



Local News Release

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Northwest Arctic Borough & Red Dog Reach Renewed Tax Payment Agreement

Kotzebue, AK - The Northwest Arctic Borough (NAB) and the operator of the Red Dog Mine, Teck Alaska, have finalized a renewed Payment in Lieu of Taxes (PILT) Agreement.

This six-year Agreement was developed to align with Red Dog Mine's current mine plan on NANA lands through to the end of 2031. Under the Agreement, Red Dog Mine will provide ongoing annual PILT payments to NAB to support critical services for NAB residents, including public safety, local infrastructure and educational programming. This Agreement also commits to annual funding for community programs and infrastructure priorities for the 11 Borough communities through a renewed Village Improvement Fund (VIF), which will continue to be administered directly by the Village Improvement Commission with support from NAB.

"We are pleased to secure an excellent agreement with Teck, enabling the Borough to continue providing essential services and programs for our residents. We thank Teck for a good process and a successful outcome," said Mayor Dickie Moto, Sr., following the Borough Assembly's final approval of the Agreement.

Assembly President Craig McConnell added, "this new Agreement puts us in a good place and ensures we will continue providing services to our residents."

"This Agreement successfully balances the need to ensure the NAB can continue to deliver its critical services to residents while also providing financial certainty for Red Dog in the coming years as we complete the current Life of Asset plan and pursue opportunities for the Red Dog Mine Life Extension," said Les Yesnik, General Manager, Red Dog Operations. "We are grateful to Mayor Moto, Assembly President McConnell, and the Assembly Members for their collaborative approach to establishing this renewed Agreement and their support for Red Dog moving into the future."

The new Agreement has a total estimated value of between \$22 million and \$30 million per year over the next six years, comprised of:

- An annual payment directly to NAB based on a percentage of Red Dog's fixed asset value, with an estimated average value in the range of \$17.5 million to \$22 million per year.
- An annual contribution to the Village Improvement Fund (VIF) of between \$4 million and \$8 million, based on a percentage of Red Dog's gross profit.

In addition, Red Dog Mine will provide the Northwest Arctic Borough School District with a one-time contribution of more than \$600,000 this year for the purchase and installation of camera systems to mitigate vaping in schools.

The Agreement includes direct commitments from NAB to support Red Dog Mine mine-life extension opportunities.

The Agreement applies to Red Dog Mine's current operations and continues to exempt Teck Alaska from payment of NAB's severance tax for the Agreement term. Should mine-life extension proceed, a new PILT will be negotiated.

Red Dog Operations was developed through an innovative operating agreement between the operator, Teck, and the land-owner NANA, a Regional Alaska Native corporation owned by the Iñupiat people of northwest Alaska. The mine and concentrator properties are leased from and were developed under the agreement with NANA.

About the Northwest Arctic Borough

The Northwest Arctic Borough is the home rule, regional government for Northwest Alaska. The Borough covers an area the size of Indiana and is home to 11 villages. It provides essential services to its residents focusing on public safety, public services, education, planning and zoning, and community and economic development. The Borough's driving mission is to improve the living and economic conditions for all residents.

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About Teck

Teck is a leading Canadian resource company focused on responsibly providing metals essential to economic development and the energy transition. Teck has a portfolio of world-class copper and zinc operations across North and South America and an industry-leading copper growth pipeline. We are focused on creating value by advancing responsible growth and ensuring resilience built on a foundation of stakeholder trust. Headquartered in Vancouver, Canada, Teck's shares are listed on the Toronto Stock Exchange under the symbols TECK.A and TECK.B and the New York Stock Exchange under the symbol TECK. Learn more about Teck at www.teck.com or follow [@TeckResources](https://www.twitter.com/TeckResources).

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