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April 3, 2023

Board of Directors
Glencore PLC
Baarermattstrasse 3,
P.O. Box, CH-6341
Baar, Switzerland

Attention: Mr. Kalidas Madhavpeddi, Chairman of Board of Directors

Re: Glencore Proposal

Dear Kalidas,

Further to Jonathan Price's letter of March 30, 2023, Teck's Board and Special Committee have now met several times, including with their respective financial and legal advisors, to thoroughly review and assess your unsolicited March 26, 2023 proposal ("Proposal") of an all-share acquisition and simultaneous demerger of a combined thermal and steelmaking coal businesses.

After carefully considering the Proposal, including with the benefit of legal and financial advice, the Board and the Special Committee have reached the unanimous decision to reject your Proposal, and affirmed they are not interested in a sale of Teck at this time. The Board believes there is significantly more value to be achieved through the separation transaction we announced on February 21, 2023 which, upon receipt of approval of our shareholders, would lead to the creation of a premier, copper-focused growth-oriented company and a pure-play, high-margin steelmaking coal company, both benefiting from stable jurisdictions (the "Separation").

As you know, our respective teams engaged in conceptual discussions in 2020 regarding a similarly structured transaction and, following a careful review by our Board, we determined at the time not to proceed further. There has not been any meaningful engagement by our respective teams concerning this type of transaction for over two years. However, we have worked closely with Glencore on the creation of the NewRange joint venture to unlock regional synergies, and have attempted to pursue a similar approach with you with regard to capturing potential synergies in and around Collahuasi and QB2, without meaningful engagement from you.

As we have outlined in our management information circular, which will be publicly filed today, our management and Board spent considerable time developing the Separation transaction. During that period, we assessed the Separation transaction against numerous other strategic alternatives and concluded that the Separation transaction was in the best interests of Teck stakeholders. The Board and the Special Committee continue to recommend the Separation and the Dual Class Amendment to our shareholders.

In making their unanimous decision regarding the Proposal, the Board and Special Committee considered a number of factors, including:

- The Proposal essentially constitutes a sale of Teck. The Board strongly believes that significantly more value is available to shareholders from, and following, the Separation, particularly as compared to the modest and inherently uncertain premium and execution and timing risks associated with the Proposal.

- The Separation will unlock value and strategic optionality for Teck shareholders through the creation of a high quality, low-cost base metals producer with industry leading copper growth and a pure-play steelmaking coal company with high-quality, long-life assets with top-tier margins. Both companies are well positioned to benefit from the energy transition given copper's critical role in electrification and high-quality steelmaking coal's role as a key input to steel and the low carbon transition. There has not been any meaningful discussions regarding such a transaction with you in over two years, and your Proposal appears to be an opportunistically timed attempt to transfer significant value to Glencore shareholders at the expense of Teck's shareholders by pre-empting the planned Separation.

- The Proposal would expose our shareholders to significant market and execution risk, particularly as compared to the Separation, which does not require additional competition and regulatory approvals and is expected to be completed on or about May 31, 2023. The transaction contemplated by your Proposal will require competition and regulatory approvals in a large number of jurisdictions, including but not limited to Canada, the United States, the European Union, China, Japan, Korea and India, among others. This regulatory approval process would be protracted and, given the highly uncertain and challenging regulatory environment impacting global M&A transactions, could potentially take up to 24 months to resolve. In comparison, we expect that Teck shareholders will be able to realize the substantial benefits of the Separation in the near term.

- We disagree with your assertion that the Glencore and Teck base metals and coal portfolios are uniquely complementary. Moreover, we think the strategic logic for this proposed combination of the businesses is weak.

    - The combination of your large thermal coal portfolio with our high-quality steelmaking coal assets to form a thermal coal dominated "CoalCo" of unprecedented scale will seriously impair the value of our planned pure-play steelmaking coal business. Exposing our shareholders to your large thermal coal business would be value destructive and would drive away investors who cannot hold thermal coal assets.

    - The inclusion of an oil trading business in "MetalsCo" would deny our shareholders a platform to fulfill the full potential of our premier, growth-oriented base metals portfolio. Teck's recent divestment of our operating oil sands business was driven in part by current investor concerns as well as the desire to attract additional investors who are unable to acquire shares in companies with oil-related assets. Following our divestment, we have attracted significant new investors and we expect Teck's shareholders to continue to enjoy the benefits of an expanded investor base.

- The purported synergies referenced in your letter appear to us as ill-defined, potentially overstated and challenging to realize.

    - The creation of multiple companies managing assets across multiple jurisdictions limits the ability to extract the value potential of the corporate synergies you described. The marketing synergies referenced in your letter appear to be based on assumptions that do not take into account a number of factors, including, amongst other things, increasingly greater transparency in commodity markets and greater global transfer pricing scrutiny.

    - As you know, Teck has made efforts over the last year to engage with the Collahuasi partners on how to effectively extract potential regional synergies. As is clear from other successful examples in the mining sector, these potential synergies can be most effectively captured at the asset level through a joint venture or other arrangement, particularly given the number of parties involved. Our team remains focused on exploring how to maximize value by working with the Collahuasi partners.

- The combined portfolios of both “MetalsCo” and “CoalCo” that would result from the Proposal would meaningfully increase Teck shareholder exposure to geopolitical risks at a time of increased global uncertainty, given Glencore’s operations in countries such as the DRC. This exposure meaningfully and negatively impacts value to Teck shareholders as compared to our portfolio, and particularly when compared to the opportunities provided by the Separation.

Therefore, Teck’s Special Committee and its Board have each unanimously determined that the Proposal is not in the best interests of Teck and its shareholders and will continue to recommend that Teck shareholders vote for the Separation and Dual Class Amendment on April 26, 2023.

Yours sincerely,

Sheila A. Murray

Sheila Murray,
Board Chair

Cc: Jonathan H. Price, CEO, Teck
Gary Nagle, CEO, Glencore