cost of sales as reported</td>
<td>$244</td>
<td>$272</td>
<td>$965</td>
<td>$572</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(34)</td>
<td>(26)</td>
<td>(134)</td>
<td>(59)</td>
</tr>
<tr>
<td>Inventory write-downs</td>
<td>-</td>
<td>(34)</td>
<td>-</td>
<td>(34)</td>
</tr>
<tr>
<td>Cash cost of sales</td>
<td>$210</td>
<td>$212</td>
<td>$831</td>
<td>$479</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of diluent for blending</td>
<td>(80)</td>
<td>(93)</td>
<td>(322)</td>
<td>(181)</td>
</tr>
<tr>
<td>Cost of non-proprietary product purchased</td>
<td>(6)</td>
<td>-</td>
<td>(31)</td>
<td>(12)</td>
</tr>
<tr>
<td>Transportation costs for FRB (C)</td>
<td>(29)</td>
<td>(28)</td>
<td>(118)</td>
<td>(60)</td>
</tr>
<tr>
<td>Operating cost adjustment(^2)</td>
<td>-</td>
<td>-</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>Adjusted operating costs (E)</td>
<td>$95</td>
<td>$91</td>
<td>$358</td>
<td>$223</td>
</tr>
</tbody>
</table>

1. Fort Hills financial results included from June 1, 2018.
2. Reflects adjustments for costs not directly attributed to the production of Fort Hills bitumen, including transportation for non-proprietary product purchased.

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.
### Energy Operating Netback, Bitumen & Blended Bitumen Price Realized Reconciliations

<table>
<thead>
<tr>
<th>(C$ in millions, except where noted)</th>
<th>Three months ended December 31, 2019</th>
<th>Three months ended December 31, 2018</th>
<th>Twelve months ended December 31, 2019</th>
<th>Twelve months ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blended bitumen barrels sold (000’s)</td>
<td>3,837</td>
<td>4,479</td>
<td>16,023</td>
<td>8,746</td>
</tr>
<tr>
<td>Less: diluent barrels included in blended bitumen (000’s)</td>
<td>(924)</td>
<td>(1,100)</td>
<td>(3,788)</td>
<td>(1,965)</td>
</tr>
<tr>
<td>Bitumen barrels sold (000’s) (B)</td>
<td>2,913</td>
<td>3,379</td>
<td>12,235</td>
<td>6,781</td>
</tr>
<tr>
<td>Per barrel amounts (C$)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bitumen price realized² (A/B)</td>
<td>$ 44.29</td>
<td>$ 8.98</td>
<td>$ 52.21</td>
<td>$ 32.81</td>
</tr>
<tr>
<td>Crown royalties (D/B)</td>
<td>(1.27)</td>
<td>(0.98)</td>
<td>(1.50)</td>
<td>(2.04)</td>
</tr>
<tr>
<td>Transportation costs for FRB (C/B)</td>
<td>(9.71)</td>
<td>(8.22)</td>
<td>(9.62)</td>
<td>(8.83)</td>
</tr>
<tr>
<td>Adjusted operating costs (E/B)</td>
<td>(32.55)</td>
<td>(26.91)</td>
<td>(29.24)</td>
<td>(32.89)</td>
</tr>
<tr>
<td>Operating netback (C$/barrel)</td>
<td>$ 0.76</td>
<td>$ (27.13)</td>
<td>$ 11.85</td>
<td>$ (10.95)</td>
</tr>
<tr>
<td>Revenue as reported</td>
<td>$ 213</td>
<td>$ 120</td>
<td>$ 975</td>
<td>$ 407</td>
</tr>
<tr>
<td>Less: Non-proprietary product revenue</td>
<td>(8)</td>
<td>-</td>
<td>(32)</td>
<td>(18)</td>
</tr>
<tr>
<td>Add back: Crown royalties</td>
<td>3</td>
<td>4</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>Blended bitumen revenue (A)</td>
<td>$ 208</td>
<td>$ 124</td>
<td>$ 961</td>
<td>$ 403</td>
</tr>
<tr>
<td>Blended bitumen barrels sold (000s) (B)</td>
<td>3,837</td>
<td>4,479</td>
<td>16,023</td>
<td>8,746</td>
</tr>
<tr>
<td>Blended bitumen price realized (C$) (A/B)=D</td>
<td>$ 54.38</td>
<td>$ 27.60</td>
<td>$ 59.97</td>
<td>$ 46.14</td>
</tr>
<tr>
<td>Average exchange rate (C$ per US$1) (C)</td>
<td>1.32</td>
<td>1.32</td>
<td>1.33</td>
<td>1.31</td>
</tr>
<tr>
<td>Blended bitumen price realized (US$/barrel) (D/C)</td>
<td>$ 41.20</td>
<td>$ 20.89</td>
<td>$ 45.20</td>
<td>$ 35.12</td>
</tr>
</tbody>
</table>

1. Fort Hills financial results included from June 1, 2018.
2..Bitumen price realized represents the realized petroleum revenue (blended bitumen sales revenue) net of diluent expense, expressed on a per barrel basis. Blended bitumen sales revenue represents revenue from our share of the heavy crude oil blend known as Fort Hills Reduced Carbon Life Cycle Dilbit Blend (FRB), sold at the Hardisty and U.S. Gulf Coast market hubs. FRB is comprised of bitumen produced from Fort Hills blended with purchased diluent. The cost of blending is affected by the amount of diluent required and the cost of purchasing, transporting and blending the diluent. A portion of diluent expense is effectively recovered in the sales price of the blended product. Diluent expense is also affected by Canadian and U.S. benchmark pricing and changes in the value of the Canadian dollar relative to the U.S. dollar.
## Non-GAAP Financial Measures

### Reconciliation of Free Cash Flow

<table>
<thead>
<tr>
<th>Description</th>
<th>2003 to Q4 2019 (C$ in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flow from Operations</strong></td>
<td>$46,587</td>
</tr>
<tr>
<td>Debt interest and finance charges paid</td>
<td>(5,465)</td>
</tr>
<tr>
<td>Capital expenditures, including capitalized stripping costs</td>
<td>(24,974)</td>
</tr>
<tr>
<td>Payments to non-controlling interests (NCI)</td>
<td>(642)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td><strong>$15,506</strong></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>$4,381</td>
</tr>
<tr>
<td>Payout ratio</td>
<td>28%</td>
</tr>
</tbody>
</table>