

BofA SECURITIES 

# Global Metals, Mining & Steel Conference

May 18, 2022

Don Lindsay

President and Chief Executive Officer



**Teck**

# Caution Regarding Forward-Looking Statements

Both these slides and the accompanying oral presentation contain certain forward-looking information and forward-looking statements as defined in applicable securities laws (collectively referred to as forward-looking statements). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “should”, “believe” and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this presentation.

These forward-looking statements include, but are not limited to, statements concerning: forecast production; forecast operating costs, unit costs, capital costs and other costs; sales forecasts; our strategies, objectives and goals; future prices and price volatility for copper, zinc, steelmaking coal, blended bitumen and other products and commodities that we produce and sell, as well as oil, natural gas and petroleum products; the demand for and supply of copper, zinc, steelmaking coal, blended bitumen and other products and commodities that we produce and sell; our expectation that QB2 will double our consolidated copper production by 2023; potential of our projects to add 5x current copper equivalent production; projected distributions of cash flow to shareholders under the capital allocation framework; potential to increase cash returns; our ESG goals, including our target to achieve net-zero operations by 2050 and a 33% reduction in carbon intensity by 2030; stability and reduction of selenium in the Elk Valley; the expectations and goals of our climate change strategy as set out in the slide titled “Our Climate Change Strategy” and “Pathway to Net Zero by 2050” and all future oriented statements and actions set out on those slides; projected copper growth and potential to become a top 10 copper producer; our expectations regarding our QB2 project, including expectations regarding timing of first production, capital costs, capacity, mine life, strip ratios, C1 cash cost and AISC and tax treatment; expected copper production growth and revenue by business unit following QB2 full production; estimated 2023 C1 cash costs and enterprise value; expectations regarding the Quebrada Blanca Mill Expansion Project and all statements related thereto, including those on the slides titled “Quebrada Blanca Mill Expansion”; planned or forecast production levels and future production of our operations and other development projects, including the statements relating to our copper growth pipeline and the ability of our development projects to add 5x current copper equivalent production; expectations and planned activities relating to our zinc satellite initiative; QB2 illustrative net cash flows and other forecasts on the “Cash Flow Inflection” slide and other QB2 and Teck cash flow and returns projections; distributions to shareholders and other elements of our dividend policy and capital allocation framework, including statements regarding potential returns to shareholders and other statements relating to potential cash flows and allocation of funds; all guidance included in the Appendix or elsewhere in this presentation.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this presentation. Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions regarding: general business and economic conditions; commodity and power prices; assumption that QB2 becomes fully producing within the periods set out in this presentation; the supply and demand for, deliveries of, and the level and volatility of prices of copper, zinc, steelmaking coal, and blended bitumen and our other metals and minerals, as well as oil, natural gas and other petroleum products; the timing of the receipt of permits and other regulatory and governmental approvals for our development projects and other operations, including mine extensions; our costs of production, and our production and productivity levels, as well as those of our competitors; continuing availability of water and power resources for our operations; credit market conditions and conditions in financial markets generally; our ability to procure equipment and operating supplies and services in sufficient quantities on a timely basis; the availability of qualified employees and contractors for our operations, including our new developments and our ability to attract and retain skilled employees; the satisfactory negotiation of collective agreements with unionized employees; the impact of changes in Canadian-U.S. dollar exchange rates, Canadian dollar-Chilean Peso exchange rates and other foreign exchange rates on our costs and results; the accuracy of our mineral, steelmaking coal and oil reserve and resource estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based; tax benefits and tax rates; the impacts of the COVID-19 pandemic on our operations and projects and on global markets; and our ongoing relations with our employees and with our business and joint venture partners. Assumptions regarding QB2 include current project assumptions and assumptions contained in the final feasibility study, as well as there being no further unexpected material and negative impact to the various contractors, suppliers and subcontractors for the QB2 project relating to COVID-19 or otherwise that would impair their ability to provide goods and services as anticipated. Expectations regarding our operations are based on numerous assumptions regarding the operations. Statements concerning future production costs or volumes are based on numerous assumptions of management regarding operating matters and on assumptions that demand for products develops as anticipated; that customers and other counterparties perform their contractual obligations; that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labour disturbances, COVID-19, interruption in transportation or utilities, or adverse weather conditions; and that there are no material unanticipated variations in the cost of energy or supplies. Our sustainability goals are based on a number of additional assumptions, including regarding the availability and effectiveness of technologies needed to achieve our sustainability goals and priorities; the availability of clean energy sources and zero-emissions alternatives for transportation on reasonable terms; our ability to implement new source control or mine design strategies on commercially reasonable terms without impacting production objectives; our ability to successfully implement our technology and innovation strategy; and the performance of new technologies in accordance with our expectations. Assumptions regarding water quality management in the Elk Valley include assumptions that additional treatment will be effective at scale, that the technology and facilities operate as expected and that required permits will be obtained.

The foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. See also the risks and assumptions discussed under “Risk Factors” in our 2021 Annual Information Form and in subsequent filings, which can be found under our profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on EDGAR ([www.sec.gov](http://www.sec.gov)). Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise. Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; that are generally encountered in the permitting and development of mineral and oil and gas properties such as unusual or unexpected geological formations; associated with the COVID-19 pandemic; associated with unanticipated metallurgical difficulties; relating to delays associated with permit appeals or other regulatory processes,

ground control problems, adverse weather conditions or process upsets and equipment malfunctions; associated with any damage to our reputation; associated with labour disturbances and availability of skilled labour; associated with fluctuations in the market prices of our principal commodities; associated with changes to the tax and royalty regimes in which we operate; created through competition for mining and oil and gas properties; associated with lack of access to capital or to markets; associated with mineral and oil and gas reserve estimates; posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; associated with changes to our credit ratings; associated with our material financing arrangements and our covenants thereunder; associated with climate change, environmental compliance, changes in environmental legislation and regulation, and changes to our reclamation obligations; associated with procurement of goods and services for our business, projects and operations; associated with non-performance by contractual counterparties; associated with potential disputes with partners and co-owners; associated with operations in foreign countries; associated with information technology; and risks associated with tax reassessments and legal proceedings. Declaration and payment of dividends and capital allocation are generally the discretion of the Board, and our dividend policy and capital allocation framework will be reviewed regularly and may change. Dividends and share repurchases can be impacted by share price volatility, negative changes to commodity prices, availability of funds to purchase shares, alternative uses for funds, compliance with regulatory requirements and other risk factors detailed in our Annual Information Form.

Scientific and technical information in this presentation and related appendices regarding our coal properties was reviewed and approved by Jo-Anna Singleton, P.Geol. and Robin Gold P.Eng., each an employee of Teck Coal Limited and each a Qualified Person under National Instrument 43-101. Scientific and technical information in this presentation and related appendices regarding our other properties was reviewed and approved by Rodrigo Alves Marinho, P.Geol., an employee of Teck and a Qualified Person under National Instrument 43-101.

## **QB2 Project Disclosure**

All economic analysis with respect to the QB2 project based on a development case which includes inferred resources within the life of mine plan, referred to as the Sanction Case, which is the case on which Teck based 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".

## Copper Growth

Our investment proposition



### Industry leading copper growth

- QB2 expected to double consolidated copper production by 2023
- Portfolio of attractive projects has the potential to add 5x current copper equivalent production

### Rebalance portfolio of high-quality assets to low-carbon metals

- Proven operational excellence and RACE21™ underpins cost competitiveness
- Average 5-year adjusted EBITDA margins of 41%<sup>1</sup>
- Maximize cash flows to fund copper growth

### Balance growth and cash returns to shareholders

- Investment grade balance sheet
- Rigorous capital allocation framework distributes 30-100% of available cash flow to shareholders
- Approaching cash flow inflection and potential increase in cash returns

### Leadership in ESG and operational excellence

- Industry-leading ESG rankings
- Among world's lowest carbon intensities for copper, zinc and steelmaking coal production
- Net-zero operations by 2050

Long-term sustainable shareholder value



## Our Purpose

To provide essential resources the world is counting on to make life better while caring for the people, communities, and land that we love.

### Copper

A significant copper producer in the Americas and a global leader. With QB2 as our cornerstone, we have one of the best copper production growth profiles in the industry.

- 1 Highland Valley Copper
- 2 Antamina
- 3 Quebrada Blanca
- 4 Carmen de Andacollo
- 5 Quebrada Blanca 2

### Zinc

One of the largest producers of mined zinc globally. We own one of the world's largest fully integrated zinc and lead smelting and refining facilities.

- 1 Red Dog
- 2 Trail Operations

### Steelmaking Coal

The world's second largest seaborne exporter, with some of the highest-quality steelmaking coal required for the low-carbon transition.

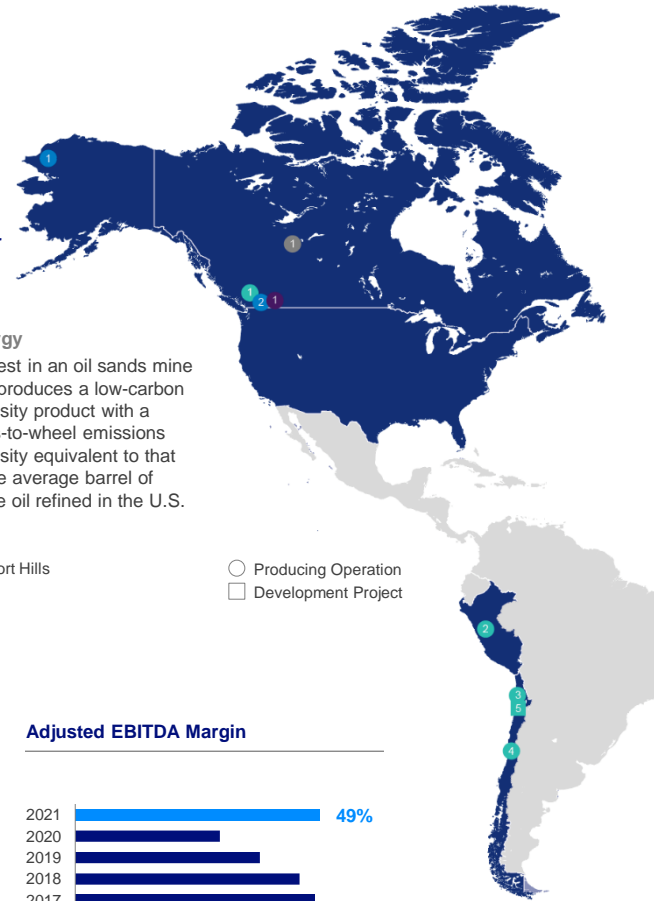
- 1 Fording River
- Greenhills
- Line Creek
- Elkview

### Energy

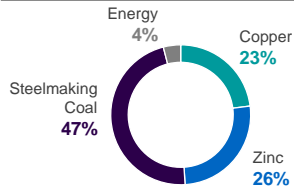
Interest in an oil sands mine that produces a low-carbon intensity product with a wells-to-wheel emissions intensity equivalent to that of the average barrel of crude oil refined in the U.S.

- 1 Fort Hills

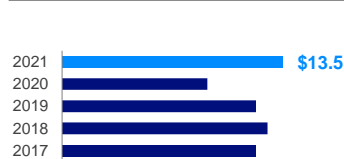
- Producing Operation
- Development Project



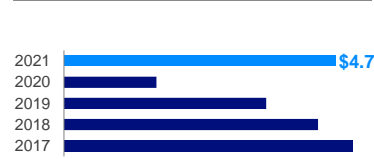
### Revenue by Business Unit (5-year average)



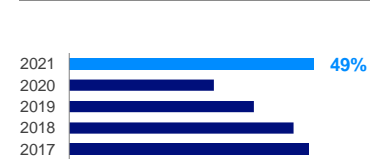
### Revenues (\$ billions)



### Cash Flows from Operations (\$ billions)



### Adjusted EBITDA Margin



Adjusted EBITDA margin is a non-GAAP ratio. See "Non-GAAP Financial Measures and Ratios" slides.

## Material Sustainability Focus

### Health and Safety

- 90% reduction in HPIF from 2010 to 2021

### Climate Change

- Commitment to net-zero operations by 2050
- 33% reduction in carbon intensity by 2030
- 96% renewable power at operations today

### Water

- No freshwater use at QB2
- On track to stabilize and reduce selenium in Elk Valley

### Equity, Diversity & Inclusion

- One-third of all new hires are women
- 21% women in Teck workforce in 2021, vs. Bloomberg 2019 industry average of 15.7%

### Human Rights & Indigenous Peoples






- 85 active agreements with Indigenous Peoples
- 61% of Red Dog employees are NANA shareholders
- Zero human rights incidents in 2021

### Tailings

- Zero significant tailings incidents in 2021
- All facilities to conform with GISTM by August 2023



## Ratings

<p><b>Top-ranked mining company</b> DJSI World &amp; North American Indices</p> 		
<p><b>Sustainability Award</b> Gold Class 2022 <b>S&amp;P Global</b></p> <p><b>Gold Class Award</b> 2022</p>	<p><b>MOODY'S</b> ESG Solutions</p> <p><b>Top ranked</b> North American Mining company</p>	<p> FTSE4Good</p> <p><b>Top percentile</b> mining subsector</p>
<p><b>MSCI</b> </p> <p><b>"AA" rating</b> Performance in top 10% of subindustry</p>	<p><b>ISS ESG</b> </p> <p><b>Rated Prime</b> among the top 10% of Metals &amp; Mining companies</p>	<p> ESG <b>INDUSTRY TOP RATED</b></p> <p><b>#2 ranked</b> diversified metals mining company</p>

## Our Climate Change Strategy

Starting from a strong position

### Positioning Teck for a low-carbon economy



- Producing metals and minerals required for transition to a low-carbon economy
- Rebalancing portfolio towards copper
- Efficient, low-carbon and low-cost operations will keep Teck competitive

### Support for carbon pricing policies



- We support broad-based effective carbon pricing
- Best method to encourage global action on climate change
- Working with associations and government on policy solutions to limit climate change to 1.5°C

### Reducing our carbon footprint



- Net-zero operations by 2050 and a carbon intensity reduction of 33% by 2030
- Net-zero Scope 2 emissions by 2025
- Ambition to achieve net-zero Scope 3 emissions by 2050

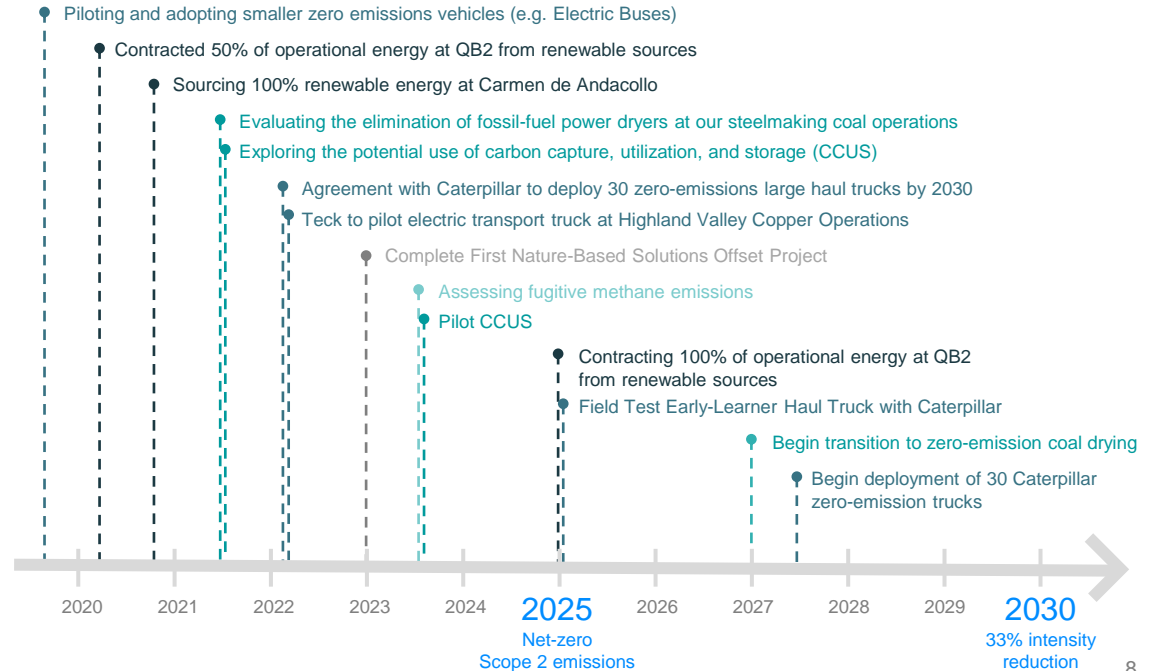
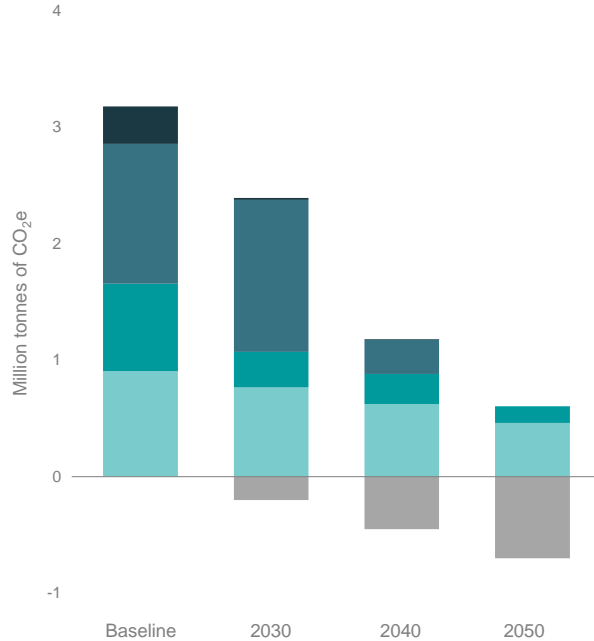
### Adapting to the physical impacts of climate change



- Increasing resilience of operations
- Incorporating climate scenarios into project design and mine closure planning

## Carbon Emission Reductions

■ Electricity 
 ■ Diesel 
 ■ Coal and Natural Gas 
 ■ Fugitive Methane 
 ■ Offsets & Removals





## Portfolio of Future-Essential Resources

Capitalizing on strong demand in the transition to a low-carbon economy

Global Demand

Teck

### GROW

#### Copper

↑ 2.3x

Green technologies, electrification and energy efficiency

Growth to 2050

Top 20 producer today, Potential to become top 10<sup>1</sup>

Market Position

Antamina  
First quartile<sup>2</sup>

Cost Competitiveness

QB2  
Second quartile<sup>2</sup>

CO<sub>2</sub> Intensity  
Scope 1 & 2



### MAXIMIZE VALUE, DRIVE FREE CASH FLOW

#### Zinc

↑ 2.1x

Galvanizing to protect steel, batteries, renewables, infrastructure

Largest net zinc miner globally

Red Dog  
First quartile<sup>3</sup>

Antamina  
Second quartile<sup>3</sup>



#### Steelmaking Coal

→ 1.0x Seaborne steelmaking coal

Decarbonization of coastal blast furnaces, and steel demand resulting from population growth, urbanization and a growing middle class

Second largest seaborne steelmaking coal supplier

Steelmaking Coal Delivered Operating Margin  
Top quartile<sup>4</sup>

Teck's premium HCC has industry-leading CO<sub>2</sub> efficiency



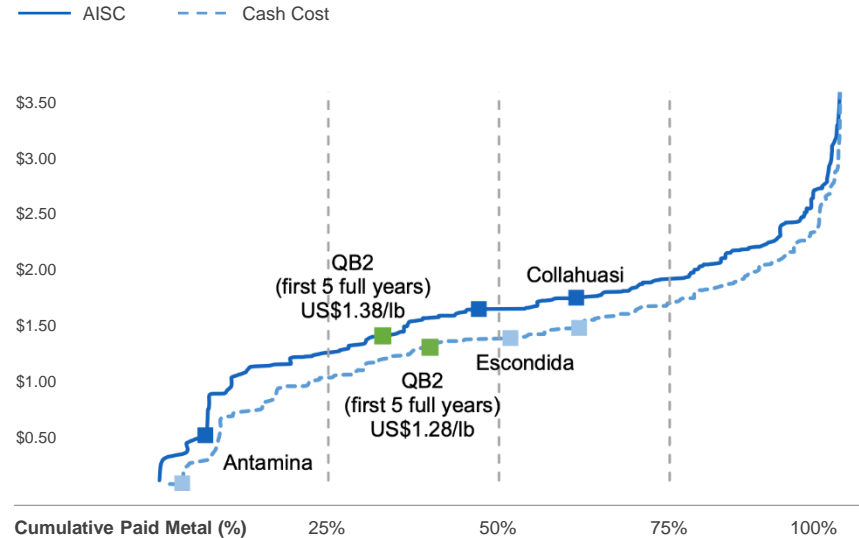
## Near-Term Copper Growth Through QB2

Doubling our consolidated copper production by 2023

### QB2 on track for startup in Q4 2022

- Large, long-life deposit capable of supporting multiple expansions
- Very low strip ratio of 0.7
- Competitive, second quartile, all-in sustaining costs (AISC)
- Only uses ~18% of the 2021 reserves and resource tonnage<sup>1</sup>
- Initial mine life of 28 years based on plant throughput of 143 ktpd<sup>2</sup>
- Tax stability agreements for 15 years from commercial production
- Community agreements in place and strong local relationships

### C1 Cash Cost<sup>3</sup> & AISC<sup>4</sup> Curve<sup>5</sup> (US\$/lb, 2023E)



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).

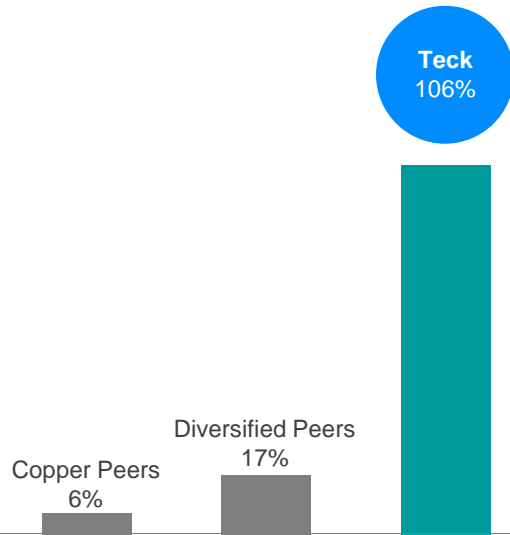
The description of the QB2 project Sanction Case includes inferred resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Inferred resources are subject to greater uncertainty than measured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

C1 cash unit cost per pound and all-in sustaining unit costs (AISC) per pound are non-GAAP ratios. See "Non-GAAP Financial Measures and Ratios" slides.

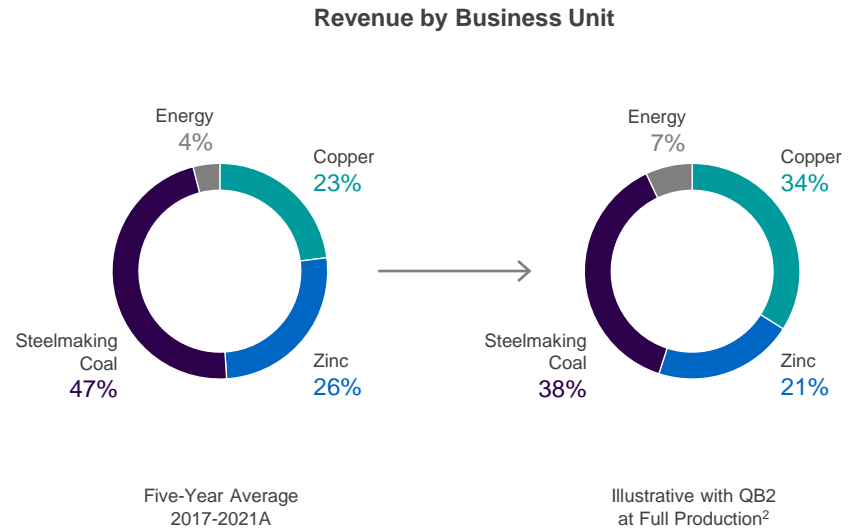
## Transformational Growth Rebalances Portfolio to Copper

Industry-leading copper growth profile

QB2 drives Teck's consolidated copper production growth 2021A–2023E<sup>1</sup>



QB2 at full production rebalances our portfolio to copper



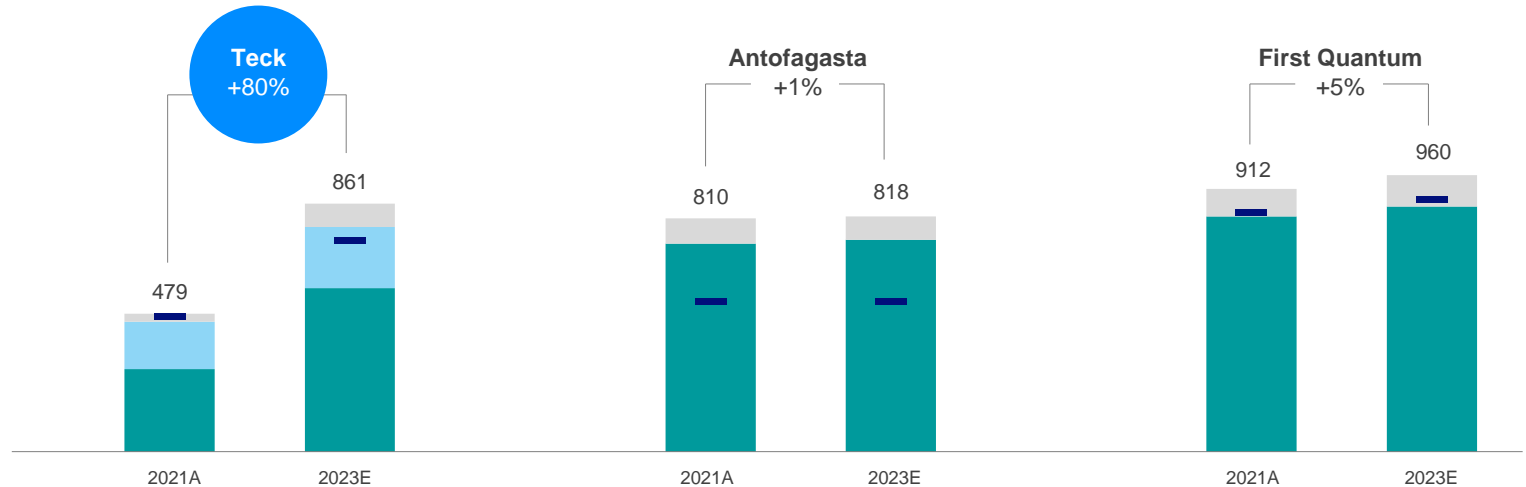
Copper peers include Antofagasta, First Quantum, Freeport, Hudbay, Lundin and Southern Copper. Diversified peers include Anglo American, BHP, Glencore, Rio Tinto. Revenue by business unit "Illustrative with QB2 at full production" assumes historical five-year average commodity prices 2017-2021A of US\$186/t HCC, US\$3,10/lb Cu and US\$1.24/lb Zn.

## Unlocking the Value of our Leading Base Metals Growth

Base Metals business growth rivals leading copper peers

### Consolidated Copper Equivalent Production<sup>1</sup> (kt CuEq)

■ Copper ■ Zinc (CuEq) ■ Other (CuEq) — Attributable (CuEq)



C1 Cash Costs<sup>2</sup>  
(US\$/lb Cu)

\$1.39

\$1.18

\$1.20

\$1.14

\$1.30

\$1.33

Enterprise Value<sup>3</sup>  
(C\$ billion)

\$35.5

\$25.6

\$32.2

C1 cash cost per pound is a non-GAAP ratio. See "Non-GAAP Financial Measures and Ratios" slides.

# Quebrada Blanca Mill Expansion

Fast-tracking additional near-term copper growth

## Defining the next expansion at QB



- Multiple expansion options considered in scoping work
- Options evaluated ranged from +50% to +200% throughput increase
- Staged expansion with focus on earliest copper production

## Mill expansion project highlights

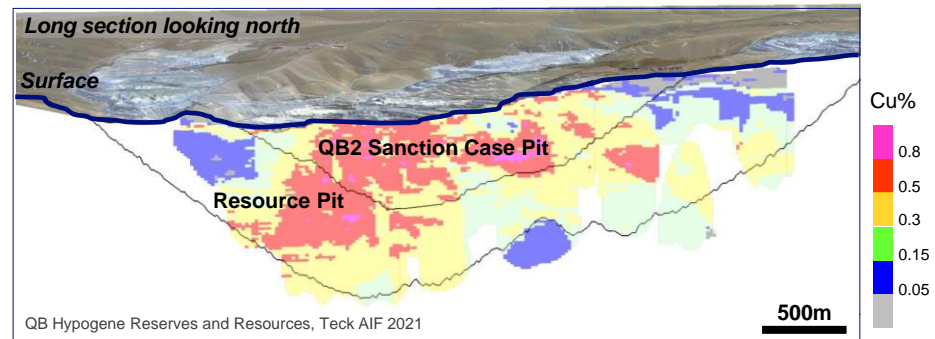


- Minimal additional footprint, simplifies scope of regulatory and permitting activities
- Leverages existing tailings management facility and other infrastructure
- Competitive C1 cost for incremental production

## QB Mill Expansion (QBME) as envisioned

First Production	Throughput Increase	Avg First 5-Years Incremental Production
2026	+50%	136 or 151 Ktpa Cu      Ktpa CuEq

## QB Mill Expansion Cu-Mo-Ag



## Quebrada Blanca Mill Expansion

Planning on leveraging QB2 project infrastructure

### Mining

- Increased mining rates and fleet size

### Milling

- Second primary crusher
- Third grinding and floatation circuit
- Additional tailings thickener, stockpile

### Limited changes to other facilities

- **Pipelines:** no new water and concentrate pipelines, debottlenecking only
- **Port:** no new port berth, one additional concentrate filter, concentrate storage expansion contemplated

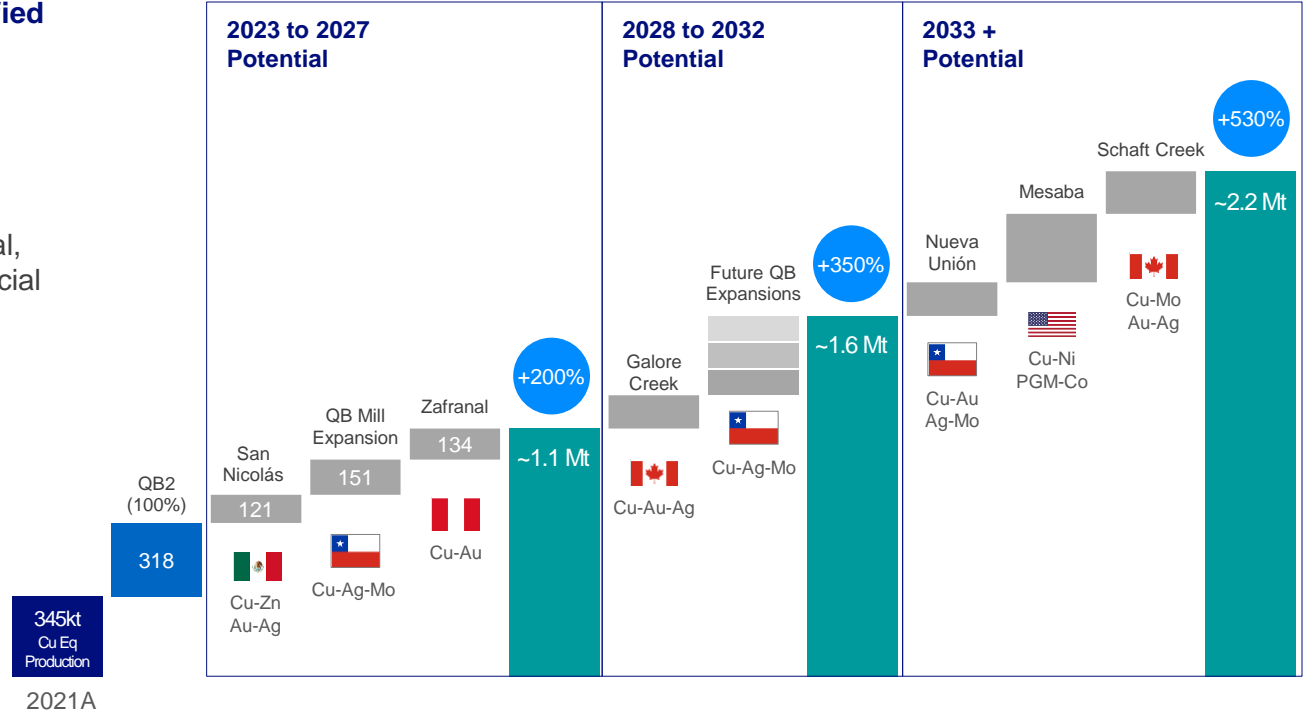


## Outstanding Copper Growth Pipeline

Potential copper equivalent from growth options is 5x current production<sup>1</sup>

### Unrivaled suite of options diversified by geography, scale, time to development and by-products

- Balance growth with returns to shareholders
- De-risk through integrated technical, social, environmental and commercial evaluations
- Prudent optimization of funding sources



Excludes Highland Valley Copper and Antamina mine life extensions.

Adding value to our high-quality portfolio of zinc development assets

### Zinc outperforms market expectations

- Declining production from existing primary zinc mines
- Underinvestment in global exploration for primary zinc deposits
- Long term demand outlook for zinc is strong, driven by decarbonization which is galvanized steel intensive

### Teck's world class zinc business

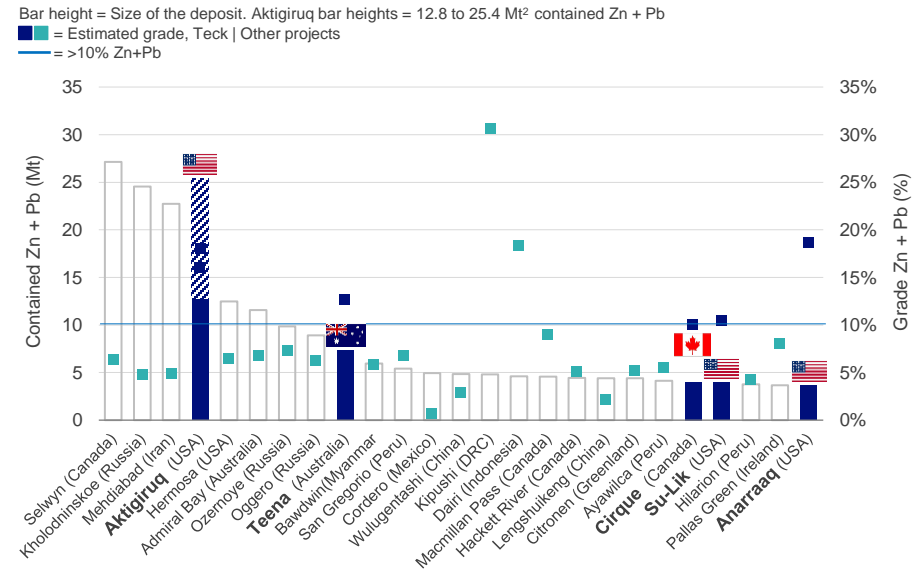
- Teck is the largest net zinc miner in the world
- Large scale, low-cost, integrated business
- Attractive portfolio of development opportunities
- A long and sustained history of exploration in premier zinc districts

### Path to value

- Leveraging copper growth experience and a Project Satellite analog to surface value from high quality portfolio of zinc opportunities, asset by asset, over the next 4 – 6 years
- Prudent investment to further expand our understanding of each assets' potential and associated development options
- Define commercial path to value for each project, either as a standalone investment, partnership or through monetization

### Largest Undeveloped Zinc Deposits

Teck has several undeveloped high-grade zinc assets<sup>1</sup> (>10% Pb + Zn) located in favourable low-risk jurisdictions



<sup>1</sup> MacMillan Pass is owned by Fireweed Zinc Ltd. and includes the Tom and Jason deposits. Teck currently has a 9% equity interest in Fireweed Zinc Ltd.



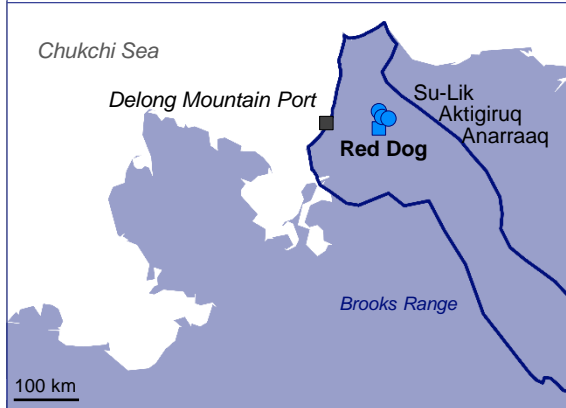
## Portfolio of Zinc Development Options

High quality projects in well-known, attractive jurisdictions

### USA – Alaska

**Red Dog (Zn-Pb): outstanding high-grade potential mine life extension in a premier district**

- District know-how with extensive operational experience
- Opportunity to extend mine life by leveraging existing infrastructure
- Multiple high-quality opportunities



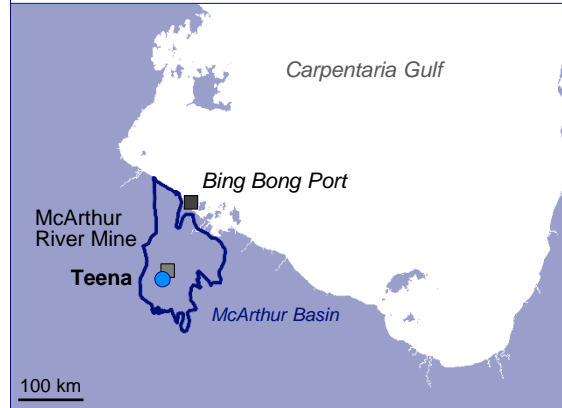
Zinc belt

Anarraaq and Aktigirug: Teck 100%  
Su-Lik: Su: Teck 100%, Lik: Teck 50% | Solitario Zinc Corp. 50%

### Australia – Northern Territory

**Teena (Zn-Pb): significant discovery in an established district**

- 2013 discovery in a world-class zinc district with excellent infrastructure
- Build upon existing Australian team to create path to value for this high-grade asset
- Standalone or partnership opportunity



Teena: Teck 100%

### Canada – BC

**Cirque (Zn-Pb): attractive deposit in an emerging district**

- Proximity to road and rail linked to port and Trail smelting/refining operation
- Leveraging local know-how and district synergies to assess development options
- Advance through partnership



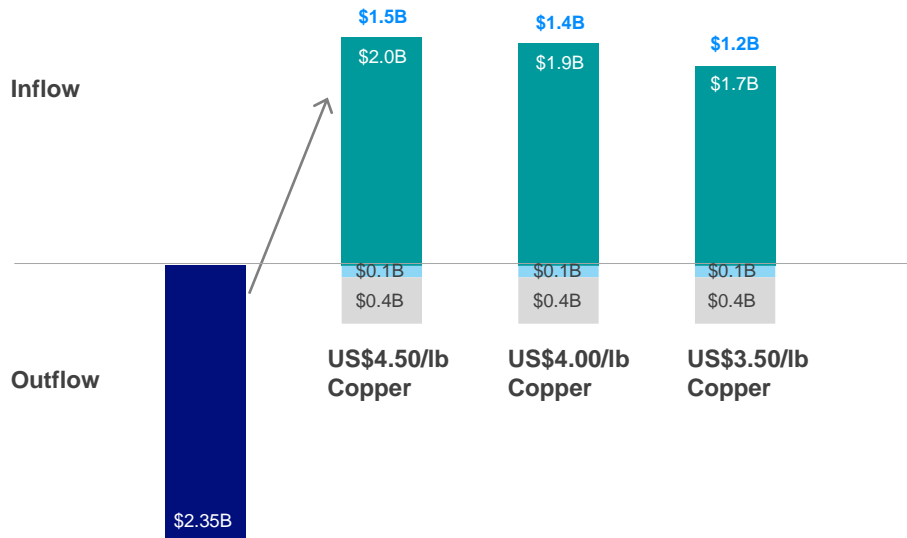
Cirque: Teck 50% | Korea Zinc 50%

## Cash Flow Inflection

Approaching potential significant cash flow generation with QB2 at full production

### Illustrative QB2 Net Cash Flow Scenarios at Full Production<sup>1</sup>

■ Operating Cash Flow 
 ■ Sustaining Capital 
 ■ Project Finance Repayment 
 ■ 2022E QB2 Capex<sup>2</sup>



Illustrative QB2 net cash flow is calculated based on operating cash flow less sustaining capex of ~\$100m and project finance repayment of US\$294M per annum. For further details and various scenario assumptions, see "Cash Flow and Returns with QB2 at Full Production" slide.

## Strong Balance Sheet

Liquidity<sup>1</sup>

**\$8.0B**

Net Debt to Adjusted EBITDA<sup>2</sup>

**0.6x**

Credit Rating<sup>1</sup>

**Investment  
grade**

## Track Record of Significant Cash Returns to Shareholders<sup>3</sup>

Total in the past ~20 years:

**\$7.3B**

Dividends

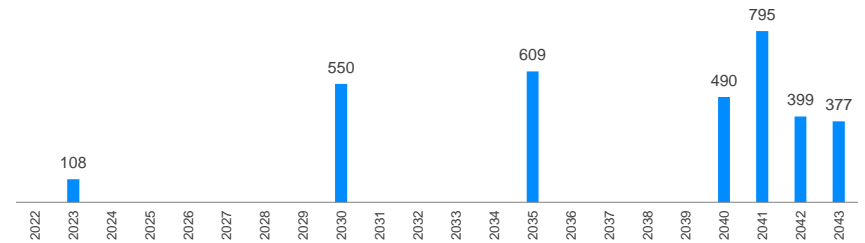
**\$5.0B**

Share Buybacks

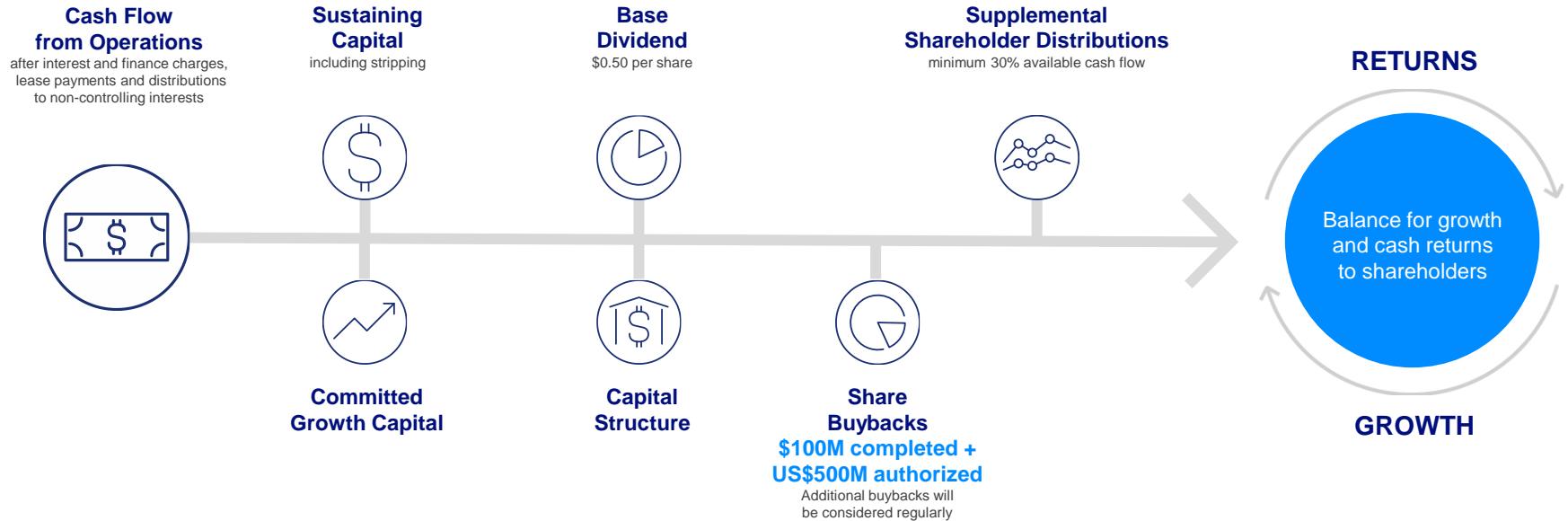
**\$2.3B**

## Debt Maturity Ladder<sup>2</sup> (US\$M)

No significant maturities prior to 2030



## Capital Allocation Framework

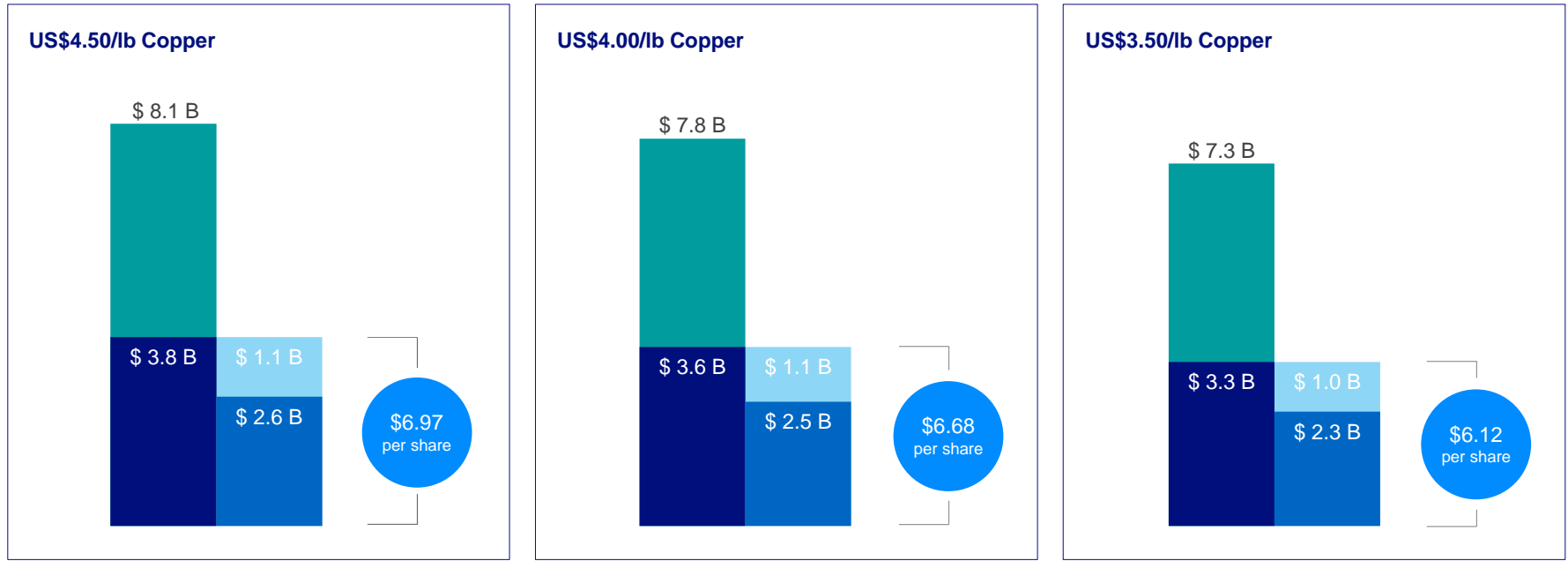


Our capital allocation framework describes how we allocate funds to sustaining and growth capital, maintaining solid investment grade credit metrics and returning excess cash to shareholders. This framework reflects our intention to make additional returns to shareholders by supplementing our base dividend with at least an additional 30% of available cash flow after certain other repayments and expenditures have been made. For this purpose, we define available cash flow (ACF) 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 growth capital; (iii) any cash required to adjust the capital structure to maintain solid investment grade credit metrics; (iv) our base \$0.50 per share annual dividend; and (v) any share repurchases executed under our annual buyback authorization. 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.

## Cash Flow and Returns with QB2 at Full Production<sup>1</sup>

Illustrative scenarios indicate potential available cash flow of \$6-7 per share

■ Operating Cash Flow   
 ■ Available Cash Flow<sup>2</sup>   
 ■ Minimum 30% Shareholder Distribution   
 ■ Balance for Growth and Additional Returns



Illustrative Teck cash flow scenarios including QB2 on a 100% consolidation basis and assuming QB2 at full production,

## Driving Long-Term Sustainable Shareholder Value

**Industry leading**  
copper growth



**Rebalance portfolio**  
of high-quality assets  
to low-carbon metals



**Balance growth**  
and cash returns  
to shareholders



**Leadership**  
in ESG and  
operational excellence



Long-term  
sustainable  
shareholder  
value



Teck

Appendix



### Supplemental Information for Investors

[Click here to reference slides](#)



### Contact Investor Relations

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Zinc Satellite



## Solid Long-Term Zinc Market Fundamentals

Supply continues to lag demand with positive and sustained zinc metal price response

### Underinvestment in global exploration for primary zinc deposits

- Zinc-focused exploration investment has only been 26% of copper exploration investment over the past 5 years<sup>1</sup>
- Few high quality greenfield or advanced exploration opportunities have surfaced in the last 10 years aside from Teck's Teena discovery in Australia and the Hermosa Pb-Zn project in Arizona
- Several of the highest quality, near-term development opportunities were discovered >10 years ago

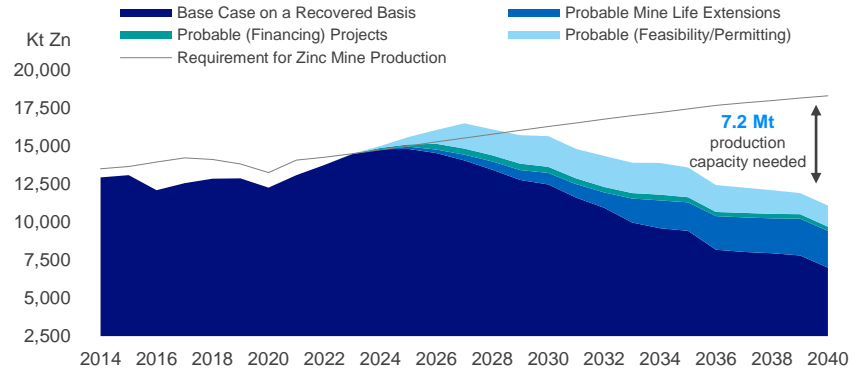
### Declining production from existing primary zinc mines

- Production from established zinc mines globally has only increased by 1.1% since 2014<sup>1</sup>
- Incremental production has come from higher cost or lower grade extensions of existing mines, increasing C1 and sustaining capital costs by 22% since 2014<sup>1</sup>

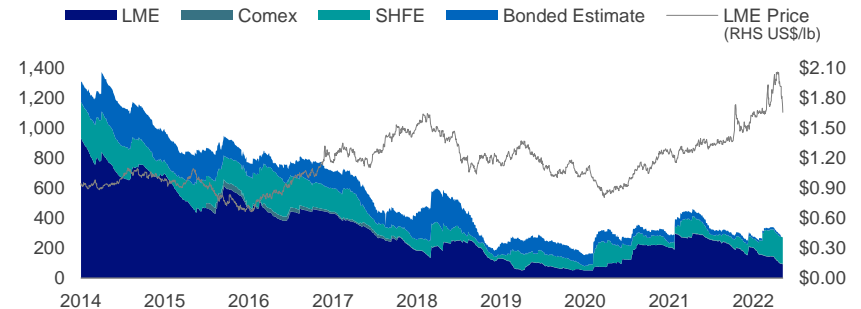
### Demand growth continues with reduced stocks and increasing price

- Global zinc demand has increased by 4.1% since 2014<sup>1</sup>
- Galvanized steel demand remains strong. Auto production backlog expected to continue in 2023 and global infrastructure spending expected to grow, particularly in the renewable energy sector
- Decarbonization will be steel intensive; galvanizing steel extends service life, making infrastructure more sustainable
- In the short term, European energy crisis driving zinc metal cuts has resulted in price spikes and increase in physical premiums

### Zinc Operations and Project Pipeline<sup>1</sup>



### Global Visible Stocks<sup>2</sup> (kt) and LME Price (US\$/lb)



## Large scale, low-cost

### Quality assets with strong margins

- Red Dog is a first quartile cash cost operation
- Trail produces refined zinc, lead and various critical metals, and has expertise in battery recycling and materials

### Largest net zinc miner in the world

- Significant exposure to higher prices

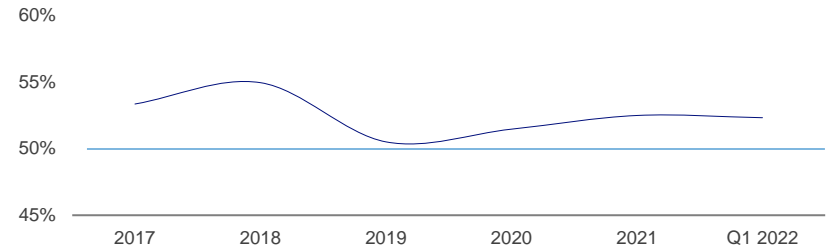
### A long history of exploration in premier zinc districts

- Canada, USA, Mexico, Peru, Ireland, Turkey and Australia
- Active exploration programs in greenfield and brownfield environments

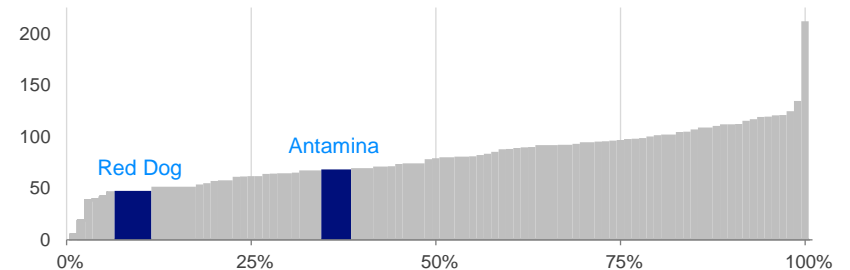
### Attractive development opportunities

- Large, high-grade system supports significant mine life extension potential in Red Dog district
- Portfolio of other attractive early-stage projects

## Zinc Mining Operations Gross Profit Margins Before Depreciation and Amortization (%)<sup>1</sup>



## Total Cash + Capex Cost Curve 2022 (US¢/lb)<sup>2</sup>



## 1 Red Dog District

### Anarraaq (Zn-Pb), USA Teck 100%

~11 km from Red Dog operation; scoping study complete in 2014; existing study being optimized  
Inferred Resources released in 2017 of 19.4 Mt @ 14.4% Zn, 4.2% Pb<sup>1</sup>

### Aktigiruaq (Zn-Pb), USA Teck 100%

~14 km from Red Dog operation; scoping study in progress  
Significant mineralized system with exploration target\* of 80-150 Mt @ 16-18% Zn + Pb<sup>2</sup>

### Su-Lik (Zn-Pb), USA Su: Teck 100%, Lik: Teck 50% | Solitario Zinc Corporation 50%

~17 km from Red Dog operation; field work in progress and leveraging historical work  
Lik: Indicated and Inferred Resources of 18.1 Mt @ 8.1% Zn, 2.7% Pb and 5.34 Mt @ 8.7% Zn, 2.7% Pb<sup>3</sup>, respectively. Su: Resource work is underway to confirm historical data

## 2 Cirque District

### Cirque (Zn-Pb), Canada Teck 50% | Korea Zinc 50%

In west central British Columbia and proximal to existing infrastructure  
Resource work is underway to confirm historical data

## 3 McArthur River – Teena District

### Teena (Zn-Pb), Australia Teck 100%

~7 km from Glencore's McArthur River operation; conceptual study in progress  
Inferred Resource of 58 Mt @ 11.1% Zn, 1.5% Pb<sup>4</sup>



 Zinc belt

\* 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.

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Guidance



## Production (000's tonnes except as noted)

	2021 Actual	2022 Guidance <sup>1</sup>	3-Year Guidance <sup>1</sup> (2023-2025)
<b>Copper<sup>2,3,4</sup></b>			
Highland Valley	130.8	<b>127-133</b>	130-160
Antamina	100.2	<b>91-96</b>	90-95
Carmen de Andecollo	44.8	<b>45-50</b>	50-60
Quebrada Blanca <sup>6</sup>	11.5	<b>10-11</b>	245-300
Total copper <sup>6</sup>	287.3	<b>273-290</b>	515-615
<b>Zinc<sup>2,3,5</sup></b>			
Red Dog	503.4	<b>540-570</b>	510-550
Antamina	104.0	<b>90-95</b>	80-100
Total zinc	607.4	<b>630-665</b>	590-650
<b>Refined zinc</b>			
Trail	279.0	<b>270-285</b>	295-315
<b>Steelmaking coal (Mt)</b>	24.6	<b>24.5-25.5</b>	26.0-27.0
<b>Bitumen<sup>3</sup> (Mbbbl)</b>			
Fort Hills	7.3	<b>12.0-14.4</b>	14.0
<b>Lead<sup>2</sup></b>			
Red Dog	97.4	<b>80-90</b>	85-95
<b>Molybdenum<sup>2,3</sup> (Mlbs)</b>			
Highland Valley	1.1	<b>0.8-1.3</b>	3.0-5.0
Antamina	1.1	<b>1.8-2.2</b>	3.0-4.0
Quebrada Blanca <sup>6</sup>	-	-	4.0-13.0
Total molybdenum	2.2	<b>2.6-3.5</b>	10.0-22.0

## Sales

	Q1 2022 Actual	Q2 2022 Guidance <sup>1</sup>
<b>Zinc in concentrate</b>		
Red Dog (kt)	145	<b>50-70</b>
<b>Steelmaking coal (Mt)</b>	6.0	<b>6.3-6.7</b>

## Unit Costs

	2021 Actual	2022 Guidance <sup>1</sup>
<b>Copper<sup>2</sup> (US\$/lb)</b>		
Total cash unit costs	1.80	<b>1.85-1.95</b>
Net cash unit costs	1.39	<b>1.40-1.50</b>
<b>Zinc<sup>3</sup> (US\$/lb)</b>		
Total cash unit costs	0.56	<b>0.48-0.53</b>
Net cash unit costs	0.30	<b>0.32-0.38</b>
<b>Steelmaking coal (C\$/tonne)</b>		
Adjusted site cash cost of sales	65	<b>79-83</b>
Transportation costs	44	<b>43-46</b>
<b>Bitumen (C\$/barrel)</b>		
Adjusted operating costs	47.89	<b>28-32</b>

## Sustaining and Growth Capital (Teck's share in C\$ millions)

	2021 Actual	2022 Guidance <sup>1</sup>
<b>Sustaining</b>		
Copper	\$ 184	\$ 340
Zinc	154	190
Steelmaking coal <sup>2</sup>	475	750
Energy	80	140
Corporate	10	5
Total sustaining	\$ 903	\$ 1,425
<b>Growth<sup>3</sup></b>		
Copper <sup>4</sup>	\$ 103	\$ 235
Zinc	14	35
Steelmaking coal	440	35
Energy	3	–
Corporate	3	–
	\$ 563	\$ 305
<b>Total</b>		
Copper	\$ 287	\$ 575
Zinc	168	225
Steelmaking coal	915	785
Energy	83	140
Corporate	13	5
	\$ 1,466	\$ 1,730
QB2 capital expenditures	\$ 2,580	\$ 2,200 - 2,500
Total before SMM/SC contributions	\$ 4,046	\$ 3,930 – 4,230

## Sustaining and Growth Capital (cont.) (Teck's share in C\$ millions)

	2021 Actual	2022 Guidance <sup>1</sup>
Total before SMM/SC contributions	\$ 4,046	\$ 3,930 - 4,230
Estimated SMM/SC contributions to capital expenditures	(401)	(630) - (730)
Estimated QB2 project financing draw to capital expenditures	(1,376)	(315)
Total, net of partner contributions and project financing	\$ 2,269	\$ 2,985 – 3,185

## Capitalized Stripping (Teck's share in C\$ millions)

	2021 Actual	2022 Guidance <sup>1</sup>
<b>Capitalized Stripping</b>		
Copper	\$ 207	\$ 250
Zinc	91	90
Steelmaking coal	369	530
	\$ 667	\$ 870

We continue to expect our 2023 capital expenditures to decrease by ~\$2B<sup>1</sup> compared to our planned 2022 capital expenditures.



### Steelmaking Coal Capital Expenditures and Operating Costs Related to Water Treatment<sup>1</sup>

(C\$ millions, unless otherwise noted)	2021 Actual	2022 Guidance	3-Year Guidance (2022-2024)	Long-Term Guidance <sup>3</sup> (C\$/tonne)
<b>Capital Expenditures</b>				
Sustaining capital (water management and water treatment, including October 2020 direction issued by Environment and Climate Change Canada) <sup>2</sup>	\$ 226	\$ 280	\$ 650-750	\$ 2.00
<b>Operating Costs</b>				
Operating costs associated with water treatment (C\$/tonne)	\$ 0.75	–	–	\$ 3.00

# QB2 Project Economics Comparison

		Reserve Case <sup>1</sup>	Sanction Case <sup>2</sup>
Mine Life	Years	28	28
Strip Ratio			
First 5 Full Years		0.16	0.44
LOM <sup>3</sup>		0.41	0.70
C1 Cash Cost <sup>4</sup>			
First 5 Full Years	US\$/lb	\$1.29	\$1.28
LOM <sup>3</sup>	US\$/lb	\$1.47	\$1.37
AISC <sup>5</sup>			
First 5 Full Years	US\$/lb	\$1.40	\$1.38
LOM <sup>3</sup>	US\$/lb	\$1.53	\$1.42

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. C1 cash costs per pound and all-in sustaining costs (AISC) per pound are non-GAAP ratios. See "Non-GAAP Financial Measures and Ratios" slides.

# QB2 Reserves and Resources Comparison

## Reserve Case (as at Nov 30, 2018)<sup>1,2</sup>

Reserves	Mt	Cu Grade %	Mo Grade %	Silver Grade ppm
Proven	476	0.51	0.018	1.40
Probable	924	0.47	0.019	1.25
<b>Reserves</b>	<b>1,400</b>	<b>0.48</b>	<b>0.018</b>	<b>1.30</b>

Resources (Exclusive of Reserves) <sup>3</sup>	Mt	Cu Grade %	Mo Grade %	Silver Grade ppm
Measured	36	0.42	0.014	1.23
Indicated	1,558	0.40	0.016	1.14
<b>M&amp;I (Exclusive)</b>	<b>1,594</b>	<b>0.40</b>	<b>0.016</b>	<b>1.14</b>
Inferred	3,125	0.38	0.018	1.15

## Sanction Case (as at Nov 30, 2018)<sup>2,4</sup>

Reserves	Mt	Cu Grade %	Mo Grade %	Silver Grade ppm
Proven	409	0.54	0.019	1.47
Probable	793	0.51	0.021	1.34
<b>Reserves</b>	<b>1,202</b>	<b>0.52</b>	<b>0.020</b>	<b>1.38</b>

Resources (Exclusive of Reserves) <sup>5</sup>	Mt	Cu Grade %	Mo Grade %	Silver Grade ppm
Measured	36	0.42	0.014	1.23
Indicated	1,436	0.40	0.016	1.13
<b>M&amp;I (Exclusive)</b>	<b>1,472</b>	<b>0.40</b>	<b>0.016</b>	<b>1.14</b>
Inferred	3,194	0.37	0.017	1.13
+ Inferred in SC pit	199	0.53	0.022	1.21

**Slide 4: Copper Growth**

1. Five years from January 1, 2017 to December 31, 2021.

**Slide 9: Portfolio of Future-Essential Resources**

1. Based on Wood Mackenzie's Q4 2021 long term outlook. Based on equity ownership and including all probable and possible projects to 2040.
2. Data compiled by Teck based on Wood Mackenzie's total cash + capex cost curve 2021.
3. Data compiled by Teck based on Wood Mackenzie's total cash + capex cost curve 2023.
4. Data compiled by Teck based on Wood Mackenzie's data.

**Slide 10: Near-Term Copper Growth Through QB2**

1. Reserves and resources as at December 31, 2021.
2. Based on Sanction Case mine plan tonnage.
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.
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. Cash margins for by-products are non-GAAP financial measures. See "Non-GAAP Financial Measures" slides.
5. Source: Wood Mackenzie. Average 2021-2040.

**Slide 11: Transformational Growth Rebalances Portfolio to Copper**

1. Source: Wood Mackenzie base case (attributable) copper production dataset. Consolidated production estimates were derived based on accounting standards for consolidation for Teck and its peers. Peer production metrics for 2021 and 2023 are from Wood Mackenzie. Peer averages are the simple averages.

**Slide 12: Unlocking the Value of our Leading Base Metals Growth**

1. Production for 2021 reflects actuals sourced from company disclosures. Production for 2023 is sourced from Wood Mackenzie asset models, considering assets included in Wood Mackenzie's base case for each company. Production is shown on a consolidated reporting basis, except where noted as attributable for ownership. Copper equivalent production for 2021 is calculated using annual average prices of: US\$4.23/lb Cu, US\$1.36/lb Zn, US\$0.99/lb Pb, US\$15.94/lb Mo, US\$1,799/oz Au, US\$25.16/oz Ag, US\$8.38/lb Ni. Copper equivalent production for 2023 is calculated using the following prices: US\$3.50/lb Cu, US\$1.15/lb Zn, US\$0.90/lb Pb, US\$10/lb Mo, US\$1,400/oz Au, US\$18/oz Ag, US\$6.90/lb Ni.
2. C1 cash costs for non-Teck entities and for Teck for 2021 are sourced from company disclosures. C1 cash costs for non-Teck entities and for Teck for 2023 are sourced from S&P Global Market Intelligence, Metals & Mining. Expected 2023 C1 cash costs consider primary copper mines and total cash costs on a by-product basis for Teck and non-Teck entities and weighted on a consolidated production basis. C1 cash costs are for copper operations only.
3. Source: S&P Capital IQ. Enterprise value as at May 6, 2022.

**Slide 15: Outstanding Copper Growth Pipeline**

1. 2021 actuals include Antamina, Andacollo, Highland Valley, and Quebrada Blanca. Excludes Highland Valley Copper and Antamina mine life extensions. Growth calculated using asset's first five full years average annual copper production. Consolidated (100%) production shown for Quebrada Blanca 2, QB mill expansion, Zafranal and Schaft Creek. Attributable production shown for San Nicolás, Galore Creek, Nueva Unión and Mesaba.

**Slide 16: Zinc Satellite Initiative**

1. Sources: S&P Global Market Intelligence, SNL Metals & Mining database. For the Aktigirug, Anarraaq and Teena deposits the sources are as follows:
  - Aktigirug: reported as an exploration target of 80-150 Mt @ 16-18% Zn + Pb, 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.
  - Anarraaq: Teck 2021 AIF Report and NI 43-101 Technical Report for the Red Dog Mine, February 21, 2017
  - Teena: Inferred resource of 58 Mt @ 11.1% Zn and 1.5% Pb, at a 6% Zn + Pb cut off, estimated in compliance with the Joint Ore Reserves Committee (JORC) Code. Excludes Myrtle.
2. Aktigirug: bar heights reflect the low and high end of the exploration target range mentioned above corresponding to 12.8 and 25.4 Mt contained Zn +Pb.

**Slide 18: Cash Flow Inflection**

1. Illustrative Proforma; includes QB2 on a 100% consolidation basis; QB2 operating cash flow assumes 290ktpy copper sales and US\$1.28/lb C1 cash costs. C1 cash costs per pound is a non-GAAP ratio. See "Non-GAAP Financial Measures and Ratios" slides.
2. Guidance for QB2 capital expenditures as at April 26, 2022.

**Slide 19: Financial Strength**

1. As at April 26, 2022.
2. As at March 31, 2022.
3. From January 1, 2012 to March 31, 2022.

**Slide 21: Cash Flow and Returns with QB2 at Full Production**

1. Illustrative Teck cash flow scenarios including QB2 on a 100% consolidation basis and assuming QB2 at full production, US\$250 per tonne hard coking coal, US\$1.35 per pound zinc, US\$58 per barrel Western Canadian Select and a Canadian to US dollar exchange rate of \$1.27. QB2 operating cash flow assumes 290ktpy copper sales and US\$1.28/lb C1 cash costs. Based on a base dividend of C\$0.50/share, paid quarterly, and guidance for capital expenditures as at April 26, 2022. QB2 project finance repayments are two semi-annual principal repayments of US\$147 million each. Per share amounts assume 539.5 million shares outstanding as at April 26, 2022. C1 cash costs per pound (net cash unit costs) is a non-GAAP ratio. See "Non-GAAP Financial Measures and Ratios" slides.

**Slide 26: Solid Long-Term Zinc Market Fundamentals**

1. Source: Wood Mackenzie.
2. Global visible stocks. Source: LME, ICE, SHFE, SMM. To May 11, 2022.

**Slide 27: World Class Zinc Business**

1. Mining Operations only, and therefore excludes Trail. Calculated as Gross Profit before D&A divided by reported Revenue, sourced from Teck's public disclosures. Margin data from 2017-2021 are for the full year, while margin data for 2022 reflects the results available through the first quarter of 2022 only. Gross Profit Margin before Depreciation & Amortization from Mining Operations is a non-GAAP financial measure.
2. Source: Data compiled by Teck from information from Wood Mackenzie (WM), LME – Based on WM Forecast information and estimates for 2022 based on current short term average prices.

**Slide 28: Portfolio of Zinc Development Options**

1. Teck 2021 AIF Report and NI 43-101 Technical Report for the Red Dog Mine, February 21, 2017
2. Aktiginuq is reported as an exploration target of 80-150 Mt @ 16-18% Zn + Pb. 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.
3. NI43-101 Technical Report and Mineral Resource Estimate on the Lik Deposit, Northern Alaska, USA, May 13, 2009, prepared by Scott Wilson Mining for Zazu Metals Corporation.
4. Inferred resource of 58 Mt @ 11.1% Zn and 1.5% Pb, at a 6% Zn + Pb cut off, estimated in compliance with the Joint Ore Reserves Committee (JORC) Code. Excludes Myrtle.

**Slide 30: Production Guidance**

1. As at April 26, 2022. See Teck's Q1 2022 press release for further details.
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, even though we do not own 100% of these operations, 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.
6. 2022 guidance excludes production from Quebrada Blanca concentrate production. Three-year guidance 2023—2025 includes Quebrada Blanca concentrate production.

**Slide 31: Sales and Unit Cost Guidance**

1. As at April 26, 2022. See Teck's Q1 2022 press release for further details.
2. Copper unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Copper net cash unit costs include adjusted cash cost of sales and smelter processing charges, less cash margins for by-products including co-products. Guidance for 2022 assumes a zinc price of US\$1.35 per pound, a molybdenum price of US\$17.00 per pound, a silver price of US\$22 per ounce, a gold price of US\$1,700 per ounce and a Canadian/U.S. dollar exchange rate of \$1.27.
3. Zinc unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Zinc net cash unit costs are mine costs including adjusted cash cost of sales and smelter processing charges, less cash margins for by-products. Guidance for 2022 assumes a lead price of US\$0.95 per pound, a silver price of US\$22 per ounce and a Canadian/U.S. dollar exchange rate of \$1.27. By-products include both by-products and co-products. **Slide 26: Capital Expenditures Guidance**
4. As at April 26, 2022. See Teck's Q1 2022 press release for further details.
5. Steelmaking coal 2022 sustaining capital guidance includes \$280 million of water treatment capital. 2021 includes \$226 million of water treatment capital.
6. Growth capital expenditures include RACE capital expenditures for 2022 of \$50 million, of which \$10 million relates to copper, \$5 million relates to zinc, \$35 million relates to steelmaking coal.
7. Copper growth capital guidance for 2022 includes studies for HVC 2040, Antamina, QBME, Zafraanal, San Nicolás and Galore Creek. Copper sustaining capital guidance for 2022 includes Quebrada Blanca concentrate operations.

**Slide 32: Capital Expenditures Guidance**

1. As at April 26, 2022. See Teck's Q1 2022 press release for further details.
2. Steelmaking coal 2022 sustaining capital guidance includes \$280 million of water treatment capital. 2021 includes \$226 million of water treatment capital.
3. Growth capital expenditures include RACE capital expenditures for 2022 of \$50 million, of which \$10 million relates to copper, \$5 million relates to zinc, \$35 million relates to steelmaking coal.
4. Copper growth capital guidance for 2022 includes studies for HVC 2040, Antamina, QBME, Zafraanal, San Nicolás and Galore Creek. Copper sustaining capital guidance for 2022 includes Quebrada Blanca concentrate operations.

**Slide 33: Water Treatment Guidance**

1. As at April 26, 2022. See Teck's Q1 2022 press release for further details.
2. The 2022 portion is included in 2022 guidance. See Teck's Q1 2022 press release for further details on the October 2020 Direction issued by Environment and Climate Change Canada.
3. Assumes 21 million tonnes in 2020 and 27 million tonnes long term.

**Slide 34: QB2 Project Economics Comparison**

1. Based on go-forward cash flow from January 1, 2017. Based on all equity funding structure.
2. Based on go-forward cash flow from January 1, 2019. Based on optimized funding structure.
3. Life of Mine annual average figures exclude the first and last partial years of operations.
4. C1 cash costs are presented after by-product credits assuming US\$10.00/lb molybdenum and US\$18.00/oz silver. Net cash unit costs are consistent with C1 cash costs. C1 cash costs for QB2 include stripping costs during operations. Net cash unit costs and C1 cash costs are non-GAAP financial ratios. 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 costs and cash margins for by-products are non-GAAP financial ratios. See "Non-GAAP Financial Measures" slides.

**Slide 35: 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 30–44°, 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.

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# Non-GAAP Financial Measures and Ratios



Our financial results are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. This presentation includes reference to certain non-GAAP financial measures and non-GAAP ratios, which are not measures recognized under IFRS, do not have a standardized meaning prescribed by IFRS and may not be comparable to similar financial measures or ratios disclosed by other issuers. These financial measures and ratios have been derived from our financial statements and applied on a consistent basis as appropriate. We disclose these financial measures and ratios because we believe they assist readers in understanding the results of our operations and financial position and provide further information about our financial results to investors. These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS. For more information on our use of non-GAAP financial measures and ratios, see the section titled "Use of Non-GAAP Financial Measures and Ratios" in our most recent Management Discussion & Analysis, which is incorporated by reference herein and is available on SEDAR at [www.sedar.com](http://www.sedar.com). Additional information on certain non-GAAP ratios is below.

## Non-GAAP Ratios

**Gross profit margins before depreciation and amortization** is a non-GAAP financial ratio comprised of gross profit before depreciation and amortization, divided by revenue for each respective business unit. There is no similar financial measure in our financial statements with which to compare. Gross profit before depreciation and amortization is a non-GAAP financial measure.

**Adjusted EBITDA margin** is a non-GAAP ratio comprised of adjusted EBITDA, divided by revenue. There is no similar financial measure in our financial statements with which to compare. Adjusted EBITDA is a non-GAAP financial measure. We believe this measure assists us and readers to compare margins on a percentage basis among our business units.

**Net debt to adjusted EBITDA ratio** – net debt to adjusted EBITDA ratio is the same calculation as the debt to adjusted EBITDA ratio but using net debt as the numerator.

**Total cash unit costs** – Total cash unit costs for our copper and zinc operations includes adjusted cash costs of sales, as described below, plus the smelter and refining charges added back in determining adjusted revenue.

**Cash margins for by-products per pound** – Cash margins for by-products per pound is a non-GAAP ratio comprised of cash margins for by-products divided by payable pounds sold.

**Net cash unit costs (C1 cash cost per pound)** – 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.

**All-in sustaining cost (AISC)** – All in sustaining cost (AISC) is a non-GAAP ratio comprised of C1 cash cost (net cash unit costs) plus sustaining capital expenditures, divided by payable pounds sold. There is no similar financial measure in our financial statements with which to compare. C1 cash costs per pound (net cash unit costs per pound) is a non-GAAP financial measure. By adding sustaining capital expenditures to C1 cash cost (net cash unit costs), the costs for the mine on a per unit basis may be presented as a common industry measure for comparison to other operations.

**Adjusted site cash cost of sales per tonne** – Adjusted site cash 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 per barrel** – 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.

BofA SECURITIES 

# Global Metals, Mining & Steel Conference

May 18, 2022

Don Lindsay  
President and Chief Executive Officer



# Teck