PARTICIPANTS

Corporate Participants

H. Fraser Phillips – Senior Vice President-Investor Relations & Strategic Analysis, Teck Resources Limited
Jonathan Price – President, Chief Executive Officer & Director, Teck Resources Limited
Shehzad Bharmal – Executive Vice President & Chief Operating Officer, Teck Resources Limited
Dale Webb – Senior Vice President-Operations, Latin America, Teck Resources Limited
Brock Gill – Senior Vice President, Operations, North America, Teck Resources Limited
Ian K. Anderson – Executive Vice President & Chief Commercial Officer, Teck Resources Limited
Amparo Cornejo – Chief Sustainability Officer, Teck Resources Limited
Karla Mills – Executive Vice President & Chief Project Development Officer, Teck Resources Limited
Crystal Prystai – Executive Vice President & Chief Financial Officer, Teck Resources Limited

Other Participants

Alexander Nicholas Hacking – Analyst, Citigroup Global Markets, Inc.
Carlos F. de Alba – Analyst, Morgan Stanley & Co. LLC
Timna Beth Tanners – Analyst, Wolfe Research LLC
Shane Nagle – Analyst, National Bank Financial, Inc.
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Brian MacArthur – Analyst, Raymond James Ltd.
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Adam David Low – Analyst, Guardian Capital LP
Craig Hutchison – Analyst, TD Securities, Inc.

MANAGEMENT DISCUSSION SECTION

H. Fraser Phillips, Senior Vice President-Investor Relations & Strategic Analysis, Teck Resources Limited

We're going to get started. We're all assembled. Good afternoon, everybody, and thanks for joining us very much in Vancouver for our Strategy Day. And then I think for most trip into Highland Valley tomorrow. I'm looking forward to the afternoon and, of course, being able to show you what's going on in Highland Valley tomorrow. First thing now we're going to do before we get started, I'd ask [ph] Mark (00:00:34) from the hotel to come up and give us a safety briefing.

Unverified Participant

Hi, everybody. I'm [ph] Mark (00:00:48), and I'm the security lead here at the Pan Pacific Hotel. I'm going to talk to you a little bit about health and safety for your day here. There are washrooms located just down the hallway on the other side of the wall. And if you take a right and exit the Oceanview suites, just keep to the right, there's also two more washrooms on the upper level here that you can use. In the event that we do have a fire alarm, I ask that please safely exit the suite. Follow the exit signs, they'll take you to the nearest fire exit, likely a stairwell.

The stairwell is going to bring you out to the street level. Just follow our staff's instructions and we'll direct you to the nearest assembly points. The assembly points are across the street at the waterfront center and also on the other opposite side at 88 Granville, and, yeah, our staff will direct you in those areas. If you do discover a fire, please call the nearest police station so that we can be alerted and come investigate. And then, just, yeah, we have trained medical staff. If anyone needs first aid, they can reach out to our staff and we can get somebody up to help.

And also, if you notice any suspicious people, you can also look by our staff, and we'll come up and check them out. Does anybody have any questions? No?

H. Fraser Phillips, Senior Vice President-Investor Relations & Strategic Analysis, Teck Resources Limited

No?

Unverified Participant

Okay. Thanks, guys.

H. Fraser Phillips, Senior Vice President-Investor Relations & Strategic Analysis, Teck Resources Limited

Great. Thanks, [ph] Mark (00:02:11). Okay. So, actually, according to me, there's one other thing I should do before we get started. I just want to check and make sure everybody's in the right room. So, if you're interested in hearing about a new energy transition metals company, then stay here with Teck Resources. If you want to work on your leadership skills, you have to go next door to Teck Canada. So, where are we? Next, if you can flip up, I'm going to do my duty here and point out the forward-looking statements. Just note that today's presentations contain forward-looking statements, and various risks and uncertainties may cause actual results to vary. Teck does not assume the obligation to update any forward-looking statements. Please refer to our caution regarding forward-looking statements slide for the assumptions underlying these statements.

In addition, we'll reference various non-GAAP measures throughout the call. Explanations and reconciliations are found in the latest MD&A and, of course, in part on the website. So with that, I just want to point out what we're going to get into this afternoon. Ever so briefly, we're going to start with Jonathan, and he's going to talk about growth and returns, disciplined growth and strong returns, which we've been executing on. From then, we're going to go into the operations with Shehzad, Dale Webb, and Brock Gill, and Jonathan will introduce the team later. I think most of you will not have met Dale before, but perhaps Brock because he was with us last year in Santiago.

And then, after that, commercial excellence with Ian Anderson and sustainability leadership with Amparo Cornejo. At that point then, we're going to do our first Q&A. So we've reserved half an hour. It may not be enough, but there is another opportunity at the end of the day. And then we'll have a break for 20 minutes and then get back into the next section, which looks at growth. And we're going to have Jonathan again and then Dale who's responsible for Latin American operations and the projects down there. And then Karla will talk about execution of these projects, which has been on everybody's mind, including our own. And then we'll end up with Crystal in resilience.

One thing I'd just note, we all have microphones, and the reason for that is this is being webcast. And so when it comes time for Q&A, we're going to do the – do that awkward dance handing your microphone if you'd use that when you ask your questions, everybody on the line can hear that would be great. And I think really that's all I have to say at this point.

So with that, Jonathan, I'll turn the podium over to you.

Jonathan Price, President, Chief Executive Officer & Director, Teck Resources Limited

Thanks, Fraser. Now, we're just going to get all of our speakers for this session up to the front, and we'll get underway. It's nice and close in here as we're all experiencing. All right. So, thank you all very much for being here today. Welcome to Vancouver for those of you in the room and welcome to those of you on the webcast. And thank you all for joining us.

As you've heard, we have a full agenda ahead of us. So I would like to start by reminding you of our strategy, and that strategy is delivering growth and creating value in a responsible and disciplined way. Teck has transformed its portfolio and completed a major shift to become a pure-play energy transition metals company. I firmly believe that in an increasingly complex world, we require a simple strategy to drive value.

As a leading global supplier of energy transition metals with an exceptionally strong financial position, we are uniquely placed to deliver significant value by balancing growth with shareholder returns. We are currently a top 10 copper producer operating in the Americas and the largest net zinc miner globally, with production from a premium portfolio of long life, high-quality assets in stable, well-understood jurisdictions.

And our strategy is built around four pillars. Our portfolio of high quality copper and zinc assets are well positioned to benefit from the significant secular trends that will drive materially higher demand for metals over the medium and long term. Our teams are focused on driving excellence in performance across our operations and projects, putting sustainability at the heart of everything we do. You will hear from them today and we'll get a sense of their commitment to value creation, reliability and discipline.

Through the rigorous management of our projects portfolio to balance risks and returns, we will optimize the development of low capital intensity growth options in attractive jurisdictions, thereby maximizing the value of our portfolio both in the near and medium term. And finally, operational and financial resilience enables us to pursue growth through the disciplined application of our capital allocation framework, which balances investment in accretive growth with returns to shareholders and the maintenance of a strong balance sheet through cycles.

Now, we are at the intersection of three significant secular trends that create attractive medium and long-term opportunities for our business and our shareholders. First, global economic growth driven by a growing world population and increasing urbanization which drives demand for more metals intensive infrastructure and technology. Second, the energy transition. As countries and industries race to decarbonize and transition towards net zero, the future of energy is electrification. And third, growth in the digital economy.

We have seen in the past couple of years the incredible speed of the development of AI and the corresponding need for associated infrastructure like data centers, which are among the fastest growing consumers of copper. Whether or not you believe in the speed of the roll-out, this technology is set to continue to grow. These secular tailwinds will underpin significant new demand for both copper and zinc. And when coupled with supply side constraints, this underlines the rationale for our strategic decision to focus on energy transition metals.

So, Teck is now entirely focused on providing metals that are essential to global developments in the energy transition. But over the past couple of years, we have completed several significant strategic actions to get to this point. Last year, we started to refocus our portfolio towards energy transition metals through the sale of our interest in Fort Hills, marking our exit from the oil sands business. At the same time, we made substantial progress on projects in our industry-leading copper growth pipeline and entered into a number of partnerships to help us advance and derisk those projects.

And this year, we completed construction at QB, which is the driver for our near-term growth. QB is a transformational Tier 1 asset for Teck with a long life competitive cost position and a resource capable of supporting multiple expansion opportunities. QB will be a cornerstone of our copper portfolio for decades to come. We also modernized our share structure with the introduction of a sunset for our Class A shares, reflecting our commitment to strong corporate governance and acting in the best interest of all shareholders.

And finally, we've completed the sale of our steelmaking coal business for value transforming Teck into a pure-play energy transition metals company. With the significant proceeds in hand, we've announced significant cash returns to shareholders and taken steps to ensure that Teck is strongly positioned to capitalize on the growing demand for copper. And we remain committed to balancing our growth with further cash returns to shareholders. We are now well positioned to create value for shareholders by balancing strong shareholder returns with a well-capitalized and extensive portfolio of copper growth projects.

Our portfolio comprises high-quality copper and zinc operations that extend across the Americas in well-understood and established mining jurisdictions in Canada, the US, Chile and Peru. It's important to note that three of our six operations are Tier 1, with QB having the potential to be a top five copper mine globally. The quality of these assets is evident in their strong profitability. With 70% of our group EBITDA expected to come from these Tier 1 assets in 2025 based on consensus estimates. The combination of scale and quality has positioned Teck as a top 10 copper producer in the Americas and amongst the largest lead, zinc miners globally.

And while scale is an important component of resilience, our strategy centers on value creation and cash generation, which demands excellence in operational performance and project delivery. We understand that to deliver growth and create value for shareholders, we must have a solid foundation of core excellence in operations and project delivery, coupled with continued commitment to sustainability that positions us as a leader in responsible mining.

The core excellence starts with our top priority of ensuring that everyone goes home safe and healthy every day. In our operations, we focus on achieving reliable, predictable performance to consistently deliver on our market commitments for volumes and costs. And in projects, we are building the capacity and capabilities needed to define the right projects and deliver them the right way.

Our commitment to driving safety, operations and projects performance will be underpinned by the right systems, effective processes, and most critically, our talented team. And doing this sustainably is core to who we are. Teck has prioritized sustainability for decades, both because we know that this is the right thing to do and because it strengthens our business and our resilience.

By building and maintaining trust with communities, indigenous groups and governments, we unlock new opportunities, advance permitting and create value that benefits everyone. Addressing and mitigating the impact of climate change and biodiversity loss provides long-term resilience for our operations and business.

We proudly hold the copper market and zinc market all Teck operated base metals operations, which is an industry-leading achievement that highlights our commitment to sustainability and transparency. There is a clear interconnectivity between operational excellence and sustainability, and when they work in tandem, we have a strong and trusted foundation to create value for all stakeholders.

Now, this chart shows the compelling growth trajectory that we are pursuing at Teck. Our strategy centers on value accretive growth of our energy transition metals business with a particular focus on our industry-leading copper growth pipeline while maintaining our globally significant zinc position.

With our QB operation ramping up, we are on track to double our copper production, expecting to increase copper production by around 100,000 tonnes next year alone. We also have an extremely robust copper development pipeline with multiple opportunities to further increase production in the near term, including QB optimization and debottlenecking, and our low capital intensity greenfield projects at Zafranal and San Nicolás. We have a clear path to increase copper production to approximately 800,000 tonnes per year before the end of this decade.

Beyond this, we have some of the best next-generation projects underpinned by world-class ore bodies, including Galore Creek and NuevaUnión. But this is not just about adding tonnes. It's about being disciplined in delivering projects that are value accretive. We are managing a well-balanced portfolio of options, optimizing for risk and returns, which when coupled with our disciplined capital allocation approach, will drive significant value in the near, medium and long term.

Now, our disciplined approach to copper growth is underpinned by that capital allocation framework. This rigorously applied framework guides our decisions, enabling us to prioritize the most value-enhancing opportunities. Through our strategic deployment of capital, we aim to balance value-accretive growth with cash returns to shareholders while maintaining a strong balance sheet through cycles.

Turning to our financial position. We have one of the strongest balance sheets in the sector, and we are in the enviable position of being net cash positive. Having paid down CAD 2.3 billion of debt this year so far, we have a net cash position of CAD 1.8 billion, ensuring copper growth projects are well funded.

Our leverage is conservative. And you can see from the chart on the right that our outstanding term notes are long dated. We aim to maintain a strong balance sheet consistent with our disciplined approach to capital allocation and are targeting a net debt to adjusted EBITDA ratio of 1 times through the cycle.

Going back to 2019, we have a committed track record of strong cash returns to shareholders with over CAD 5.3 billion returned during the period. We are currently in the market actively buying back our shares with more than CAD 900 million of stock repurchased so far this year and approximately CAD 2.3 billion remaining of our total authorized buyback program of CAD 3.25 billion. In addition, we have committed to returning between 30% and 100% of future annual available cash flows to shareholders. Put another way, if we look at value creation on a per share basis, we are simultaneously increasing production and cash flow, the numerator, while reducing shares outstanding through buybacks, the denominator, positioning us to drive substantial growth in our per share value.

It's clear to see that the market has recognized the strength of our strategy, our business and our commitment to balancing near-term growth with cash returns to shareholders, as evidenced by the increase in our valuation multiple, which is now in line with pure-play copper peers. Going forward, we will continue to take decisions consistent with an unwavering focus on maximizing shareholder value.

So to wrap up, I'm very excited about Teck's future as a leading global critical minerals company. Our deep portfolio of opportunities, coupled with the commitment of this team, positions us to responsibly deliver long-term value for our shareholders and stakeholders. As we kick off our Investor Day presentations, I would like to emphasize four key points that our speakers will reinforce today, each underscoring our strategic focus.

We have a strong portfolio of high-quality assets, including three Tier 1 operations in well-established mining jurisdictions, and our focus is on reliable operating performance across all assets. Our near-term value accretive copper growth pipeline characterized by low capital intensity development options sets a clear path to achieving 800,000 tonnes of production within the decade. We have returned CAD 5.3 billion to shareholders since 2019, and we currently have a further CAD 2.3 billion authorized for buybacks underscoring our ongoing commitment to return excess cash. And we have an industry-leading balance sheet with a net cash position that provides the resilience needed to create value through industry cycles.

So with that, I will introduce the members of our team who are presenting today. Shehzad Bharmal, our Chief Operating Officer, will focus on our operating strategy, which is fundamental to our ability to deliver core excellence. Brock Gill and Dale Webb, our Senior Vice Presidents for our North American and Latin American operations, respectively, will then discuss in more detail the focus of their operations in their respective portfolios. Ian Anderson, our Chief Commercial Officer, will explain how he drives commercial excellence through margin expansion through his commercial strategy. Amparo Cornejo, our Chief Sustainability Officer, will discuss the key sustainability focus areas, and how they drive value and create opportunities for our current and future operations.

And I could not mention that Amparo is the winner of the [ph] Northern Miner's Operator of the Year (00:19:42) award in recognition of her work to uphold the highest sustainability standards during the development of our QB2 project in Chile, yet another accolade to add to her already impressive collection.

Dale Webb will then return to provide a detailed overview of our near-term growth projects. Karla Mills, our Chief Product Development Officer, will then discuss how she has set up the projects division to drive successful execution of these and other projects. And finally, Crystal Prystai, our Chief Financial Officer, will round out the presentations by focusing on financial strategy and how this drives resilience in our business.

So, I will now hand over to our Chief Operating Officer, Shehzad.

Shehzad Bharmal, Executive Vice President & Chief Operating Officer, Teck Resources Limited

Thanks, Jonathan. It's great to see everyone here today, and we really look forward to hosting you all at Highland Valley tomorrow. It's going to be a great day tomorrow. So today, I'm going to focus on operational excellence and what we are doing to consistently deliver on our commitments. I will do this by providing an overview of our assets and our effort to continuously raise the bar.

Teck has an incredible portfolio of assets in well-understood jurisdictions, where we and our partners have executed projects and operated successfully for decades. We have three Tier 1 assets, as Jonathan mentioned, in our operating portfolio with Quebrada Blanca, Antamina and Red Dog, and all of our operating assets are in stable mining jurisdictions in the Americas. And to support our growth strategy, we have an unparalleled project pipeline with several well-advanced projects that are close to potential sanction decisions. We will highlight these in more detail a bit later and Dale will take the lead on that.

One aspect I want to highlight is our strength in working with partners in our operations and projects. We have formed strong and durable partnerships in many arrangements such as with NANA at Red Dog, which has proven to be incredibly successful for Teck, for the Inupiat people, and for the State of Alaska.

With Sumitomo Metals Mining and Sumitomo Corp at QB, with Glencore, BHP and Mitsubishi Corp at Antamina, and our growth portfolio includes partnerships with Agnico Eagle at San Nicolás, Mitsubishi Materials at Zafranal, Newmont at Galore Creek and NuevaUnión, and Glencore at NewRange.

This ability to work with multiple parties will play an important role in our future success. These arrangements are also becoming more common and that is because partnerships bring capability, country experience, and risk sharing that is increasingly important. The main message here is that constructively and collaboratively working with partners is a capability we have been building and with intention.

Coming back to our assets, the foundation is a quality of the resources in our portfolio and our deep understanding of these resources. Across copper and zinc and important secondary metals such as molybdenum, we have the resource base to deliver the energy transition metals across the short, medium and long term with clean concentrates that are sought after by smelters across the world.

I'll start by framing up operations as a whole and the work that is underway to ensure we make improvements in a structural and sustainable manner. In some areas of the business, our performance has fallen short, and we have not delivered on expectations. We are focused on addressing this and remain committed and confident that the changes that have been made are resulting in more consistent operations.

And of course, Quebrada Blanca remains a key focus of mine to ensure the ramp-up and subsequent optimization at QB is delivered. What we have built at QB is a robust design that will serve us well, and we continue to leverage the most out of this incredible orebody with its large resource, good grades, and very low strip ratio far into the future.

I want to emphasize that the work we are doing during this final stage of our ramp-up is very typical of any startup. We are optimizing our reagents, modifying certain operating parameters to get the last few percentage points of recovery, and making minor equipment improvements to increase uptime. These are improvements that are typical at any site. And important to note that QB is in the early part of its life. In addition to throughput and recovery at QB, we are targeting costs with a focus on reducing contractors that were required during the early stages of the ramp-up. Dale will walk through the details of the work to complete ramp-up and further optimization.

So, for the rest of this presentation, I will focus on three themes, health and safety. Protecting the health and safety of our people is the foundation of how we operate. I will review our performance and the important efforts to continue to improve with focus and with passion. On people and culture, reliable and sustained performance requires strong leadership along with processes and discipline that are deeply embedded in the culture.

And this is what I will discuss in this section. And an operating and cost discipline, this is where the rubber hits the road. We are doubling down at all sites to improve uptime. Our centralized maintenance team is providing expertise and working alongside teams to improve online time to reliability engineering, improved plant maintenance shutdown discipline and, of course, through the ongoing focus on planning and scheduling.

Targeted technology implementations such as autonomous haulage to improve fleet productivity and data analytics are also key parts of a strategy to achieve reliable operations and to reduce costs. I will review these in more detail shortly. So, beginning with health and safety, our performance continues to improve in both leading and lagging indicators. A total recordable injury frequency and high potential incident frequency are both reducing, with a 41% reduction in our recordable injury frequency over the last few years.

Despite these improvements, we have lost two of our colleagues over the last four years. And this increases our resolve to remain committed to elimination of fatalities and serious injuries. That is why we are focusing on the risks most likely to cause serious or fatal injuries and becomes a core part of our strategy. We continue to use every significant event and every fatal – potential fatal incident as a learning opportunity to ensure that we maintain our diligence. Our commitment is that everyone goes home safe and healthy every day. We have intentionally kept that simple so it remains front of mind for our people and they act to achieve that goal.

We have also recently done a complete refresh of a high potential risk control program and in the process of implementing these at our assets. The intent of the refresh is to instill a sense of continuous improvement culture and keep with best practices. You have heard about our Courageous Safety Leadership program previously, and that is the heart of safety as a value at Teck. It provides common language and sets expectations for all of our people. And right now we are implementing a fifth generation of this program to remind everyone why we can never compromise on safety and the behaviors required from each and every one of us.

Moving to people and culture. As has been noted, we have created a regional model in our operations. The regional model is specifically designed to leverage local context and expertise, where we have people who understand the needs of the business and are closely aligned with the sites to improve performance. The regions encompass both producing and growth assets, ensuring consistency of leadership, expectations and culture.

LatAm scope includes QB, Antamina and Carmen de Andacollo, and our growth projects, San Nicolás, Zafranal, and NuevaUnión. This region reports to Dale Webb, a Senior VP for Latin America. Now, Dale brings up 25 years of operating experience in mining and smelting. Most recently, he was the Co-CEO of Nyrstar, based in Australia. And nothing builds operating discipline more than running a low-margin smelting business. And prior to Nyrstar, Dale was with Teck and General Manager at Quebrada Blanca leach operations. And then he moved to General Manager for QB2 project during the design and permitting phases. Hence, he has a deep knowledge of the asset and a good experience of operating in Chile, both of which are extremely beneficial.

Our North American region includes Highland Valley, Red Dog, and Trail operations, along with Galore Creek, Schaft Creek, and NewRange assets. These report to Brock Gill who joined Teck in early 2023. Brock has over 20 years of mining experience and has worked with Ivanhoe for over a decade, holding executive positions at Oyu Tolgoi Phase 1 and then at Kamoa. Recently, he was at BHP for several years and responsible for the Jansen project. He has strong projects and operations experience.

And both of these regions are strongly supported by a technical and strategic planning team that we have recently consolidated under one organization. The operations excellence group also supports the regions and has the maintenance, improvement and data analytics teams. The expertise and horsepower of these groups are being applied to the areas that drive the most value, and they are currently focused on concentrator uptime and recovery at QB, as you would expect, and fleet productivity at Highland Valley and at QB. Dale and Brock will further discuss the scope of the efforts at sites so that we reliably and consistently deliver performance.

Let me walk you through our management operating system, which we have been implementing over the last few years. This brings operating discipline and improvement in planning routines together in an integrated way. We have been implementing the operating system over the last couple of years across the business. The Teck system is grounded in a performance mindset with clear and well-understood KPIs down to the operator level shift basis as well, and coupled with a rigorous process to monitor and address variances. The daily, weekly, monthly targets are set by an integrated planning team that focuses on the optimization of the entire site and not unit operations.

I'll use a very simple example that if a shovel goes down, what happens and how the trucks get allocated does not get decided by the mine supervisor and the mine superintendent so that they would meet the daily target for mine tonnes. In this case, the integrated planning team would address the variance and would work with the site supervision to allocate the trucks to the area that would maximize value for the site. Usually, the concentrator in this case and other functions as well, such as shipping and marketing.

Key elements of this approach include short interval controls that allow us to adapt to changing conditions and ruthless prioritization of decisions that enhance overall value. We are standardizing this process on how we operate at our sites, and a common ERP implementation will further standardize the methodology and the process.

Just taking Red Dog as an example, where over 2023 and 2024, we implemented this management operating system, and it has been a great success story, and the stable operational performance throughout 2024 demonstrates the value of this method. Red Dog has had a strong year with improved throughput, recovery and costs. QB is also well advanced. And actually, its operational readiness framework before startup was founded on this methodology, and the full value will be delivered as we reach steady state.

Highland Valley is well under journey and we are accelerating our efforts there given the recent performance. I have described the framework under which we work to improve production, reliability and make improvements. The details and the hard yards are being executed at sites with discipline and supported by the operational leadership team.

On the cost front, work continues to reduce contractors, improve labor effectiveness, and reduce consumables. We are also targeting meaningful supply chain efficiencies through improved contract terms and increased standardization. A few words on technology, Teck has a strong history and a proven track record of extracting maximum value from its technology implementations. Often, implementing technology is the easier part. And the harder parts are the people and system-related changes required to achieve the full benefits.

As an example for autonomous haulage, numerous changes are required by the shovel operator, by the dozer, loader, grader operators, by the supervisors, and by everyone else who is in that pit to make sure that the autonomous trucks are able to perform at their best. This is often much harder than said, because new habits have to be embedded throughout in the culture and the operating regime. This is what I mean by extracting value, then implementing the technology, and that is what Teck has always driven towards in its technology implementations.

QB and HVC, which you will see tomorrow, run autonomous fleets and are set up well for continuous improvements in mine productivity. Teck was the first miner to implement ShovelSense technology from MineSense, and this technology provides real-time great estimates to allow separation of ore and waste at a truckload level, so that we don't send lower grade waste to the mill or good grade ore to waste storage.

We used this technology at Highland Valley and at Carmen de Andacollo and currently trialing at QB. QB's integrated operating center, which many of you visited last year, is performing well and is the heart of the operating system for QB. And lastly, we have continued to improve and enhance our digital analytics capability and the machine learning models at our concentrator sites with good success. Within the context of ruthless prioritization that I mentioned earlier, we are focused on the technology implementations, the few that have the most impact and drive the most value, increasing safety, throughput and reducing costs.

Summarizing the plan to deliver improved and consistent results, safety is our core value, and we have unwavering commitment to make sure that everyone goes home safe and healthy every day. We have a strong portfolio of high-quality assets, we have significantly strengthened our leadership and operating teams, and with a proven operating model, we are making changes that will deliver predictable performance.

Thank you. I will now pass it over to Dale Webb, our SVP for LatAm.

Dale Webb, Senior Vice President-Operations, Latin America, Teck Resources Limited

Yeah. Thank you, Shehzad, and it is a pleasure being here today. I have recently rejoined Teck a few months ago, where I was previously the Co-CEO of Nyrstar. And prior to being with Nyrstar, I was with Teck over 20 years and my last 5 years at QB, both leading the operation and then joining the QB2 project. So, I know QB and Chile well.

I spend lots of time getting back up to speed, visiting the LatAm operations and project sites. I'm looking forward to fully moving over to Santiago with my family, actually tomorrow, to lead the team. This is truly exciting times at the company and the industry at large. And LatAm is very well positioned to support the business to deliver strong returns today through two Tier 1 assets in QB and Antamina and a low cost producer in CdA and strong mining regions in Latin America, both in Chile and in Peru.

But also through three near-term growth projects, we have fantastic potential to add significant value to the business in the short term at a time when there's not many options in the world today. I will take you through those opportunities in greater detail a bit later today. And then region is led by an experienced, diverse leadership team with solid experience from the QB2 project and the broader Teck and industry at large, committed to delivering returns we are expecting today.

The team brings deep experience working in the regions we operate, effectively working with their communities and key stakeholders. Amparo will share later in the presentation our industry-leading approach to sustainability at QB2, which we intend to continue through operations. And as Shehzad highlighted in his presentation, our priorities for the region are aligned. We will be a safe operation. Our teams are focused on our critical risks and being clear in our controls to ensure we manage them to make sure everyone goes home safe and healthy every day.

Our people, our leadership team has gone through changes in the past year, and we have a strong talent pipeline, whom are bringing energy and passion to deliver results and our operational reliability. I'll provide many examples to support delivering a reliable operation today, which we're all committed to. And these priorities are the foundation to deliver sustainable results as we move forward.

First of all, start with Quebrada Blanca. QB is a generational asset. Our mine plan today only takes into account less than 14% of the ore resources offering optionality for the future. It is an asset with low strip ratio across the life of mine and requires low sustaining capital. QB is a fantastic sight, having worked at QB for years, it is a remote site at altitude which creates a strong bond with our team, considering the more challenging operating circumstance. It is that unique culture that our team that demonstrates their commitment to deliver on performance.

Our safety record this year demonstrates that in a period of ramp-up with significant change and challenge, we've been able to reduce our high potential injury frequency rate by 50%, demonstrating strong focus, commitment and delivery. That is one example of many how the site is improving and provides confidence in delivering in other areas in the future. We have learned a lot from a ramp-up and our path to stability is clear. We have achieved design rates on the throughput and our focus is on consistency across the value chain. We're focused on improving our recovery and a detailed optimization plan is inflight already showing promising results.

And as we stabilize and increase production, our costs will improve. And overall, we expect QB to deliver significant value to the company going forward through lower costs, consistent grade profile, low sustainable capital, and low stripping ratio. The following is a video we want to highlight just to show various parts of the operation, because we'll be going through in a lot more detail in my presentation on the coming slides.

[Video Presentation] (00:41:40-00:43:57)

On a personal note, having been away for four years to come back and see this site is truly an impressive thing to see. It is absolutely fantastic. In the next few slides, I'll go through explaining a roadmap for achieving our goals. There are three elements to delivering performance at QB: throughput, availability, and recovery. The first element, QB is nearing achieving consistent design throughput rates. Recognizing we have not achieved our expectations on timing, we have taken the learnings that will be applied to future projects.

Within that, though, compared to other large mine start-ups, we are training ahead of the curve. Our performance is shown by the boxplot graph on the right, shows steady increase in the average rate and lower variability reflecting higher throughput and improved availability. Note the months with the large blue bars are planned shutdown months. Now that we are close to being stable, now is the time we can fine tune and drive margin. We have several initiatives inflight to support the ongoing improvement and then future growth of the operation.

First is implementation of asset reliability improvement initiatives or asset reliability improvements. Using the first year of operational data to better plan maintenance and implement miner reliability improvements, whether it'd be type of sensors, access to serving different pieces of equipment differently, things that just make the operation run smoother. Evaluation materials, selection for key equipment. Now that we've operated for extended period of time, this optimization can only be done after you've been operating to test different materials, to increase the life between shutdowns. This can include whether it be conveyor belt material or even SAG or ball mill liner materials.

And building upon Shehzad's presentation, continued implementation of our management operating system with their teams. QB operational design was based on this operating system. And as we exit ramp-up, continued focus and control in planning execution across the value chain will deliver sustainable, increased availability across the asset. So in summary, we are achieving the design rate, meaning the equipment can do it. The focus now is improving the value chain.

The third element on QB delivering performance is recovery, and this is an area we're working very hard to resolve. We recognize we have work to do to achieve our target recovery rates as compared to other start-ups. We are in the final stages of our optimization program. Within that, we are improving, as you can see with the boxplot increasing our percent recovery and achieving a reduction in variability. We have several initiatives inflight to support achieving our targets. It should be noted our improvement work is built upon HVC success on achieving high recovery [ph] in their circuit (00:46:48).

First, as the mine plan continues to [ph] involve (00:46:53), we will have more ability to blend transition ore and have consistent feed that we've already demonstrated high [ph] recoveries on (00:47:00). This year, in particular, HVC's experience in blending multiple pits will support our strategy for QB, which is a far simpler context. We are continuing to optimize reagent mix and adjusted our process chemistry by lowering pH, which also improves recovery. We are working and optimizing our grinding circuit to fully utilize the power that we have available to achieve the optimal grind to improve recovery without compromising throughput.

And lastly, we are in the middle of implementing Advanced Process Control to capture the learnings from all our work, so we can rapidly react and achieve operational [ph] consistency (00:47:35) using our systems. In summary, our work is showing improvements and that optimization program will continue into 2025. This will support having increased blending capabilities in the mine, leveraging that experience from HVC.

Another important factor to achieving higher performance, as we move forward, later this year and into next year, is access to higher grades. The mine plan sequence is in line with plant operation. So the mine sequence is behind the original plan, causing a delay in processing the higher grades. Our grade reconciliation, our block model, has shown a high level of accuracy in the grade of the material we mine versus our expectations. We do expect normal variation depending on our performance relative to the mine plan.

Of note, we resolved our localized geotechnical issue by installing a minor buttress in Q3 and are advancing our mine plan accordingly. We will continue to mine some transition ore in 2025. And as mentioned earlier, our ability to blend the ore will increases the mine growth. Overall, we are on track to release higher grades in the coming months and into 2025.

QB operation is a large integrated site, as we saw from the video. We have our operation of 4,200 meters including the mine with our autonomous haul fleet, our tailings facility, and our concentrator. We have our 165-kilometer pipeline taking concentrate from the site down to our concentrate filtration plant at the port.

We have our desalination plant, which pumps up water 165 kilometers back to the operating site. And all this is controlled by a remote controller in Santiago. What is important to recognize that each part of our process individually has achieved design performance. And, in fact, several aspects have already achieved higher than design, including the desal plant, our pipelines, and our tailings facility.

We have a robust design. Our focus is on proving reliability across the value chain and this gives us confidence in our performance going into 2025. We have recently upgraded our guidance, and I wanted to provide additional context to our guidance range and our confidence in delivering. The low end of the guidance is essentially where we are today with minor improvement to throughput and availability and maintaining our current recovery levels.

In other words, we're achieving this today. The midpoint of our guidance reflects a robust design and expectation and marginally improve on rate and availability to deliver near design throughput. Our recovery assumption primarily reflects increased mine blending options with ore as the mine expands next year. And these results we've already achieved this year with that type of material. Our high point reflects achieving designed throughput across the year and achieving improved recovery from mine blending and an outcome of the improvements from our flotation optimization work already inflight.

And lastly, the range really reflects our ongoing recovery work. The low point being where we are today and the high point reflecting increase mine blending and the outcomes of our optimization work inflight.

So to summarize our key focus areas, first, it's all stability. Increasing our recovery through improved mine ore blending and completing ore region optimizations. And secondly, it's through increasing our throughput rates and availability through asset reliability improvements and increasing the life capacity of our ore core, of course, ore stockpile through the use of mechanical means.

Our second focus is bringing our moly plant to full capacity. We prioritize our copper circuit first before starting the moly plant ramp up, which started a few months ago. In addition, as an outcome of stabilizing our copper circuit and all the optimization work, as this helps improve the stabilization of our moly plant and we're already seeing those improvements today.

We were successful to achieve on grade moly product within the first two months of ramp up. And we have demonstrated we have a robust design. Same as the copper circuit, all the core parts of the moly circuit have demonstrated design rates. The focus is ongoing or focus is overall consistency of operation.

The third part is value chain optimization. First, our mine operations is meeting the needs of the operations today. Our AHS fleet is continuing to improve meeting the requirements of the plant. Then it all comes together by continuing to advance our management operating system to ensure improvements are sustained, so they are repeated through standardized processes. That then will be used for the foundation for future optimization and debottlenecking, which I will cover off a bit later.

In summary, these three pillars will bring the operation to design, setting a sustainable future and foundation for future growth. And as QB operations continues to improve, the site will generate strong cash flows. QB has a robust design. And it's important to remember this is a long life ore body, and we have confidence that we will [ph] deliver (00:53:02) on our design to maximize it.

And as we stabilize the operation, our costs will go down and a stable operations will achieve higher efficiencies in operations and maintenance reducing their costs. And at the same time, we'll need less contract support to support the operation as we're no longer reacting to ramp-up situations. And when you consider QB as a low stripping ratio and low sustaining capital, QB will be very profitable going forward.

Following QB is another Tier 1 asset in Latin America, Antamina. The Teck is a 22% owner along with BHP, Glencore and Mitsubishi in a highly effective partnership. Antamina is one of the largest copper and zinc mines in the world, delivering consistent result year-on-year. It has a world-class deposit, producing copper, zinc, moly, and lead concentrates. As a result, it has a very low C1 costs due to its high grade and its byproduct credits.

And the site has a potential short- and long-term expansion further supporting this exciting asset. Antamina is the largest mine in Peru and one of the largest mines in the world. At the same time, it's one of the lowest cost producers in the world. It is a high-grade, high-throughput operation, and wholly owned all its infrastructure, including pipeline and port facilities.

It is truly impressive to see. And as an update on Antamina's life extension. Antamina received regulatory approval to extend the life of mine to 2036. This is a low-risk investment over the next eight years to optimize and to expand existing operation. This includes pit expansion, raising the tailings dam, an additional mine equipment and shop. Lastly, Antamina continues to work on a series alternatives on its longer term extension plans for past 2036. So, in summary, Antamina is a long life asset that will continue to deliver solid returns today and into the future.

The third asset in the LatAm portfolio is CdA, which is a smaller, efficient operation generating solid returns to the business. CdA's operational efficiency is driven large part by being very close to its community, quite literally and needing to be very effective on how it operates to deliver on its social license while meeting business requirements. It is that experience not only support strong results, but is also leverage to support QB and the broader organization by sharing work practice and personnel to accelerate learnings of improvements to other sites.

Below are a few examples of how CdA has improved its operation over the past year to improve its value generation and demonstrate that continuous improvement reducing costs its operation. The first aspect was to address water availability to the site during a period of severe drought in the region in order to operate at full production. We have successfully worked with our local community and the region to address our water requirements while supporting the community address theirs. And as a result, we have the water required to operate at full production moving forward.

The second aspect is an example of one of many improvement initiatives at CdA. This initiative is a low cost initiative about engaging our people differently. In this case, effectively engaging mine operators to understand their impact on reliability of mine equipment to reduce damage and improve performance. Examples being overloading trucks, timely reporting of issues, things that help operations know how they impact the business.

This initiative has been very successful, improving equipment performance by 5% and reducing costs by $2 million, a significant improvement for a small site. This initiative is now being rolled out at QB and is part of the overall program due to its cost at QB.

So, overall, we have exciting assets in LatAm that will and are generating excellent returns in stable mining jurisdictions. We have a clear roadmap for achieving design expectations at QB that will unlock significant value for the business. In addition, Antamina is a Tier 1 asset that will continue to deliver results year-on-year. And CdA will continue to provide solid returns while providing support to QB.

And to conclude as we started, our focus will be on being safe operations, developing our people, and executing on our operational improvement programs to achieve and deliver sustainable results today and into the future.

Now, I'll hand over to Brock Gill who leads the North American region, to whom I speak to almost daily to make sure we are aligned.

Brock Gill, Senior Vice President, Operations, North America, Teck Resources Limited

Thanks, Dale, and good afternoon. It's great to see everyone again, and I'm very much looking forward to introducing you to the HVC team tomorrow and showing you the asset.

Following Dale's lead, I will use a similar format tailored to the region with an emphasis on HVC. Tomorrow at site, the team will provide more detail on HVC, its history, and our operational focus areas.

I've been part of the team at Teck for roughly two years following a decade with Ivanhoe Mines as a Project Director at Oyu Tolgoi Phase 1 based in Mongolia, and Managing Director of Kamoa-Kakula based in the Congo, and then returning to my home province of Saskatchewan for seven years leading Jansen for BHP.

During my time at Teck, I've been focused on QB commissioning and the Red Dog mass implementation. I've been able to frequently visit all of our sites and most projects and have shifted to a complete focus on North America. It's an exciting time at Teck, and the team and I are committed to the creation of a future that builds upon a long history of an iconic Canadian company.

I'll start by framing up the North American region and the core team dedicated to asset performance. This is followed by an overview of the assets. Our North American assets are firmly on strategy for Teck, with a focus on energy transition metals. Our assets are Highland Valley Copper, which is located 350 kilometers north and east of us by road. HVC is a high throughput mine where we've demonstrated we can deliver consistent cash flow in a low grade environment. We've done this for 60 years.

Red Dog is well north of us and well north of most things being 160 kilometers north of the Arctic Circle. Red Dog is a Tier 1 mine with high grades and a long life. It has consistently performed for Teck, generating excellent cash flows in a particularly challenging environment. It's a truly phenomenal operation and hopefully will get you up there one day.

Rounding on our producing operations is Trail. Trail allows for vertical integration with Red Dog and creates optionality in the market. Trail has a 128-year history that is founded on innovation with several process [ph] patents (01:00:15). Our people at Trail possess expertise that we use across Teck to deliver additional margin, specifically in metallurgy and processing. These operations are cornerstone assets within Teck and provide a foundation for growth.

We have a strong understanding of these jurisdictions, our partners and the communities in which we operate. This understanding provides confidence in our development projects, which are HVC and Red Dog, as high certainty mine life extensions; Galore Creek and Schaft Creek as future Tier 1 copper assets, which establish us in the highly prospective Golden Triangle region in Northern British Columbia.

Now turning to how we drive value. As noted by Shehzad, we've recently moved to a regional model. The intent is a small team that works in service of the assets and is deeply familiar with the challenges and opportunities. The ability to operate and develop assets is based on the world-class team we have. The core group comprising three GMs and the functional heads have worked and lived in more than 15 countries across 6 continents in copper, zinc, coal, uranium, potash, gold and the oil sands. The team has a diverse range of experiences within Teck and other major producers.

In terms of how the team and I are looking at the North American portfolio, first, health and safety. 2024 has been a good year for us. Our total recordable injury frequency rate continues to improve, and in 2025, we will focus on leading indicators, fatality elimination, and a more structured approach to time in field. Second, people. Throughout 2024, we have made significant leadership changes, notably at HVC and Trail. This is creating energy, purpose and a new way of looking at value and risk. And third, performance. We relentlessly focused on delivering to our commitments of production and reducing operational variability. We are continuing to structurally reduce our cost base and our contracting approach, supply chain and use of consumables.

I'm spending significant amount of times at our operations to drive and support the team in these focus areas. This provides confidence in our ability to deliver for the balance of 2024 and into 2025. The intent of this next section is to take you through the operations and our commitment to improving performance.

Turning now to the first North American asset, Highland Valley Copper or HVC. HVC is Teck's longest operating mining asset and holds a special place within Teck. The passion and drive of the team will come across tomorrow. As someone that comes from a three-generation mining family, I feel at home during my visits to HVC, where people have deep pride and a sense of ownership and are very accustomed to the cold. And that has [ph] done us (01:03:12) in good stead over six decades and confidence in the next phase of development.

In short, we know this asset. HVC's success lies in its operational flexibility. This is created by multiple operating pits, allowing for blending and a tailored flow sheet to take advantage of the resource. With these characteristics in mind, we are fostering a culture of innovation to maximize the efficiency of the operation, and I'll talk through the efficiency gains we have extracted through autonomy, machine learning and [ph] our assorting (01:03:46). With this operational focus, we've been able to optimize the cost base of Highland Valley to achieve a low mining cost.

And finally, the future of the asset is being planned through a high certainty brownfield mine life extension founded on a history of successful implemented extensions. More to come on this shortly. You will see this slide and versions of it over the next two days. We use it to orientate ourselves to the site and also to contextualize the mine life extension. This photo illustrates the operational flexibility I've mentioned through the general arrangement of the site with multiple pits you'll see on the top of the slide, easy access to the plant, which is between those pits and nearby waste dumps.

This is complemented by a flow sheet that is tailored to the ore types, specifically variability of hardness between pits. This allows us to select ore types for the right crushing and milling circuit as we have SAG and AG mills in different configurations with their ball mills. The operations team, using the management operating system that Shehzad described, has developed variance and control mechanisms to make these decisions on an inter-shift basis.

And finally, I'd also like to mention our tailings facility. We have a world-class tailings facility that is regularly visited by competitors and industry associations. Some key points. We have extensive experience in dam raises and operational changes through 50 years of building this facility. Heavily instrumented to allow for real-time monitoring and it conforms to the global industry standard on tailings management with a AAA rating from the Mining Association of Canada.

And then moving on to what makes us successful. As I noted, HVC has a culture of innovation and continuous improvement. This has been created and fostered through targeted development and deployment of technologies, and we have been intentional in upskilling our workforce to use these technologies.

The following examples have demonstrated tangible increases to margin and will continue to provide value in the future, specifically for the mine life extension. First, autonomous haulage. We have implemented autonomy at HVC and some of you were at HVC in 2019 when we started on that journey. At that time, we had formed a partnership with CAT as both organizations were deploying it.

Access to these critical CAT resources has allowed for an iterative learning process. And this has allowed for faster and better improvements. We've taken this experience to Quebrada Blanca and the team from HVC was part of the mine operations readiness effort during the QB fleet startup. Our AHS experience and performance is such that we are planning to phase out the conventional fleet and become fully autonomous.

Secondly, we have built machine learning models at Highland Valley that are focused on recovery. Recovery is a key driver of value in which we excel and continue to improve. We built the machine learning models following the 2014 expansion, and our operators are familiar with both the equipment and that model. This has prevented model degradation and increased accuracy. During a site visit to the flotation circuit a few months ago, I witnessed the team's commitment to this accuracy as one of our operators corrected variances between model predictions and the physical environment.

Lastly, the next phase of technology deployment is at the phase where we're using MineSense or ShovelSense, so we can track ore from the phase to the plant and allow for better operational control. The team will talk to this tomorrow at site. All of what I've just discussed enables HVC to be one of the lowest mining cost operations in the Americas. This is made possible by first the resource. Our ore material properties allow for a coarser grind size and the ore floats well at this larger particle size. This reduces power draw, structurally reducing a key cost input.

Next, as mentioned, our AHS fleet has created operational efficiencies, and we will deliver additional margin as we transition to a fully autonomous fleet. We have multiple pit and crusher flexibility as I've mentioned, an experienced workforce with multi-generational employees, a history of continuous improvement and smart technology adoption. And finally, HVC benefits from excellent surrounding infrastructure in power, water, roads.

Looking forward to 2025 and fully bringing online the Lornex pit. HVC production increases as we return to the greater flexibility provided through multiple ore sources. There's a value unlock in Lornex across these value drivers, as noted by the arrows on this chart. High throughput drives increased copper production, the highest throughput has been consistently achieved when we blend Lornex ore, our grade increases.

The ore mix is the largest driver by far. Lornex ore is softer and the 2025 Lornex head grade is significantly higher than 2024. And for a bit of a closer look at this, the optimal place on the throughput recovery curve is different with the Lornex ore than with the Valley pit. So we push throughput ore recovery to achieve optimal copper production. And when processing Lornex, ball mills are the limitation, which results in a coarser grind size. This is the heart of the matter. And when this bottleneck moves from the SAG mills to the ball mills, we can coarsen up and push throughput. We will also see an increase in the moly head grade.

So in summary, we've demonstrated the key value drivers: increase throughput; higher head grade; a slight dip in recovery, which we will mitigate through pushing throughput; and an increase in molybdenum head grade.

And then turning to the resource itself, where it all starts. We've been mining in these deposits for decades with incremental pit pushbacks accessing wider and deeper parts of the porphyry. But it's the same system and we know what we're dealing with. As such, ore grade reconciliations are strong, and with our low cost structure, it allows us to be confident in running a copper equivalent cut-off grade as low as 0.1 to 0.15, depending on where in the pit ore is coming from, as recovery and ore hardness will also play into this calculation.

This copper equivalent includes an in-depth understanding of moly deportment, which is stronger along the outer zones, the periphery system. This knowledge gives us confidence in converting a significant amount of our resources to reserves in the near term as we finalize our detailed plans for the mine life extension.

And on that note, I'll take you through the mine life extension and I'll do this in four stages. First, I'll talk to our history of expansions. Secondly, an overview of the project. Next, a visual of the scope. And then finish with the ore and production figures. Later this afternoon, Karla will talk to the strategy and execution approach to the extension.

So, first, HVC has a history of brownfield expansions. And as you can see here, they've been successfully executed to budget and schedule. We have three extensions since 2006, and these expansions have delivered value. And our plan for the next phase is informed by this past experience.

MLE is a quality brownfield extension that extends our current operation with a low capital intensity due to the use of existing infrastructure. The scope includes an increase to the grinding circuit, additional fleet units, and an expanded tailings facility. Permitting is on track with regulatory and Indigenous engagement well underway, building upon and working to update agreements with local Indigenous Peoples. We submitted our environmental assessment in late 2023. The mine life extension will go through our capital allocation process, and this is scheduled for mid-2025. Assuming success, this is followed by a two-year construction period.

And to my third point, looking at a planned view of the site to illustrate the scope contemplated in the mine life extension. A brief summary of that is several upgrades to existing infrastructure, which allows for a lower capital intensity. The upgrades are in the concentrator. We're adding a SAG and a ball mill on the [ph] D line and some cells (01:12:09) in the flotation circuit. We're extending the tailing storage facility. And finally, we'll add to the fleet and expand the truck shop. Tomorrow at site, we'll bring this to life and have provided space and time in the tour to see parts of the expansion.

Into the fourth and final point. Ore feed continues to come from multiple ore sources taking advantage of our flow sheet and creating a foundation for operational stability. Our ore tonnes mined remain relatively consistent through the coming years and is at a rate we are currently delivering. The total CapEx for the mine life extension is CAD 1.8 billion to CAD 2 billion.

And in summary, we have a history of successful expansions, permitting is underway with the environmental assessments submitted with multiple ore sources that are key to operating stability at HVC, and we have an experienced project team and a Tier 1 service provider on board, giving us confidence in our ability to first execute and then operate.

Finally, Red Dog. Red Dog is a tier 1 asset and an incredible place to see. To put that in perspective, it is one of the world's largest zinc mines and the largest critical materials mine in the US. I was last on site three weeks ago for the close of the shipping season. We had a record September and we're able to successfully close the shipping season, demonstrating again that the Red Dog team has outstanding logistical capability and moves inbound and outbound freight and concentrate over the short summer shipping season.

With respect to operating performance, throughout 2024, we've seen a market improvement in operating stability at Red Dog with lowered variability and greater predictability. Red Dog's had a strong year with reliable performance. It continues to be an asset we can rely on for EBITDA generation.

We have recently lowered our cost guidance as the team has worked diligently through the year on supply chain costs and solid discipline in sustaining capital projects. The 2023, 2024 implementation of MOS at Red Dog has been a success story and the stable operational performance through 2024 demonstrates the method which is I'd spoke of.

That implementation continues and we've onboarded field leadership coaches to sustain and embed our practices. The coaches have become a core part of our team and are building an improvement culture that starts with our operators on the front line. Underlying all of this is our relationship with NANA, our long-term partner at Red Dog. We have an excellent and close working relationship with NANA that provides for the stability of the business. And at Red Dog, you can feel the Teck purpose of providing metals to the world while caring for the people, the communities in the land that we love.

And to complete this section on Red Dog, we'll take a closer look at the mine life extension. Similar to HVC, I will address both the scope and permitting. First to look at the figures. The mine life extension continues to benefit from high grades with an average zinc and lead grade of 18%. This adds 25 years to mine life and produces on average 400,000 tonnes per annum of zinc. Specialty minerals including germanium create additional value and further support our traditional strategy of focusing on the energy transition.

And next the scope. The expansion will use existing infrastructure, specifically the mill in the port. We have recently completed a scoping study and are moving into the pre-feasibility phase. We conducted surface drilling in 2024 and we'll do more in 2025 to continue to further understand the resource in the optimal general arrangement plan.

And finally permitting. We've already begun elements of the permitting process and our plans are well advanced. We have well-established and regular engagements with regulatory bodies in Alaska. The mine life extension lands are fully owned by Teck and are located on state mineral claims. We are engaging with NANA to update the operating agreement to reflect this next phase of mining. In summary, we are building confidence in the future based on the returns generated by a true Tier 1 asset.

Finally turning to Trail, in Trail, we have a polymetallic smelting and refining complex with a fertilizer plant composed of 6 operating business areas making 19 products. We have developed a remarkable product and flow sheet diversification. Examples of these products are fertilizer, sulfur products, specialty metals, such as germanium and indium, and industrial products. This allows us to convert 99% of all inputs into saleable products. The base load for Trail is zinc and lead, and the profit in future lie in other metals. This profitability and sustainability is tied to critical minerals and other metal products. This asset retains a place in our portfolio and remains core to our strategy.

And turning to that strategy. Later today, Ian, will talk to the quality of our concentrate and the benefits of vertical integration. The operations team works closely with the commercial team to extract maximum benefit at both Trail and at Red Dog. Trail is a very low carbon intensity, with 100% renewable energy coming from hydroelectric sources. Ian will also provide a case study on green zinc in more detail on this later today.

Additionally, we have a long history of battery cycling at Trail, and we're looking into the possibility of using that experience in the electric vehicle space. Our people are a source of strong, proven commercial and technical expertise that has benefited Teck.

And lastly, to finish on performance. Following the KIVCET shutdown earlier this year, we're seeing solid, stable performance. This will reduce our sustaining capital budget in 2025. Our current focus is cost enhancement through structural cost change. As an example, we continue to take advantage of our ability to sell excess power not needed for production and generate excess returns at the margin. As noted, we've recently made leadership changes, which is providing renewed focus in energy. And I have complete confidence in the team and the Trail's long history is an indication of a solid future. It positioned us firmly in the energy transition space. It is an avenue to greater production of critical minerals.

And at close, I'll thank you again for your time. We're looking forward to hosting you at HVC tomorrow. And to reiterate, the focus areas of myself and the team and our commitment for the North American portfolio are healthy and safety, 2024 as I said was a great year. In 2025, we're going to focus on our leading indicators and a structured approach to time in field. On our people, we've made significant leadership changes creating energy, purpose and a new way of looking at value and risk. And then on to performance, we're relentlessly focused on delivering to our commitments of production and cost.

So, again, thank you. I'm going to hand you over to Ian Anderson, our Chief Commercial Officer. Ian, over to you.

Ian K. Anderson, Executive Vice President & Chief Commercial Officer, Teck Resources Limited

Good afternoon, everyone, and thank you for coming. My presentation will describes Teck's approach to commercial excellence, in terms of margin optimization for products sold. We've chosen this focus area today because it's delivering real value now. So, how are we achieving optimized margins? We'd begin with our high-quality products and premium pricing. These are backed by carefully structured and regionally diverse sales book. Then, our well-established logistics chain ensures we deliver reliably. And finally, the value we extract is premised on high-quality customer relationships and our behavior in the market, both with existing customers and those that we are developing for our growing book. The presentation will take you through each of these elements and then conclude with a case study on our Trail special high-grade zinc product.

First, let's talk about copper concentrates. With QB production ramping up, Teck is a top 10 global copper concentrate marketer. And this is a significant milestone for us and highlights our growth trajectory in the industry. The products from our sites are very high quality. Notably, QB's concentrate is recognized as having very low or undetectable arsenic levels, as you can see from the graph on the top. It is very clean concentrate amidst the world of increasingly complex quality mine production. Such qualities, among others, facilitate the blending of QB concentrate, driving enhanced value and use, meaning that we match our product qualities with what the smelters need most.

The graph at the bottom shows all of our current copper contracts. The line at the bottom is the annual terms or benchmark. And you can see that in each case, we have achieved premia versus standard market terms, whether that be on treatment and refining charges, qualities or payables. And so, we structure our sales book to build in optionality, strategically placing tonnes to take advantage of premia, freight and logistics opportunities. We also maintain tonnage flexibility in our book, allowing us to place additional tonnes in the spot market when conditions are favorable. This adaptability helps us respond swiftly to market changes and to capitalize on opportunities. You can see this value in the premium pricing we achieve.

Let's turn now to zinc. Red Dog zinc is regarded among smelters as a stable flagship product, sourced from one of the lowest cost zinc mines, you can actually see on the graph that that's in the 35th percentile, that serves the seaborne market. Red Dog is also renowned for its high-grade concentrate, which is in the 80th percentile, as you can see on the graph on the bottom, with deleterious elements and a low carbon footprint. In zinc, we have a solid established customer base with contracts among traditional top tier smelters and, additionally, we're expanding our market presence in Asia, reflecting our influence in the global zinc market.

We pride ourselves on a deep understanding of our customers and optimally match to our customer requirements with our product offerings, including zinc concentrate from our joint venture mine, Antamina in Peru, which is a global top tier quality product, amongst the very highest. Red Dog is also the world's largest source of germanium for critical minerals, which is processed and marketed from our Trail smelter in British Columbia. And these unique attributes further enhance our zinc market value and market appeal.

So, our sales book is not dependent on a single geography. By balancing our mine production with customer requirements, we can optimally place our tonnes with Tier 1 customers across various regions. And this strategy provides three key advantages. The first is risk mitigation. So, we're not relying on a single market. We reduce our exposure to regional economic downturns and geopolitical instability.

The second is market flexibility. Our ability to adapt to changing market conditions allows us to capitalize on opportunities in different regions, maximizing our sales potential and, of course, margins. And the third is optimized logistics. By strategically placing our products, we can take advantage of favorable freight and logistics opportunities, reducing costs and improving delivery times.

Next, I'd like to focus on logistics, and this starts with our strategic port assets and contractual arrangements that ensure our transportation is both reliable and cost effective. As sole owners of and sole shippers out of QB's Port Patache, which is pictured here, we have exclusive control over this modern facility. And this exclusivity ensures cost efficiency, optionality, and a tight linkage with operations.

Next, we have Vancouver Wharves where, since 1991, we have contracted with a strategically-located terminal. We are Van Wharves' largest shipper, and our commercial arrangements include renewal options extending well beyond 2030, guaranteeing cost competitiveness. Our transportation modes are varied and include rail, truck services and ocean shipping. And in 2023, Teck chartered 116 ocean vessels, shipping approximately 2.36 million deadweight tonnes for our base metals business. We engage in a variety of commercial arrangements here to maximize value. Our marine providers offer reliable and emissions-efficient shipping solutions, including modern vessels, ESG pilots and low ESG arrangements. Together, these help us maintain a competitive edge.

Additionally, we are proud founders and members of the North Pacific Green Corridor Consortium, and this consortium includes global industry leaders from North America, Asia and Europe in rail, mining, shipping and customers, working together to decarbonize the value chain for commodities between North America and Asia. So, this unique and collaborative structure is both industry-driven, focused on realizing tangible commercial and emissions value, and extending beyond our mine sites through to end users.

Turning next then to customers. At the heart of our margin optimization is the relationships that we build with our metals customers. These are founded on exceptional service and on the quality that originates from our mining assets, where knowledge of customer requirements helps to unlock mine planning constraints. We optimize our logistics channels, meaning we have both delivery and destination options. Our alternate port arrangements for QB or the optionality we have for Red Dog volumes are both examples of how we drive reliability and certainty for our customers.

We have extensive market experience and technical capability that allows us to fully recognize and capture value. Our technical people are out there with the smelters on a consistent basis, understanding their needs, understanding how we can optimize, and then providing them with a differentiated product. And lastly, commercial has a culture of effective problem solving, which really sets it apart in the industry. We ensure that we can swiftly address any customer needs and concerns, and customers respect that we are there with them to resolve issues. And these factors combine to make us a highly reputable producer, and we have far more sales interest than our book can currently satisfy.

So, in summary, I've described our high-quality products, our balanced book, our logistics chain, and our strong customer relationships, but I wanted to finish with an example of how Teck's commercial excellence comes together in a finished product. And this is Trail's low carbon super high-grade zinc, pictured here.

So, we begin with low emissions concentrates sourced at Red Dog that are then moved through our logistics network and ultimately finished at Trail. The result is SHG, super high-grade zinc, with a 99.995% zinc purity. And that's the purest available that you have according to the relevant standard, which is EN 1179. As well as extraordinary purity, this is also an extremely low emissions product. It is in the lowest carbon intensity quartile globally and has one-third of the global average emissions.

But, of course, that does not complete the story. As Jonathan mentioned, all of our operations are externally certified to meet the Copper Mark, Zinc Mark and Moly Mark standards. And this particular product carries the Zinc Mark. Before finished metal is sold, we engage in extensive compliance and risk management and understand the environmental and social impacts of where our product will be used, conforming both to our internal material stewardship standards, but also externally with towards sustainable mining as a standard. We have yet to see a zinc product of this type that is comparable. It attracts green premia, and it's a great example of margin optimization at Teck.

And so, thank you for your time. With that, I'd like to hand back to Amparo.

Amparo Cornejo, Chief Sustainability Officer, Teck Resources Limited

Thank you, Ian, for the introduction. And good afternoon all of you. I'm very happy to see you all here. I would like to start by sharing how sustainability is fundamentally embedded into our strategy, bringing through discipline and value creation.

I think you all know that Teck has a comprehensive approach that includes best practices in sustainability with actions and plans in different operational and business aspects. But for the purpose of this presentation, I will refer to three critical aspects that are foundational to our view on sustainability. First, climate change. We recognize our unique position in the low carbon future as critical minerals producers. We are not just observers on the energy transition. We enable it. And we are also working towards net zero emissions.

Second, biodiversity. Our operations are frequently located in regions that are rich in minerals, but also rich in biodiversity. Mining directly impacts and it's dependent on ecosystems. At Teck, we recognize that to halt and reverse the current trend of nature loss, we must take decisive action. We were one of the first mining companies to make a nature positive commitment because we understand that our long-term viability and operational resilience depend on healthy ecosystems.

Third, relationship with communities and indigenous peoples. Just as natural systems thrive on interconnections, our business success relies on strong relationships. We've seen firsthand how deep community partnerships and indigenous relationships create business opportunities and reduce operational risk. So, we're being very disciplined in our approach in these three areas because we know how critical and important they are to obtain permits, negotiate partnerships, recruit top talent, access capital and effectively to drive value. By doing so, our leadership in sustainability has become a clear competitive advantage.

Let me show you how we are translating our strategy into concrete action and measurable progress. More than environmental or social targets, these are business enablers that directly support our growth and operational excellence. Starting with climate change. Our ambition is to achieve net zero greenhouse gas emissions by 2050 across operations. For that, we have established a strategy with short- and long-term goals for reducing emissions, and I want to share with you how we are getting there. At QB, we have contracted 100% of our energy requirements from renewable sources, putting us on track to achieve our Scope 2 net zero emissions by 2025. At HVC, we have been consuming renewable diesel with a positive operational performance.

Moving to biodiversity. In 2022, we became one of the first mining companies to commit to being nature positive by 2030. But here is the business case. Since 2020, we have conserved or rehabilitated almost 52,000 hectares following our 3:1 ratio principle, conserving 3 hectares for every 1 hectare affected by our mining activities. This proactive approach has proven invaluable in building trust with regulators and communities, often streamlining our permitting processes and reducing project delays.

Regarding communities and indigenous peoples, we are seeing tangible results from our engagement strategy. We have increased local employment and procurement opportunities significantly, as well as provided business development, capacity building and education and training for indigenous peoples.

Let's take a closer look to our work on these areas and how we have been progressing towards our goals. Starting with climate change. We remain committed to our strategy. As you have all seen, a core pillar to our strategy has been to focus our portfolio on supplying the resources needed for a low carbon future. The sale of our steelmaking coal business and our focus on copper growth exemplifies how we are delivering on this pillar by aligning with the value upside our transition metals – of transitions metals. We also continue to advance cost competitive initiatives to work towards our 2025, 2030 and 2050 operational reduction goals.

And the third element is the adaptation to climate change impacts. While we're well positioned with respect to transition risks and opportunities, we also recognize that we need to be resilient to the increasing frequency and severity of climate impacts. Towards that end, we are working to enhance the resilience of our operations by incorporating climate change scenarios into our project design and mine closure planning. We have maintained the same goals we had prior to the sale of our coal business unit, but we have adjusted them to our now metals-only business.

On the right part of this slide, you will see how we have restated our 2020 baseline carbon intensity from 2.7 tonnes of CO_2 per tonne of copper equivalent to 2.0 to reflect this change. This has resulted in lower carbon intensity value for our 2030 carbon reduction goal, though it remains 33% from a 2020 baseline. By achieving a 33% reduction in intensity, we anticipate that our absolute GHG emission in 2030 will be 1.01 million tonnes of CO2, which while comparable to our absolute emissions in 2020 includes significant production growth from QB2.

Our plan to achieve our 2030 goal considers the adoption of renewable energy in Chile as a key element. Power purchase agreements, PPAs, for CdA and QB allow us to provide nearly [ph] 1.88 million (01:36:33) tonnes of carbon emissions annually. These actions will position both CdA and QB to have carbon intensities within the first quartile of copper miners. And we are also looking at the use of biofuels to deliver the remaining emission reductions needed to achieve our goals. So, combined, we believe that biofuels and renewable electricity will help us to achieve our goal. That said, we also continue to assess and advance other cost-competitive solutions that could be implemented prior to 2030 if needed.

Key pillars in our sustainability strategy are biodiversity and the capacity of building strong relationships with communities and indigenous people, which in our view are deeply connected. Let me start by biodiversity. As you know, we were an early adopter. As I have already mentioned, we're working towards a nature positive future by 2030 compared to a 2020 baseline through conserving or rehabilitating at least 3 hectares for every 1 hectare affected by our mining activities.

Since setting this goal in 2022, we have actively shift 25% of our community investment portfolio to benefit biodiversity, as shown in this slide, and we have also played a leadership role in multi-stakeholder work to define mining's contribution to a nature positive future such as the recently launched ICMM nature commitments. We believe it is critical to quantitatively measure impacts to be able to address them appropriately and to make credible disclosures. We have applied a scientifically peer-review accounting methodology consistently across our operations to measure historic and predicted impacts on biodiversity and expected gains from rehabilitation.

Our main focus now is on our goal to have full biodiversity management plans for all sites by the end of 2025, including identification of potential offsets. To get there, we are being engaging extensively with local communities and indigenous peoples to understand their priorities for conservation and restoration in their local area. We are now at various stages of partnering in developing community prioritized high biodiversity value projects that will also meet our offsetting needs. The key early takeaway that we have is the positive shift we have already noticed in these relationships as we move into partnering to delivering projects that are priorities of the communities.

So, in addition to biodiversity, and I have explained that very extensively, building and maintaining relationships with local communities and indigenous peoples is essential to facilitating responsible mining and generating economic benefits, advancing reconciliation and improving community well-being. The foundation of our approach to working with indigenous peoples is recognizing and respecting their rights, and our commitment includes working to achieve and maintain the free, prior and informed consent.

Teck engages well beyond regulatory requirements as we seek to build strong, lasting relationships within the areas where we operate. Today, we have 102 active agreements with indigenous people in all the geographies where we operate, ranging from exploration to impact benefit agreements. We also aim to share economic benefits, including providing jobs, procurement or community center investments. There are different ways to measure the business value of this social investment, but I believe that a very concrete outcome of our work is the fact that, in 2023, we had zero significant social disputes at our operations.

Now, let me share with you our experience in QB, which in my view exemplifies how our sustainability strategy creates tangible business value. QB stands as the first mining operation in Chile's Tarapacá Region to operate with 100% desalinated seawater. And as I have mentioned, by 2025, we will power the entire operation with renewable electricity. These decisions reflect a straight foresight in one of the world's driest regions. Securing sustainable water access while preserving local freshwater resources gives us a clear operational advantage.

Our environmental initiatives showcase practical innovation. When we discovered Metharme lanata, which is an endangered local plant, along our planned infrastructure road, we adjusted our pipelines and high-voltage lines. We have also designated 80 hectares for little tern protection. These adjustments generated significant goodwill with local stakeholders and regulators.

Our approach to relationship building is what really sets us. 12 years before the first copper production, we were already in dialogue with local communities. Why? Because experience taught us that early, genuine engagement prevents costly delays that are common in our industry. Today, those 22 agreements with indigenous communities and fishermen unions are a proof that proactive partnership builds operational stability. In relation to cultural heritage, the way we approach and preserve the important archaeological discovery in our port area, which included mummified human remains, was recognized and valued by authorities and communities, demonstrating that mining activity can coexist and also contribute to cultural preservation.

And finally, as you know, diversity and inclusion are tremendous assets to any company's sustainability efforts. At QB, we are especially proud of our workforce composition. When a third of your employees are women in an industry that traditionally struggles with gender balance, especially in Chile, you are accessing a broader talent pool and a diverse perspectives that drive innovation. Add to this, that 42% local employment rate and in our network of 700 entrepreneurs and you are looking at an operation deeply interconnected with its community. All this work allowed the project to run without a single day of stoppage due to social issues, which is quite exceptional in our industry, particularly in Latin America.

QB demonstrates how sustainability leaderships translate into operational excellence. By getting these fundamentals right; water, power, biodiversity, cultural heritage, community relations and workforce development, we have created a model for sustainable resource development that delivers value to all stakeholders.

So, to wrap up, being a responsible producer is the right thing to do, and it's important to minimize our impact on people and environment, but it has increasingly become a critical competency and skill set needed to permit projects. We are convinced that a robust approach to sustainability is a key enabler to minimize project delays, reduce risk, strengthen operational resilience, build stakeholder trust, create growth opportunities and generate value for our shareholders.

Our focus on responsible mining enables our growth strategy. And as Jonathan mentioned in his initial words, we are putting sustainability at the heart of everything that we do to maintain and unlock value.

Thank you. And I will pass it back to Jonathan.

Jonathan Price, President, Chief Executive Officer & Director, Teck Resources Limited

All right. Thank you, Amparo. So, as demonstrated and as you've heard from the team, we are focused on reliable execution, driving consistent operational performance. We have a commercial strategy that provides opportunities for margin expansion, and sustainability, as you've heard from Amparo, enables our strategy for responsible growth and value creation.

So, now, we're going to go to our first of two Q&A sessions for this afternoon. Of course, we're going to focus now on the topics that we've just heard about from our presenters here at the table. We do have other members of the management team in the room as well. Of course, if necessary, they can answer questions also and, of course, you can spend time with them during the break and after the event today.

Our IR team are around the room with roving microphones. So, as ever, please raise your hand if you have a question and announce your name, please, and your firm for the benefit of those on the line. Thank you.

QUESTION AND ANSWER SECTION

<A – Jon Price – Teck Resources Limited>: Over here to start?

<Q – Alex Hacking – Citigroup Global Markets, Inc.>: Yeah. Thanks. Is it on? Okay. Yeah. Thanks. Alex Hacking from Citi. So, I'll just ask one question. You talked about partnerships earlier and the importance there. Could you maybe tell us how you're thinking about potential partnership between QB2 and Collahuasi? Thank you.

<A – Jon Price – Teck Resources Limited>: Yeah. Thanks, Alex. Thanks for the question. And as we said, partnerships are a fundamental part of the portfolio, something we use for de-risking projects and operations and bringing capability to the table in that regard.

Now, looking at the QB-Collahuasi opportunity here, now, the first priority for us, of course, is to finish the ramp-up of QB as we've communicated and the plan to do that through the balance of this year into 2025 and into 2026. Beyond that, we've identified these opportunities, what we call optimization and debottlenecking of that operation, which we believe can give us between 15% and 25% additional throughput at that facility. And as we've communicated today, we believe we can do that at a capital cost of around $100 million to $200 million attributable to Teck, because these are really just a whole number of minor improvement projects that we would be executing at the site.

The reason I start answering the question with that is because these are the things that will create the greatest value for Teck shareholders in the near term, and of course, our focus here is on the value we create for our shareholders. Now, we do recognize that there could be an opportunity to generate additional value through synergies that we can capture between QB and Collahuasi. And it would be fair to say that some work has been undertaken and is ongoing between the partners on either side of those JVs to better articulate and identify what the value proposition could be.

Now, it will take some time to complete that work, and should we identify a compelling value opportunity, it would take some time to put those arrangements in place. So, we will do that work, but we will do it in parallel to the work that is our first priority, which is ramping up QB, stabilizing that operation, and then working our way through the optimization and debottlenecking, again, all focused on what's in the best interest of creating value for Teck shareholders. Thanks, Alex.

<Q – Carlos de Alba – Morgan Stanley & Co. LLC>: Carlos Alba with Morgan Stanley. Thank you very much. Maybe, Brock, the ramp-up in production for HVC next year is quite substantial. What are the areas where you are probably focusing more or what are the areas where things could go wrong, I guess, given how important that jump is?

<A – Jon Price – Teck Resources Limited>: Yeah. Thanks for that question, Carlos. Brock, I'll hand that one over to you.

<A – Brock Gill – Teck Resources Limited>: Sorry. There we go. Sorry about that. Yeah. Thanks for the question. So, the ramp-up is based on, as you noted on the one slide, the change into the Lornex ore. The Lornex ore characteristics are softer and it has a higher grade. And then, the first one allows us to push throughput. And in terms of the throughput recovery curve, as I mentioned, it's kind of – it's an optimal point on that which gets us confidence in the production going forward. It continues to float very well at the same time. And so, that's what gives us confidence in the ability to ramp up to that number.

<Q – Timna Tanners – Wolfe Research LLC>: Thank you. Timna Tanners with Wolfe Research. You have obviously accomplished group of people in front of us, but you also have quite a few projects you're talking about doing at once. If we think about the four that you've identified within the copper growth initiatives, you've got the expansion at Highland Valley, you've got QB further iteration expansion, San Nic and Zafranal. So, how do you manage all those at once, or do you – what are the priorities and what are the time lines? Thank you.

<A – Jon Price – Teck Resources Limited>: So, I'll make a few high level comments on that now, Timna. We'll come back to that topic later in the next session when we hear a bit more about those greenfield projects, in particular, and we'll hear from Karla as well, who runs our Projects Group. But just to put those four projects into context here, the QB optimization and debottlenecking, as I've mentioned, really is a series of small site-based improvement projects with a very small capital expenditure associated. So, they are really minor improvement projects, which would largely be taken care of by those site-based teams.

Secondly, one of our greenfields, San Nicolás, will be a project that will be delivered by the San Nicolás joint venture. So, Teck won't be primarily delivering that project. The San Nicolás joint venture will have the project team and the necessary contractors to develop that. And in particular, with San Nicolás, of course, with Agnico Eagle, we benefit from their capability and experience of having delivered projects previously in Mexico.

So, the two projects therefore that remain to Teck's account are the HVC Mine Life Extension and Zafranal. HVC, as Brock's just described, is a brownfield project. It's a mine life extension at a site where we've undertaken many previous mine life extensions, and obviously, it's a site that we understand well. We consider that to be a low-risk project. The other project, of course, in the portfolio then the greenfield in Peru, Zafranal, where we have an 80% interest, Teck would be the lead for the delivery of that greenfield project. We will be the owner in that case.

So, I think that's just to provide a little bit of context that one is minor improvement, one is delivered by a joint venture company. There are two to Teck's account. One is a well understood brownfield and the second is the greenfield in Peru. But we'll unpack that further for you later in the afternoon.

<Q – Shane Nagle – National Bank Financial, Inc.>: Shane Nagle with National Bank. Just maybe a bigger strategic question going back to the sunset on the A Class shares. I remember in your defense of the Glencore takeover in your presentation, there was a lot of these initiatives coming online, kind of within that window. We've seen obviously some delays with the ramp-up at QB, maybe shifting more to an optimization instead of broader expansion. Do you get the sense that there may not be enough growth to entice those A Class shareholders to where the level maybe was expected when they signed on to that? And do you feel maybe at risk of a takeover or opportunistic party coming in as you deliver this growth?

<A – Jon Price – Teck Resources Limited>: Yeah. Thanks for the question, Shane. Look, I think we have a very compelling value proposition in front of us here at Teck. We will again be delivering year-over-year growth, quite significant, as we've shown on one of the charts today, around 100,000 tonnes of year-over-year copper growth as we go from 2024 into 2025, and then we have a pathway to 800,000 tonnes of annual production within the decade. And we do that through low capital intensity projects. So, the returns associated with that growth, and that's the critical point here, the returns associated with that growth will be very good.

Now, due to our balance sheet, while we deliver those growth projects, and we've spoken previously about setting aside the capital for those projects, we'll be able to continue buying back our shares. We authorized CAD 3.25 billion of buybacks this year. We've executed more than CAD 900 million of that authorization so far. We have another CAD 2.3 billion yet to go. And we are in the market every day actively buying back shares. So, as we continue to add growth through the top line year-over-year and we buy back shares on the bottom line, the value per share increment for our investors we believe is compelling and it's a compelling proposition.

<Q – Dalton Baretto – Canaccord Genuity Corp.>: Thanks. Maybe this one is for Ian. We've heard from a lot of your peers in terms of what they're doing to lock in some of these record low treatment charges over the next couple of years. Maybe can you talk a little bit about what you're doing to sort of secure what you can get on a go-forward basis?

<A – Jon Price – Teck Resources Limited>: So, Dalton, if you could just introduce yourself as Dalton...

[indiscernible] (01:55:22)

<Q – Dalton Baretto – Canaccord Genuity Corp.>: I'm sorry. Dalton Baretto, Canaccord Genuity.

<A – Jon Price – Teck Resources Limited>: Thank you very much. And that question is indeed for you, Ian.

<A – Ian Anderson – Teck Resources Limited>: Thank you very much, Dalton. Good to see you again. Yeah. So, in terms of the current conditions in the market, both zinc and copper, you are seeing extraordinarily low TCs. Those are unprecedented certainly in zinc. We've never seen record lows at this level. And copper, of course, they're very low as well. And we do get asked questions about survivability of smelters and the future condition of the industry. And of course, are actively involved in negotiations for both of those. Benchmarks will imminently conclude in copper, and then shortly after that, you'll move to zinc. So, commercially sensitive in terms of where we think we could end up for TCs.

And also, you look back to the market and you say, well, our smelter is in a condition now that they can survive even for 2025. And I think it's realistic to say that for some of those high cost smelters, this will be a very tough condition for them in 2025. Profitability is a serious question. So, as always, what we'll do with our book is we'll balance it. We'll make sure that it's a balance of both long-term contracts and short-term. Where there are spot options, we'll take advantage of those. But that said, we have ensured in 2025 already that we're locking in some of those low TCs. So, that has happened. Full volume, of course not, but that is occurring. So, we have done that.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Orest Wowkodaw with Scotiabank. A strategic question for you, Jonathan. As you weigh – you've outlined this multiyear growth platform in copper. I'm just wondering, like, you've given us some updated CapEx, but it's hard for us to understand what the actual returns or hurdle rates look like for things like Zafranal and Highland Valley extension. Can you maybe speak to what your internal hurdle rates thresholds are? And then, you pointed out earlier about your re-rating on your equity, how do you think about that with respect to, say, M&A versus using some of that currency now versus building on some of these greenfield projects, specifically Zafranal is where I really have no idea what that looks like from a return perspective, but even Highland Valley, I'm not sure what the returns look like?

<A – Jon Price – Teck Resources Limited>: Yeah. Thanks for the question, Orest. We will get into this in some more detail later in the afternoon when we talk about the value-driven growth. We have a portfolio of projects here and we're managing it as a portfolio with the right trade-offs of risk and return associated with these projects. If you look at something like a Highland Valley Copper, we consider that to be relatively low risk. It has a solid return, but not a spectacular return. Whereas, we look at something like a San Nicolás, there are higher risks involved in a greenfield in Mexico, of course, but the returns on that project are incredibly compelling, particularly on an equity basis for Teck shareholders.

To your question then on M&A, and we'll also talk about this a little later, capital intensity of the projects here that we have, particularly for Zafranal and San Nicolás, we believe, are particularly compelling. And if you compare that to other greenfield and even major brownfield expansions in the industry, these have low capital intensities. So, all else being equal, relatively high returns. And then, similarly, if we compare them to the intensities of acquisitions essentially in terms of what people are paying to buy copper units, which is part in to do with the trading value of the companies through which these are acquired, but also the premia that's required to be paid to be successful in an acquisition, again, we think that the projects that we have in the portfolio stack up well.

Every project, and Brock referred to this this morning in the context – this afternoon, sorry – in the context of HVC, has to go through our capital allocation framework. That means it's competing for capital with other options that we have in the portfolio. And we have to be able to demonstrate to our shareholders that we're going to have the right balance of risk and return that makes these projects good investments through their eyes. Because, of course, the alternative we have to continue to test this against is the buyback of our own shares, which is another use of immediate capital. So, we'll talk about that later, Orest, but hopefully, that somewhat frames the answer at least.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Could you share just what your threshold is for a hurdle rate for a project right now for greenfield?

<A – Jon Price – Teck Resources Limited>: Yeah. Look, we don't have a set publicized hurdle rate that we use to test all of our projects against. When we will sanction projects, of course, we will disclose the economics and disclose the returns associated with those. So, the market will be fully cited on the business case associated with the growth that we're delivering.

<Q – Brian MacArthur – Raymond James Ltd.>: Brian MacArthur, Raymond James. My question relates to Red Dog. You discussed the potential long extension there, but there's a clause in there talking about renegotiating with NANA. Can you just talk a little bit about that? There's a large graduated royalty there. Does that automatically reset? Do you have to renegotiate that? How does that actually work, do you get the credit capital because, again, over time, that gets larger and larger? Thanks.

<A – Jon Price – Teck Resources Limited>: Yeah. That's a great question, Brian. I'll get Shehzad just to provide a little bit of context on the current arrangement with NANA and the way that royalty works, but also as we go forward into these future life extensions, there is different ownership of land relative to the current mine, which has an implication to your question.

<A – Shehzad Bharmal – Teck Resources Limited>: So, as Brock mentioned that the royalty is part of the operating agreement that we had with NANA, which was really a landmark agreement. And as you know, currently it's at 40%. In that agreement, it was explicitly stated on what is NANA lands versus what is not NANA lands and state lands and different types of lands and the fact that the current royalty agreement that we – arrangement that we have would not apply to what is there on state lands. And – however, we are partners with them. We've been there for a long time. The mill infrastructure is going to be shared with them. So, that will require a different arrangement. But you should expect it to be significantly different, fundamentally different.

<Q – Brian MacArthur – Raymond James Ltd.>: Can I just follow up? Is there any ballpark [ph] cap on what (02:01:43) this might cost at the end of the day? I mean, you are using infrastructure, so it's more brownfield, but you got to move it a bit of a distance, things like that. Do you have any estimate at all?

<A – Shehzad Bharmal – Teck Resources Limited>: Yeah. I mean, as Brock mentioned, we are just moving from scoping into pre-feasibility. So, it's probably very, very early to kind of talk about CapEx numbers. Yeah.

<A – Jon Price – Teck Resources Limited>: I think the point on the relationship with NANA, I mean, that's been an incredibly important success factor for this mine for many, many years, and we'll look to have a very productive relationship with them going forward, treating all sides fairly in the negotiation that has to ensue here.

<Q – Lawson Winder – BofA Securities>: Thanks very much for the presentation today, everyone. Lawson Winder from Bank of America. I just wanted to ask on QB2 and, I mean, the issues you guys have been having with both throughput and availability. I mean, one theme that comes back is equipment reliability. And I mean, one way to address that, which is I think what you're doing is increased instrumentation, measuring and monitoring. But I mean, one other element of this is – I mean, it is an asset that was built during the pandemic and we've seen a number of assets that were built during the pandemic just have poorly installed equipment or poorly built equipment. Is there some way to think about how that might become a continued risk going forward?

<A – Jon Price – Teck Resources Limited>: I'll hand over to Dale on this one to give you some detail, but we've – as we've said, we believe that the construction of the plant is robust. This is a high-quality build and we have a high-quality asset with no fatal flaws that we're currently working around. We are in a phase of ramp-up, and therefore this is about optimization, process improvement and process control over and above anything else. But maybe, Dale, if you can provide some more color to the question.

<A – Dale Webb – Teck Resources Limited>: Sure. And just building upon my presentation, I think the main point here is we've already demonstrated the robustness of each component. So, that in itself gives us confidence as we go forward. The ramp-up phase, we have worked through some key issues, but those issues are being resolved. So, now we're at the smaller items that help us optimize our value chain. We're already seeing those improvements month in, month out. So, that's what gives us confidence. We have a strong design, which leads into much improved results as we move forward.

<Q – John Tumazos – John Tumazos Very Independent Research LLC>: John Tumazos, Very Independent Research. Thank you for the presentations as well. Trying to follow up on the return and risk questions. You have CAD 1 billion net cash, but you have CAD 1 billion finance expense Canadian annualized, too. You're not taking CAD 5 billion to repay the nonrecourse and Sumitomo advances that are high-cost money, something like 10%. So, clearly, you believe that your investments are going to have over a 10% riskless return, or else should be repaying the high-cost obligations. So, you're preserve – is it fair to assume you're going to hold that big pile of cash to make an acquisition, to make CapEx, to make buybacks? And why not risklessly pay down the high-cost debt? You never make a mistake paying down debt, right?

<A – Jon Price – Teck Resources Limited>: Yeah. Look, we've paid down significant debt this year already, $1.5 billion of debt predominantly through our term notes, but also the repayment of a loan local to our CdA Operation. We have approximately another $400 million or $500 million, and we're looking for opportunities to deploy that to debt reduction as well. Our balance sheet is already in very good shape. Our plan here is not to sit on a huge cash pile going forward. Of course, we've already committed to another CAD 2.3 billion of buybacks associated with the cash we had. We have and we've outlined today four projects into which we will deploy somewhere between $3.2 billion and $3.9 billion.

What we've said is that if we're generating cash from our operations over and above the needs of the business and consistent with our capital allocation framework, we would certainly say the balance sheet is where we want it to be, that is solid, and we have cash allocated to the projects in our portfolio that we believe will deliver returns to shareholders, that additional cash goes through the capital allocation framework where we return a minimum of 30%, but up to 100% to our shareholders. So, all else being equal, we hope to continue to return cash to our shareholders on an ongoing basis, while we deliver the growth projects that I've outlined.

<Q – Brian MacArthur – Raymond James Ltd.>: Brian MacArthur, Raymond James. Ian, I think this is for you, but just with all these TC/RCs and zinc being as tough as they are right now, Trail has had some natural advantages over the years, integrated with the lead smelter, you get a lot of other products that you can make some good money on. Is this going to be a relatively bigger competitive advantage in the world now because you're going to be able to go out and treat not only difficult concentrates, but also the fact that everybody else is having problems, you're actually going to be able to make more money on those by-products?

<A – Ian Anderson – Teck Resources Limited>: Yeah. I think it's a great question, Brian, and actually it's a subject that we're evaluating quite a bit right now in terms of the future of Trail and where that's positioned. And I think what you're certainly seeing, if you would look at Trail's product mostly being sold in North America, definitely leading up to the election, critical minerals have become a bipartisan issue. It's clear that both the length of time that it takes to permit access to critical minerals, the potential to build stockpiles, that's larger. And I think you can see that with the focus, for example, on germanium this year. Trail is well positioned there, whether it be germanium, whether it be antimony, products like that. And so, we do think it's part of the future. Whether it's a larger or smaller portion, I'm not sure, but certainly it's well positioned in North America. Great question.

<Q – Dalton Baretto – Canaccord Genuity Corp.>: Dalton Baretto from Canaccord Genuity again. Jonathan, I know you guys are going to touch on all the growth projects in the next part of this presentation, but I specifically wanted to ask about NuevaUnión and to a lesser extent, Galore Creek, because I'm going to assume you're not going to cover that in great detail. But just, given where the gold price is now, copper prices have moved as well, you've got a footprint in Chile, are you guys thinking differently about where NuevaUnión? Is Newmont thinking differently about it? Is there a way to maybe accelerate that? Because that's a much larger project. Just how are you thinking about both those projects?

<A – Jon Price – Teck Resources Limited>: Yeah. Look, I think we're treating both of them similarly at the moment. We recognize they both have world-class resources for some of the reasons you're articulating, including the coproducts right now, but in terms of scale and quality, grade, these are world-class resources.

I think for both ourselves and Newmont, especially given the acquisition that they're digesting, they both come through in the next generation of projects for both companies right now. And we have strong alignment around that point. You know, I've articulated and we've articulated today the priority projects that we have in the pipeline for the next few years. Newmont similarly has a pretty full pipeline in the years ahead. I think for either of us, it would be difficult to swallow another major project in the time we have. In addition to that, though, we do need to do the work to optimize and get to the right project in both cases and then put in place the plan to execute on that project in the right way.

So, I think we've said that this is a project for beyond this generation that puts it early in the new decade. That's consistent for both Galore and NuevaUnión. And we'll continue to work on optimizing for those projects. But as you say, they're significantly bigger than the likes of Zafranal and San Nicolás and will require significant capital and also considerable capability and focus to get those done well.

H. Fraser Phillips, Senior Vice President-Investor Relations & Strategic Analysis, Teck Resources Limited

Jonathan, maybe we seem to be pushing into the projects in terms of Q&A. We've got lots of time for that, but perhaps we should go to break now a little early, come back after 20 minutes and do those presentations so we're in a better position to answer these questions. So, a 20-minute break, we'll come back at 3:25 and get into the growth.

[Break] (02:10:45-02:34:00)

Jonathan Price, President, Chief Executive Officer & Director, Teck Resources Limited

So, welcome back. It looks like we've locked everybody in. So, we can continue with the next elements of our strategy for this afternoon, which are value-driven growth and resilience. Now, as we previously highlighted, we have a world-class portfolio of assets, including three Tier 1 assets; QB, Antamina and Red Dog. But we're now going to shift gears to discuss our value-accretive near-term growth projects, provide an update on our progress, and highlight how these projects will position us as a top 10 global producer before the end of the decade.

Now, as I discussed earlier, over the last decade, we've taken strategic actions to sharpen our focus on developing copper assets. As a result, we have developed and de-risked a strong pipeline of copper growth projects in established mining jurisdictions. Today, we will focus on our near-term growth projects, but it's important to note that we also have a well-developed pipeline of longer-dated copper growth projects such that we can drive growth across the short, medium and long term.

So, now, focusing on near-term value-accretive growth. As I mentioned earlier, we have a clear path to increase copper production to approximately 800,000 tonnes per year before the end of this decade. With our QB operation ramping up, we're on track to double our copper production, aiming to increase production by roughly 1,000 tonnes – 100,000 tonnes next year alone. We also have an extremely strong copper development pipeline in the near term, including QB optimization and debottlenecking Zafranal and San Nicolás. And I'll say it again, we are focused on being disciplined about delivering projects that are value-accretive.

Here, we lay out a high level comparison of QB's mine and infrastructure in the top panel in contrast to the more geographically accessible and simplified infrastructure scopes at Zafranal and San Nicolás, shown in the bottom two panels. The QB panel provides a point of reference to compare the moderate scope of Zafranal and the smaller scale of San Nicolás across key dimensions. For example, Zafranal requires a significantly shorter water pipeline while San Nicolás benefits from an in-pit water supply. Both Zafranal and San Nicolás can leverage existing third-party port facilities and do not require desalination plants. And altitude is another significant difference with QB situated above 4,000 meters, Zafranal reaching 2,800 meters at its highest point and San Nicolás closer to 2,000 meters.

As Karla will talk to you later, with near-term projects that are simpler and lower risk in terms of their complexity and scope, we increase our confidence in our ability to deliver on the project outcomes, generating strong returns and cash flows. As we consider our near-term growth projects, we manage a well-balanced portfolio of projects with regards to the risk-return trade-off. This matrix shows a relative view of our returns by project, set against the overall risk profile of each project, which goes beyond project delivery risk to include risks such as country-specific factors.

As you would expect, our greenfields Zafranal and San Nicolás projects are slightly higher risk compared to our brownfield projects, but generate high returns. These returns are further enhanced when we de-risk projects by bringing in strategic financial and operational partners, as in the case of San Nicolás. And our QB optimization debottlenecking presents the highest potential return due to the incredibly low capital intensity, coupled with much lower associated risk. Altogether, we are managing a well-balanced portfolio, optimizing for risk and return, which will enable us to create significant value in the near term.

Now, we have a strong balance sheet and expect to generate strong operating cash flows in the future, which means our near-term projects are well funded. We have a significantly de-risked projects by advancing permitting, leveraging lessons learned, and reducing complexity and scope to define the optimal pathway for each project. We have also brought in experienced financial and operational partners to ensure we generate strong returns and enhance our capabilities to deliver these projects successfully.

Turning now to the capital ranges. Highland Valley, a 100% owned operation here in BC, has an indicative capital requirement for its mine life extension currently estimated at $1.3 billion to $1.4 billion. At Zafranal, where we hold an 80% ownership with Mitsubishi Materials as our 20% partner, our attributable capital requirement is estimated at $1.5 billion to $1.8 billion.

At San Nicolás, our 50/50 joint venture partner, Agnico Eagle, bought into the project for an up-front $580 million with further capital shared equally. This brings our indicative attributable capital investment at San Nicolás to between $300 million and $500 million. Agnico also brings Mexican regional experience and local project development capability, significantly increasing the bench strength for project delivery.

Turning to QB. Our focus on maximizing value from the existing operation has led us to move away from a near-term major expansion, previously what we described as the QB Mill Expansion, towards incremental capital-light growth opportunities that could yield significant volume increases, potentially equivalent to the production of a smaller mine. As we complete the ramp-up and optimize QB, we'll gain a clearer understanding of the incremental projects and associated capital needed to fully debottleneck the operation.

We are currently developing a capital estimate for optimization and debottlenecking phases, which we anticipate to have incredibly low capital intensity based on capital spend of $0.1 billion to $0.2 billion. In total, our indicative attributable capital requirement for these projects is estimated to be between $3.2 billion and $3.9 billion, a relatively low capital requirement for the incremental copper growth and value we will generate.

Now, we are confident that our near-term growth projects provide the best value creation opportunity for our shareholders. The chart on the left illustrates the relatively low scope and capital intensity of around $10,000 to $16,000 per tonne for San Nicolás and $14,000 to $16,000 per tonne for Zafranal based on current indicative capital ranges, positioning us at the low end of the capital intensity scale for projects. And we anticipate QB optimization and debottlenecking will be at the far left of this chart, reflecting the minimal additional capital required.

The right-hand side of the slide highlights the intense competition for copper assets with acquisitions in the copper sector typically commanding a premium and cost per tonne of copper acquired far exceeding those of building projects of the sort we have in our near-term pipeline. This is why we are confident that our near-term copper growth projects provide the best value creation opportunity for our shareholders.

So, to summarize, we have a clear pathway to increase copper production to 800,000 tonnes before the end of the decade. Our near-term projects have reduced scope, complexity and low relative capital intensity, making them manageable and efficient for a sustainable growth.

Together with our revised project execution strategy, this balanced risk-reward profile strengthens our confidence in achieving our copper growth objectives. These copper growth projects provide well-funded value-accretive growth with an estimated capital requirement of $3.2 billion to $3.9 billion, resulting in low capital intensity and an excellent value creation opportunity for shareholders.

In a moment, I'll hand over to Dale, who will talk to the specifics of our near-term growth projects; followed by Karla who will detail her revised project execution strategy, but before Dale starts, I'd like to take a moment to recognize the significant impact Karla has made since stepping into her leadership role as Head of the Projects Group at Teck.

Many of you will recall that at our last Investor and Analyst Day in Santiago, there were questions about QB's CapEx and our ability to meet the revised guidance of $8.6 billion to $8.8 billion. Less than a year later, we've reached a critical milestone with the successful demobilization of QB, completing the port, molybdenum plant and all remaining facilities while closing out our major contracts within our revised cost and time line targets.

Karla's disciplined, rigorous and uncompromising approach to de-risking and project execution exemplifies the new performance standard we expect across our entire project portfolio. I have full confidence in Karla's ability to deliver, and her leadership is precisely what's needed to drive our copper growth strategy forward.

With that, over to Dale.

Dale Webb, Senior Vice President-Operations, Latin America, Teck Resources Limited

Thank you, Jonathan. And I'm excited to be here again to share with you our near-term growth program. Our program provides significant growth potential through a mix of brownfield improvements and near-ready low-capital-intensive projects that will deliver a step change in copper production.

Building upon our review of QB operations, we know there is excess capacity from the asset from previous expansion studies. Increasing capacity at QB through optimization debottlenecking, it's the lowest capital intensity to opportunity to increase copper production in the industry today, potentially increasing up to 25% production in the next three to five years. Our Zafranal asset has very competitive capital intensity with rapid payback in the first few years due to its initial higher grades. This asset is in a strong mining region and is well-supported by government and surrounding infrastructure.

Our San Nicolás asset is a solid project with lower capital intensity. It is a 50/50 joint venture with Agnico Eagle, who provide in-country experience to support project development and thereafter the operation. It is also in a strong mining region in Mexico, close to people, infrastructure and resources. Overall, very exciting opportunities as we are already progressing in QB and targeting to potentially sanction by the end of 2025 are Zafranal and San Nicolás projects.

Starting with QB. I covered QB's road map for achieving stability and ramp-up to nameplate operation earlier today. The next step is increasing QB's capacity through disciplined approach, building upon that stable operation. We know there's excess capacity from the asset from our previous expansion studies, and the first step is optimization. This starts when stability is achieved across the value chain, then targeting a 5% to 15% increase in production.

From an optimization perspective, we have a robust design, as we reviewed it already, demonstrating its ability to operate above design at certain times in certain areas for short periods of time. We expect to transition to optimization in the second half of 2025 and into 2026. In parallel, once you're stable and once you're optimized, it will become clear what areas of the operation we need to debottleneck with minor capital to achieve a further increase of up to 15% production. And that capacity will be leveraging our expected max plant capacity before major capital is required. This will require a minor permit that we plan on submitting by the end of the first half of 2025. And lastly, we have started work on what is the next evolution of QB beyond just debottlenecking. This analysis is considering multiple options to significantly increase QB capacity, recognizing the generational mineral endowment of the asset.

Plant optimization builds upon the work to stabilize the operation, and we've already achieved increased capacity for short periods of time. No additional permits are required to achieve this increase. And more specifically, optimization works looks to optimize the power availability in our

SAG mills. We have approximately 15% additional power available that can be used to improve rate and recovery. Other work includes an installation of smaller redundancies such as small pumps, valves or instrumentation to provide additional flexibility and control. None of these elements require major capital, and they capture operational learnings to provide flexibility to their operation to improve online time.

Asset reliability improvements will continue from stabilization. Minor modifications to equipment to facilitate maintenance and improving shutdown maintenance practices to reduce time are one of a few of examples. And lastly, throughput increases will be focused on improving our filtration and clarifier operation through additional operational controls, building upon our performance today. And as we stabilize and start optimizing, it will become clear what aspects of the asset will require debottlenecking to achieve up to 15% increase. This increase will require a minor permit, which we plan to submit by the end of the first half of 2025, to achieve that increase.

Now, defining the debottlenecking projects is dependent on the demonstrated maximum capacity of each component through optimization work, and there is the real focus on maximizing the additional power available from our SAG mills. Examples of potential minor capital work would include installation of additional ball addition system to separate our ball mill and SAG mill ball addition systems, upgrade to conveyor belt rollers to facilitate rapid replacement, improving our feed chute design to increase the life of the component as well as improving the distribution of ore inside our coarse ore stockpile to improve its life capacity.

And as you ramp up rates, we will review the potential need for the addition of two flotation cells, Jameson Cells, which you would add at the end of our flotation circuit. Because, as you ramp up your rate, your retention time in your circuit decreases, thus your recovery would decrease. We have successfully installed these types of cells during a debottlenecking program at Red Dog and have achieved the improved recovery as a result. Our pipelines, our tailing facility and desalination facility all today show the capacity to meet this increase.

So, in summary, we have low capital options to debottleneck the operation. We need more operational time to confirm where improvements are required, which allows for efficient use of capital.

Now, Teck has a history of successfully debottlenecking our operations through targeted investments and improving operational performance. At HVC, we added a new flotation plant and then made improvements to our grinding circuit, achieving that step change in performance. In Antamina, the site was quickly able to increase production through optimization and then had another step change to a debottlenecking program through the addition of a SAG line and other equipment. At Red Dog, we have completed several debottlenecking programs in their flotation and grinding circuits, each time achieving a step change improvement in production.

In summary, we have the expertise within the company to complete debottlenecking plans and defining the improvement pipeline to achieve a step change in performance. We have successfully demonstrated that ability in the past with the assets we have, and this will be applied to QB.

Now, QB is a generational asset. The current mine plan only uses less than 14% of the defined resource. This provides an opportunity to expand and create life extensions. An EIA will be required to support expansion and extension plans. And this work has started. We are reviewing opportunities to expand our current tailings facility, and we're reviewing a second location which we studied to a pre-feasibility level previously. This is a significant advantage to any future expansion, though, as we have already have our tailings optionality identified.

The resource itself has expansion potential through multiple pushbacks. And with that, we're considering various options on capital-efficient approach to expand the operation under different configurations. And part of that analysis is to consider what technology options such as coarse particle flotation would add, and we've initiated testing to evaluate their potential. So, overall, we have the potential to increase copper production by over 500,000 tonnes per year.

And building upon that expansion discussion, we continue to advance the knowledge of the asset, increasing the reserves and resources to over 10 billion tonnes over the past 10 years. We have good knowledge of the ore body, giving us confidence for planning for the future. The ore body continues to have a low strip ratio throughout the multiple expansions, which is unique for this type of material. And we continue to advance further exploration. So, overall, it goes without saying, there's significant potential in the ore body to support multiple expansions.

Now, pivoting from QB, we are very excited about two near-term growth projects starting with Zafranal. A few key points on the asset. Teck is the operator of the asset with 80% ownership with the Mitsubishi Materials owning the other 20%. It is a long-life asset with mine life extension opportunities in a well-known mining jurisdiction near Arequipa, Peru, with many other mining majors operating in the region. It's a quality investment with attractive front-end grade profile that allows for rapid payback. It will be in the mid cost curve operation with a competitive capital intensity. And the current operational design mirrors successful other midsized operations. And we have strong support from Peruvian regulators and we've engaged all community stakeholders over the past 10 years.

The following is a summary of the site location and is close to well-constructed infrastructure. The mine is at 2,400 meters and it will be a conventional open pit operation. The mill will be a nominal 65,000 tonnes per day capacity, connected by a 3.5 kilometer tunnel to the mine. The tailings will be a sand dam constructed near the concentrator.

And having recently been to site, when you stand at site, you can appreciate the natural benefits of the site and how it'll all come together. When you stand at the future pit, I have to admit, the first thing I noticed was not being at a few thousand meters lower than QB. One can also appreciate the natural gradient or the concentrator and tailings where it'll be located. It supports the natural flow of material between the different tanks and as well as the tailings dam itself. And the land area is already quite open, which makes it that much easier to get started. So, overall, it's quite a bit simpler than QB.

Further, a sustainable water source will be pumped to the site following the main access road. Power will be fed from Arequipa. And concentrate will be trucked along the main Peruvian highways to a local port that is already being used by other major mining companies. And lastly, the closest communities are 25 kilometers away from the mine site, and we have very positive local community support.

The Zafranal ore body will support a standard open pit layout. The ore body moves from a high-grade supergene deposit to a low-grade hypogene deposit. The recovery model has accounted for the supergene deposit by treating the first three years, and the learnings from QB will only support achieving that recovery target. There's high confidence in the ore body with a high reserve focus in preparation for sanction and operation. And lastly, there's growth potential to be evaluated further.

And for Zafranal's path to value, we have our environmental permit and have started detailed engineering and detailed planning for potential advanced works. Work in progress incorporating the approach Karla will outline shortly includes updating the Class 3 estimate, developing a detailed execution plan, finishing permit requirements and all land acquisition, ultimately looking to have the project ready for a potential sanction decision by the end of next year.

So, in summary, this is an excellent near-term growth opportunity. It provides for a rapid payback considering the initial grade profile and is a well-known deposit. It will be in the second quartile of cash costs and it will have a clean copper gold concentrate with substantial gold value of life of mine. And we will be ready to execute when not many other projects are ready to execute more broadly.

Pivoting from Zafranal, our San Nicolás Project is also very exciting. This asset is a unique and high-quality midsized base metal asset with a high average copper and zinc grades with low capital intensity. A few key points. Teck is a 50% owner with Agnico Eagle who have in-country experience and have a $500 million earn-in into the project. It has a 15-year mine life in a well-known mining jurisdiction near Zacatecas, Mexico, with excellent access to well-developed infrastructure and resources to support construction and operations. It will have a first quartile C1 cash costs and competitive capital intensity. It will produce copper and zinc concentrate with silver and gold payables. And overall, we have positive, well-established community engagement. So, this is a project with significant potential.

The following is a summary of the site and the infrastructure of the project – or infrastructure. First, when you compare it to QB2, the first thing you notice driving the site is not – you're not just driving on one, but you have two national highways to visit the site on. Two, you have multiple options to fly to the area with three international airports within an hour from the site. The site itself is flat, compact, and has a small footprint. We have set up a viewing posting, which is near the open pit mine, where it will be, where you can actually see the pit, the tailings facility and the concentrator. And all this is completely different to QB2 where there is a large distance between facilities and general infrastructure like highways and airports. And then there is less altitude as well.

The operation will be a conventional open pit mine. The mill will be 20,000 tonnes per day, producing copper and zinc. Water will be sourced from pit dewatering. And we're currently evaluating various power options. The tailings facility is a simpler design than QB2. And we have strong support from local communities. So, overall, a compact site for construction and operations.

And similar to Zafranal, it is a well-known deposit with a 15-year life. This deposit supports a standard mining approach. And we also have a clear understanding of copper and zinc deportment to support operational and commercial planning.

For the San Nicolás path to value, we're in the process of getting our environmental permit. We have completed our land acquisitions and are completing our feasibility study and execution strategy to be completed by the first half of next year. And ultimately, looking to have the project ready for a potential sanction decision by the end of next year.

In summary, this is an excellent opportunity from several perspectives. It will a have a first quartile cash cost and competitive capital intensity. It will have high zinc production in the first five years and have excellent project returns due to high-grade mineralization. And in addition, the Agnico Eagle partnership through their $500 million earn-in and then 50/50 funding for subsequent capital reduces Teck's near-term funding requirements and enhances returns while leveraging Agnico Eagle's in-country experience.

So, in summary, we have several exciting near-term growth opportunities. QB through optimization and debottlenecking is the lowest capital intensity opportunity to increase copper production in the industry. Zafranal is capitally competitive and has a rapid payback due to high-grade ore in the first few years of operation. And the San Nicolás project is quite capitally competitive with attractive economics, enhanced and de-risked with the partnership with Agnico Eagle. Now, Crystal will review our investment criteria later in the presentation, but overall, we will take a disciplined approach recognizing these fantastic near-term opportunities.

And now, I'll hand over to Karla Mills, who leads our project delivery, who will explain how we will successfully deliver our near-term projects.

Karla Mills, Executive Vice President & Chief Project Development Officer, Teck Resources Limited

Thanks, Dale. And good afternoon, everyone. I'm grateful for the opportunity to talk to you about the advancements and the improvements that we've made on the way we deliver our projects. I plan to cover two key topics. First, our established industry standard best practices for project delivery, specifically in the areas of governance and assurance, study development, execution, control and risk, and people and culture. Second, I'll highlight how we've strengthened the rigor and discipline in applying these practices, incorporating key insights from our QB independent review and lessons learned across our project portfolio.

We know that well-developed and consistently implemented governance and assurance processes are fundamental to successful project delivery. This requires balancing unique aspects of each individual project with standardized governance and assurance frameworks. It takes time and discipline during early study phases to determine the optimal project cost, project scope and schedule, along with the execution strategy to deliver an investment case that results in the greatest value proposition.

But setting up a project for success is only the beginning of successful project delivery, and we have certainly gained a greater appreciation for controlling execution through accurate forecasting, using real-time data analytics and comprehensive safety and risk management processes. These are key to delivering on the investment value identified during those study phases. And of course, we recognize that at the heart of a successful project – sorry – we recognize that the heart of a successful project execution is our people, and taking the time to create a culture of collaboration and transparency is critical to enable our talent to perform at their best.

Teck is focused on accelerating development of our growth projects reliably, predictably and transparently. And we've learned that ingraining high levels of rigor and discipline in the application of our established structures around governance and assurance, study development, execution control and risk management and people and culture is critical to our continued success.

So, let's start with our governance and assurance framework. Our enhanced model now incorporates a stage-gated approach with clear roles and responsibilities and expectations at each phase. At every gate, we assess whether to advance the project, confirming that the investment value drivers are met, the expected efforts are achieved, and risks are adequately identified and mitigated. Teck's capital allocation framework guides our decisions on project execution and timing, while our updated project standard ensures rigorous discipline throughout that process.

According to the project standard, all major projects must pass through our stage-gate process and undergo an independent review before moving forward. If a project doesn't meet expectations, the Investment Committee will either halt it or keep it in its current phase until all the necessary work is complete. Recently, a small capital project presented to the Investment Committee was denied entry into pre-feasibility. This was a result of unmet requirements. It was directed to reevaluate its stage-gate criteria and collaborate with Project Assurance to address these gaps. This example clearly demonstrates our increased discipline in action.

Study development brings together experts from projects, from operations, from finance, sustainability and safety, ensuring a balanced approach to finding the best path to value. Our study teams leverage their experience to challenge assumptions and perform conceptual benchmark analyses. Each cross-disciplinary – early cross-disciplinary engagement helps us assess technical feasibility and key trade-offs, enabling us to optimize capital expenditure and maximize returns with a focus on prioritizing projects that strengthen our portfolio.

Like many projects, there is often a natural tendency for teams to become emotionally invested. While this drives teams to pursue the most optimal project outcome, it can also lead to a protective mindset over their work. To address this, we've shifted our approach in study development, emphasizing an owner's mindset with a focus on taking accountability for outcomes, for identifying improvements to the business case and prioritizing sustainable value-driven decision making. In the end, if after the effort is applied, the business case suggests the project shouldn't be prioritized within our portfolio, it can still be considered a successful outcome of the project team.

Our job as the projects team is to do exceptional work, analyze all options and provide the data. This approach empowers portfolio reviews through clear data and scenario analyses, allowing our project team to support Teck in allocating capital effectively to drive our corporate strategy.

Execution, control and risk management is the area where we've made the greatest improvements. My personal expectations for performance in this area is high. It's fundamental to strong project delivery and is an absolute nonnegotiable. Historically, Teck relied heavily on EPCM service providers with limited in-house systems and tools, which made achieving a single source of truth for decision-making challenging. Additionally, we didn't invest enough time during study phases to fully optimize for project execution strategies.

In 2024, we've dedicated time to address this by developing tailored, thoughtful execution strategies and collaborating with service providers and contractors who share our culture, share our approach and share our definition of success. We've implemented industry-leading systems in support of projects in end-to-end project planning and project execution, integrated these systems, provide a single source of truth and near real-time data to support our decision making. Early planning also lets us explore things like off-site fabrication, increasing optionality to reduce cost, risk and time by bringing the work to the talent, instead of the talent to the work. Altogether, these efforts have significantly expanded our capacity to identify risks early and engage in a more proactive mitigation planning approach.

And anyone who knows me knows that this is my favorite topic. The combination of people and culture is truly the magic ingredient that ensures all of our structures, our systems, processes and tools are working together to drive success. We are fortunate to have a team of over 250 highly-skilled project professionals who bring a wealth of experience from projects across the world. They've worked on projects of varying scales, in diverse cultures, with different execution strategies, adding rich layers of expertise to our team. To meet the demands of our project portfolio, we have made great strides in securing world-class talent. Our advantage lies not only in our attractive project portfolio, but also in being an employer of choice. This gives us the ability to attract the best people.

Through our experience, we've learned the importance of fostering the right project culture. When I assumed responsibility for the QB2 Project in late last November, amongst the first things we did was drive a strong, focused and intentional shift in culture that supported the improved trajectory of the project. Our primary focus was deeply embedding an owner's mindset, leveraging our values of transparency, accountability, empowerment and empowerment of the team and prioritizing collaboration and early warning.

A very simple example that I can offer is our cost, scope and schedule alert. It was established using the basis of our safety system. Similar to when a safety incident occurs, there's an immediate notification issued broadly when an unexpected cost, schedule or scope change occurs and an alert is issued. This is a no-blame process intended to share the issue early even if all the answers aren't quite known. By doing so, we emphasize the preservation of the investment and we enable the broader brain of the company to solve the problem such that the investment case isn't eroded.

In QB2, we had this play out at the port. Our talented pre-commissioning leader alerted leadership broadly of a possible multi-week delay in first shipment because of a quality issue. There was a broad lean in to support the team and to remove any barriers. In the end, the potential schedule delay was prevented and the time line for first shipment was maintained.

On my subsequent visit to the port, I had a conversation with that pre-commissioning leader and the entire project leadership team about the experience. I commended them all for bringing the risk to our attention and for prioritizing getting to the solution. It was a great moment where we all reinforced our commitment to high performance and to first shipment, a clear example of an owner's mindset taking accountability, proactively addressing issues, and being resourceful and collaborative in solutioning.

So, I explained our enhanced project delivery model in general terms and how we've been applying key learnings to supplement and enhance our existing frameworks and structures. So, now what I'll do is talk about how we leverage this model in the execution of our near-term projects. For each of the four priority projects, I'll talk about a key item that's being focused on to ensure that we continue with our success.

So, let's start with the QB optimization and debottlenecking project. Although we are focused on key items in all four areas, critical to this project is the study development. The study development will focus on a phased approach, starting with the optimization and debottlenecking, to be completed prior to another expansion. The focus will be on long-term value creation and integrating the work plan with the permitting strategies. The team's mandate is to identify least cost investment opportunities that unlock the full potential of this facility.

If we move on to the Highland Valley Copper Mine Life Extension Project, this project relies on establishing clear execution strategies based on embedded digital systems and structured key performance indices that have been established for continuous performance monitoring. A Tier 1 service provider, as Brock mentioned, has been engaged, and the project team is focused on mitigating risks and identifying value creation opportunities by bringing in contractors to participate in our approach to construction and the execution strategy development. The strategy includes a significant focus on safety and sustainability through design and utilizing modularization strategies to reduce site labor and mitigate impacts of construction at the operating facility.

Continuing on with our Zafranal asset, here, we've prioritized the focus on people and culture. In fact, we've taken key leaders from the team that successfully changed the trajectory of QB2 and implemented a culture of performance, transparency and empowerment, and moved them to Peru to lead this priority project. Having worked in various locations including Peru, this team understands and appreciates the nuances of construction in various regions and jurisdictions and embedding this understanding into the execution strategy, and we are partnering with local service providers and world-class experts to ensure successful delivery.

And finally, our San Nicolás Copper-Zinc Project. As Jonathan and Dale both mentioned, Teck has selected a partner in this 50/50 joint venture with strong experience in Mexico. In order to ensure collective success, we have prioritized establishing a structured and transparent governance process to support shareholder alignment and advancement of the project through the stage-gates. Structured and consistent governance and assurance will ensure alignment is maintained, we leverage the capabilities and offerings both partner organizations have, and we maintain pace in execution.

Just want to close my presentation back on this slide. I've appreciated the opportunity to share an enhanced approach to project delivery and how we will deliver on our commitment to continuous improvement. As you've seen, we are keenly focused on accelerating development of our growth projects reliably, predictably and transparently, leveraging a strong foundation of governance and assurance, study development, execution, control and risk management, and people and culture. We are well positioned for the execution of our exciting portfolio of near-term projects, delivering value to Teck, our shareholders, our people and the communities we influence.

I will now hand over to Crystal Prystai, our CFO.

Crystal Prystai, Executive Vice President & Chief Financial Officer, Teck Resources Limited

Thank you, Karla. Good afternoon, everyone. It's great to see all of you here in Vancouver. When we consider resilience, we think about financial and operational stability and demonstrating a disciplined approach to growth and long-term value creation through market cycles. This is anchored in a disciplined financial strategy and a strong financial position.

To continue to deliver value for shareholders and sustain our resilience, we're focused on four pillars, each of which I'll speak to in more detail. First, maintaining our very strong balance sheet. Second, driving EBITDA and cash flow generation. Third, a disciplined capital allocation. And continuing to balance returns to shareholders with value accretive growth.

A strong financial position is at the core of our resilience. We've done significant work to position our balance sheet as one of the strongest in the sector. Since the close of the EVR transaction on July 11th, we've made significant progress in the deployment of the $7.3 billion of transaction proceeds to the balance sheet and to shareholders. Overall, we strengthened our balance sheet, and we were in a net cash position of CAD 1.8 billion as at September 30.

We have reduced our debt by $1.5 billion since July, including a cash tender offer for $1.4 billion of our outstanding term notes, repayment of $120 million short-term loans at Carmen de Andacollo and open market repurchases of a further $9 million of term notes. Combined with our semiannual repayment on the QB2 Project financing facility, we've reduced debt by over CAD 2.3 billion this year. We have no term note maturities until 2030, and in the near term, we will continue to deleverage as the project finance facility at QB amortizes including a semiannual repayment in December of this year.

We continue to assess other debt reduction opportunities and we have approximately $400 million of the proceeds of the steelmaking coal sale earmarked to reduce debt further. The quality of our balance sheet, along with confidence in our business outlook and a focus on lowering our financing costs, resulted in us reducing the size of our sustainability-linked revolving credit facility by $1 billion to $3 billion, and this facility matures in October of 2029.

As part of our disciplined financial strategy, we maintain an average leverage target of 1 times net debt to adjusted EBITDA through the cycle. And this leverage target will be negative in the short term as our cash balance is higher from the proceeds and will gradually increase as we deploy cash to shareholder returns and value-accretive growth. Our resilient balance sheet, further supported by ongoing deleveraging, positions us very well to execute on our value-accretive copper growth strategy.

Coupled with our strong balance sheet, our portfolio of operating assets is expected to generate significant EBITDA and operating cash flow across a range of commodity prices. At 2026 consensus pricing, our base of existing copper operations, excluding QB, could generate CAD 2.9 billion of EBITDA. With QB at full production and with the benefit of molybdenum by-product credits, we expect to generate a further CAD 2.2 billion of EBITDA. And our Tier 1 zinc assets will contribute an additional CAD 0.8 billion of EBITDA, resulting in total potential EBITDA from our operations of CAD 5.9 billion at consensus prices.

Our portfolio remains resilient in a low-price scenario and provides significant upside to higher commodity prices. Our conversion of EBITDA to operating cash flow remains robust with the potential to deliver on CAD 4.7 billion of operating cash flow at consensus prices. Our strong cash flow conversion is underpinned by our low near-term effective cash tax rate, particularly at QB, where we don't expect to be subject to cash income taxes in the near term.

We are committed to a disciplined approach to costs across our business. You've heard from Brock, Dale and Shehzad earlier on cost discipline at our operations and the initiatives they are taking to optimize our cost base and increase productivity across our operations, all of which is critically important for our unit cost profile. Ian and our commercial team are focused on continued margin improvement through our commercial excellence strategy, and they continue to optimize supply chain and procurement strategies.

Our new business structure, which supports our shift to a pure-play energy transitions metal – metals company, simplifies our organizational structure, and we are optimizing our cost structure to deliver on our value creation strategy. We will provide further guidance on our unit costs and on our expected go-forward corporate costs as part of our normal guidance in January.

We will continue to follow our disciplined capital allocation framework. When we consider the sanctioning of our development projects, each of them will have to compete for capital by proving they can generate strong returns against other uses of capital. We have confidence in the execution of our projects, as Karla outlined earlier, with a more disciplined approach, which will ensure our projects deliver the level of returns both we and our shareholders require. And we will continue to adhere to this framework, ensuring we strike the right balance between value-accretive growth and returns to shareholders. Should we generate cash in excess of our needs, we would consider the deployment of that capital, including to further returns to shareholders, as our capital allocation framework indicates.

Since 2019, we've returned CAD 5.3 billion to shareholders with CAD 1.8 billion of dividends and over CAD 3.4 billion of share buybacks, all while maintaining our investment in the construction of our QB Project. In 2024, so far, we have returned over CAD 1.3 billion, including CAD 928 million in buybacks through the end of October, and we have more to complete, with over CAD 2.3 billion earmarked for share buybacks, which we expect to execute over the next 12 to 18 months, subject to regulatory approval to renew our normal course issuer bid. This is in addition to our commitment to return between 30% to 100% of our future available cash flows to shareholders via our capital allocation framework. And we've shown we can strike a balance between returns to shareholders and growth as we've continued to return significant cash to shareholders while building QB2.

With the proceeds from the sale of our steelmaking coal business, our near-term copper growth projects are well funded, and we have low stay-in-business capital requirements. As Jonathan outlined, we expect to deploy between $3.2 billion and $3.9 billion over the next four years to bring our near-term growth projects of San Nicolás and Zafranal online, while also executing on the mine life extension at Highland Valley and debottlenecking at QB. The project capital attributable to these growth projects remains unsanctioned and uncommitted, and we will continue to be disciplined in our assessment and progression of these projects to ensure value-accretive growth.

Our sustaining capital and capitalized stripping requirements from our existing operations, including QB, remain stable at between CAD 1 billion to CAD 1.2 billion annually. And we continue to invest between CAD 400 million to CAD 600 million annually to advance our pipeline of copper growth projects and the possible mine life extension at Red Dog.

Earlier today, Jonathan outlined the attractiveness of our lower capital intensity near-term projects and Dale talked to the financial returns expected on these projects. These projects are also expected to contribute meaningfully towards our EBITDA generation potential. At consensus copper prices, we see a pathway to generate over CAD 7.5 billion of EBITDA from our operations by the end of the decade.

The impact of our strategy to balance copper growth and returns to shareholders is highlighted in the illustrative accretive growth potential on our per share metrics. With QB continuing to ramp up in 2024 and considering our current share count following the significant share buybacks completed so far this year, we could increase our copper production per share by 45% to 55% compared to last year.

As we stabilize QB at full production by 2026 and complete the remaining CAD 2.3 billion of authorized share buybacks, our copper production per share could increase by a further 40% to 45%. As we bring our near-term copper growth projects online, our copper production per share could increase substantially. And this does not consider any further potential share buybacks that could be authorized under our capital allocation framework as a result of the strong cash flow generation potential of our business, which would further improve our copper production per share. Overall, through the end of the decade, our copper production per share has the potential to increase exponentially.

Once again, our resilience is underpinned by one of the strongest balance sheets in the sector. We are in a net cash position of CAD 1.8 billion. Robust EBITDA and cash flow generation from operations through the cycle further supports our resilience. At the same time, we remain focused on cost discipline, both operationally and at the corporate level, to maximize our margins and ensure that our cost base is optimized to deliver our value creation strategy.

We continue to follow our disciplined capital allocation framework, which guides our decision making. We will be disciplined in our investment decisions to ensure we can deliver lower capital intensity projects that are value-accretive. And we will continue to balance this growth with returns to shareholders with significant cash returns since 2019 and CAD 2.3 billion of authorized buybacks remaining.

And as I mentioned, should we generate cash in excess of our needs, we would consider the deployment of that capital, including to further returns to shareholders as our capital allocation framework indicates. Our value-accretive growth, combined with our significant share buybacks, has the potential to increase our copper production per share exponentially by the end of the decade, demonstrating our ability to deliver significant shareholder value.

Thank you very much. I'll now hand it back over to Jonathan for closing remarks.

Jonathan Price, President, Chief Executive Officer & Director, Teck Resources Limited

Thank you, Crystal. I'm just going to invite Ian and Shehzad to join us up here as well for this final Q&A session. As you've heard from the team, we do have a pipeline of near-term growth projects, giving us a path to increase our copper production to around 800,000 tonnes per year before the end of the decade. And we do have an enviable balance sheet, and that sets us up both to deliver on this growth and continue to return cash to shareholders.

So, with that, I will open the floor to Q&A. Same process as last time, please.

QUESTION AND ANSWER SECTION

<Q – Alex Hacking – Citigroup Global Markets, Inc.>: Yeah. Alex Hacking from Citi. I guess a question for Karla. How do you find the right balance between appropriate rigor and controls and excess bureaucracy where committees are reviewing committees? And just to play devil's advocate, the best operators in mining tend to have a bit more of a decentralized decision-making process. Thanks.

<A – Jon Price – Teck Resources Limited>: Thank you for that question and the assertion at the end, which I will query later. I'm not sure that's necessarily true. But, Karla, maybe you can answer Alex's question, please.

<A – Karla Mills – Teck Resources Limited>: Yeah, sure. Happy to. And thanks for the question. I think, first, you have to correct the basis or the assumption that rigor and structure means things slow down and pace is hindered. Right? So, the balance is making sure that the rigor and structure is intended to serve the portfolio and serve the asset and, as such, making sure that the structure we put in place allows the pace to be maintained. So, thoughtful, clear on expectations, and then delivering against it. So, yeah, it is a balance, but it's about making sure that we maintain a focus on the value that it's offering.

<A – Jon Price – Teck Resources Limited>: I would just add to that that there are different phases of these projects, of course, and in the acquisition, the exploration stage, and even through the PFS stage where you're exploring different pathways to value and different ways to maximize the value of the research – the resource, sorry, a more entrepreneurial approach within the boundaries of study discipline is very important. When you get to execution, you really want to have a plan and execute on that plan with rigor and discipline and focus and data to support that. So, I think, projects evolve through different phases of their life, of course, and I think you can bring a different mindset within an overall structured process to the way you approach maximizing value through those stages.

<Q – Carlos de Alba – Morgan Stanley & Co. LLC>: Thank you again. Carlos de Alba with Morgan Stanley. A couple of questions. One is, will you consider executing two projects at the same time, given the potential combination of a greenfield and a brownfield, just given your comments last year or where you, I think, said you'll only execute one at a time, maybe there is a combination there where you could accommodate two?

And then, the other question is, on the 15% to 25% potential incremental output in QB with the optimization and debottlenecking projects, what is the base upon which we should consider this 15% to 25% incremental output?

<A – Jon Price – Teck Resources Limited>: Okay. I'll let Dale talk to the second question in a moment. Just to come to the first question you asked about two projects. I think what we said previously is we would only ever do one megaproject at a time, and QB falls into that category. The projects we're talking about today don't fall into the megaproject category.

We do believe we can execute two projects in parallel, and Karla has been building the capacity and importing the capabilities to enable us to do that in the organization. As I said, one of those being a brownfield at Highland Valley and one being the greenfield at Zafranal. But Karla is resourcing her team and providing all of the supporting systems, processes and governance that are very important to support that dual tracking of those projects.

Now, Dale or Shehzad, please, just on the question on which – the baseline against which optimization will be built, please.

<A – Shehzad Bharmal – Teck Resources Limited>: So, the optimization and debottlenecking, the 15% to 25% was on throughput, and the throughput basis being the design phase, which is the nameplate, which is 143,000 tonnes, right? And as the mine plan evolves with the extra throughput, we'll guide to what the copper production would be based on that and the success that we have on recovering, on catching up on the recovery based on the higher throughput, and we expect to gain most of that recovery back. But – so, it's 143,000 tonnes is the base and a 15% to 25% is the throughput increase from over that base.

<Q – Timna Tanners – Wolfe Research LLC>: Hello. Timna Tanners with Wolfe Research. So, I wanted to kind of circle back on the discussion of the $3.2 billion to $3.9 billion investment for the four initiatives and then later a discussion of at least CAD 7.5 billion EBITDA by end of decade.

So, first part of the question is, are those apples to apples, like are those the inputs and outputs by the end of the decade? And second off, what's assumed for inflation? Obviously, inflation has been a big topic. And in the language in the slides, it says some of these do not include further inflation or engineering. Is some inflation assumed, but not all of it, or what are you baking in inflation-wise? Thanks.

<A – Jon Price – Teck Resources Limited>: Sure. Let me hand you off to Crystal on those questions.

<A – Crystal Prystai – Teck Resources Limited>: Thanks, Timna. Maybe I'll take your inflation question. I think you're asking whether there's escalation built into the CapEx assumptions. And I think the answer to that is there is not. And I think those project capital estimates will be refined as we complete feasibility studies and engineering. And that will drive the final CapEx estimates that we publish on sanction of the projects.

And then, your other question, I wasn't quite sure what you meant in relation to EBITDA. I think it is apples to apples because it is including those four projects, and that's what's baked in there based on the time lines we've communicated today.

<Q – Timna Tanners – Wolfe Research LLC>: So, if you look at that, you're going to see escalation [ph] assumably (03:33:26) by inflation. So, if you looked at a return and said, okay, that's the input, that's the return, you'd be missing some of the cost inflation because it's all in [ph] $1 – or they're like – just wondering how we think about apples to apples (03:33:34)...?

<A – Crystal Prystai – Teck Resources Limited>: But it's EBITDA versus CapEx.

<A – Jon Price – Teck Resources Limited>: Yeah. It's all in real dollars...

<A – Crystal Prystai – Teck Resources Limited>: Dollars, yeah. Yeah.

<A – Jon Price – Teck Resources Limited>: ...whether we're looking at EBITDA or whether we're looking at CapEx...

<A – Crystal Prystai – Teck Resources Limited>: That's right...

[indiscernible] (03:33:46)

<A – Jon Price – Teck Resources Limited>: ...is probably the simplest way to answer your question.

<A – Crystal Prystai – Teck Resources Limited>: Thank you.

<Q – Timna Tanners – Wolfe Research LLC>: Okay.

[indiscernible] (03:33:49)

<A – Jon Price – Teck Resources Limited>: So, apples to apples in that regard.

<Q – Adam Low – Guardian Capital LP>: Hi. Adam Low from Guardian Capital. As part of the stage-gated project review, who are the executive titles that are part of the investment committee? And when the sanctioning decision is made, does it have to be unanimous or is there some degree of a majority that's needed?

<A – Jon Price – Teck Resources Limited>: So, I won't pull apart the committee in its entirety. But you have myself, you have Crystal, you have Shehzad and other members of the executive team on that committee. So, it's well represented by the executive. Of course, ultimately, these projects have to go through board sanction as well given the dollars involved. So in a situation like this, the committee is endorsing a project or not to go forward to the board for full approval, but that's where those approvals will ultimately take place.

Yeah, it depends on the threshold. I mean, I have particular approval rights under the delegation of authority within Teck, which I can exercise to move projects forward. But again, they will always be caught by the board in any event. And the board has full insight into the decisions that have been taken by the investment committee. We report to them now and every board meeting what projects have come before the investment committee, which projects have been approved, so they will understand the basis for the progression of these projects to their decision-making authority ultimately.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Hi. Orest Wowkodaw with Scotiabank. Just two project questions. First of all, the Highland Valley extension, many of us were here in 2019 and we visited Highland Valley back then. There was a soft CapEx number of CAD 800 million to CAD 900 million. Now, it's CAD 1.8 billion to CAD 2 billion. I don't feel like the scope has changed in the project. I don't think you're growing throughput. Can you just walk us through why the inflation for this specific project has been so high?

And then just the second question was around Zafranal. And Peru is – in many areas, Peru can be challenging on the social side in terms of communities. I don't have any sense of Zafranal's location of what that situation is like from a community relations perspective.

<A – Jon Price – Teck Resources Limited>: Yeah. So, I'll invite Amparo to speak to the second question, so perhaps make her way over here while we address the first question with respect to Highland Valley.

<A – Shehzad Bharmal – Teck Resources Limited>: [indiscernible] (03:36:26) in that it was – remember, it was a very low environment for interest rates and we had assumed leasing some of the most of the mobile equipment so that the mobile equipment we have decided to actually purchase it. And that was part of it and the rest of it is inflation. So you're right, the scope has not changed significantly since then.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: [indiscernible] (03:36:47).

<A – Shehzad Bharmal – Teck Resources Limited>: Based on our assumption at that time, that would come through you.

<A – Amparo Cornejo – Teck Resources Limited>: It's working? Hello? Okay. Thank you for the question. I think that all countries have different social environments. Peru is different from Chile, but we have been working from the early stage of the project in the social engagement. We have followed the same principles that we follow in Canada and Chile and other places. We also are very close to the experience of Antamina in relation to social and Indigenous topics. So I would say that we are managing all the social perspective of the project following the same principles, and we don't foresee any critical issues at this moment.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: [indiscernible] (03:37:37)?

<A – Amparo Cornejo – Teck Resources Limited>: We do have the permit of Zafranal's already awarded. So, there is no additional consulta previa. It was part of the environmental assessment process that has concluded. So no permit spend in relation with community spending.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Thank you.

<A – Jon Price – Teck Resources Limited>: Yeah. And we think that's one of the advantages of Zafranal of course is the fact that we have achieved that environmental permit which is the longest and most challenging part of the permitting process. Typically, of course, there are further permits that we will require for construction ultimately here. But that was a big milestone as we talk about de-risking projects and readying them for execution. That was a big moment for Zafranal.

<Q – Dalton Baretto – Canaccord Genuity Corp.>: Dalton Baretto from Canaccord. Jonathan, I want to draw your attention to the slide you have where you show the capital intensity of your projects had CAD 10,000 to CAD 15,000 per tonne. But the precedent transactions were done at an average of CAD 30,000 a tonne. Right? But when I look at the transactions, they're sort of an order of magnitude larger than the projects that you're building. So that's number one. And number two, it's immediate production. So, how do you think about the gap, the valuation gap between the time and risk associated with bringing on new production versus adding immediate production of scale? Thank you.

<A – Jon Price – Teck Resources Limited>: Yeah. So I think just to sort of reference those charts briefly, we've ensured consistency and comparability of datasets on both sides of that whereas if we're just using the first five years, for example, we've ensured that the data we're using, and I'm talking to the projects on the left-hand side, similarly use the first five years. So we've got a level of consistency associated with that.

I take your point on scale on the second chart. Again, the basis for the numbers is calculated in the same way to ultimately unearth the intensity associated with that. Yes, it takes longer to deliver a project. You know, as you see in our numbers, I mean, that's a sort of a four-year journey typically through sort of execution to first production relative to the immediate acquisition. I mean, I think the risk associated with acquiring the capacity is the premium that you have to pay to do that. And in many cases premium paid, as we know, in recent times for acquisitions have been significantly north of 50% of the trading value of the entity that's been acquired.

So, this is all a balance of risk and return ultimately. As I mentioned before, the M&A environment is an extremely competitive one at the moment, and that is pushing valuations higher still. And we do believe that by having relatively small scope, low complexity projects within our control for delivery is a better path to create value for shareholders than some of the M&A that we've seen in the market in recent times.

<Q – Lawson Winder – BofA Securities>: Hi. Thanks again for the questions and the presentations. It's been very insightful today. It's Lawson Winder from Bank of America. I actually had several questions. I was going to ask them all at once, and I'm happy to repeat. So, one is a follow up on the question on Zafranal that Orest asked. And there is a very recent example of a very challenging land acquisition process in the Arequipa area. And so, the question would be, at what stage are you at now in land acquisition? What percentage of land has been acquired that's still outstanding?

And then related to Zafranal, when you look at QB2, you look at a large resource base with a lot of potential upside and expansion potential that you're actually highlighting here a lot of extension potential at San Nic. Obviously, Highland Valley, Antamina both have extension potential. So, when we look at Zafranal, I mean, it seems like it's a discrete project that's just 19 years and it's done. But, I mean, that region has a lot of exploration potential. Do you see any potential to expand that asset?

And then the final question was just on QB2 or QB3, and when you think about expanding beyond the current envision footprints that you referenced, the potential to go beyond 500,000 tonnes of annual copper production. When you think about getting to that level, what kind of strip ratio do we start to look at when you get into those resources? And how should we think about quantifying the CapEx for that when we look out just five years from now when you'd be making a decision on that? Thank you.

<A – Jon Price – Teck Resources Limited>: Okay. Thank you for those questions, Lawson. So I'm going to farm out the first one on the land acquisition process associated with Zafranal to Dale, I think, is the best person to answer that.

<A – Dale Webb – Teck Resources Limited>: Thank you for the question. So, I guess, in general terms, our land acquisition in Zafranal is on track, not necessarily want to frame it as percentage, but is on track relative to our project plan, relative to being ready for sanction towards end of next year.

<A – Jon Price – Teck Resources Limited>: And then on your second question on Zafranal and the life essentially of that of being 19 years, yes, this isn't an ore body like QB2. We recognize that, as Dale has highlighted today, that's 10 billion tonnes. You know, it will have a very different capital intensity also as we discussed, but we will be pursuing opportunities for life extension, no question about that. It is a prospective area, and we have identified potential targets within very close proximity to the mine that underpins the 19-year life that we've been talking about.

So it's – we in all of these have stated the lives that are known based on the resources or the reserves that we associate with the project that we'd be developing. But absolutely, prospective regions lend themselves to potential life extensions. And then, Dale perhaps if you can pick up the question on not QB2 so much, but potential large-scale expansions beyond that and the resource base and the associated strip ratio.

<A – Dale Webb – Teck Resources Limited>: Great. So thank you, and thank you for the question. So, a lot of work has already inflight, so the work that we've done. And as I presented in one of the slides showing earlier, the 10 billion tonne resource available to us. And through the work we've done, we know we have the potential to do multiple pushbacks and all of that at this point is shown that the strip ratios being held consistent to what we have today. In terms of the exact number, we'd have to come back to you. But certainly that is the quantum of where we're at.

In terms of what the study and what we're looking at is just multiple configurations today to try and understand what is the most cost capital efficient way to think about the resource and how to expand it. At the same time, as you're doing that work, you're trying to understand what new technology you can include into that, which will actually help understand how to best approach this. So, a good example is coarse or a coarse particle flotation, and we're currently doing testing right now to see if that technology would work in our application, and how that could change the configurations and how we would approach expanding the asset.

<Q – Craig Hutchison – TD Securities, Inc.>: Hi, there. Craig Hutchison from TD Bank. Just on the QB optimization to 165,000 tonnes to 180,000 tonnes a day. [ph] You're sure (03:45:17) funding CAD 100 million to CAD 200 million. Does that include sustaining CapEx? Is there going to be a large [ph] crew strip (03:45:23) that's going to flow through where there is some kind of form of sustaining CapEx? Because most of the items I think mentioned here seem to relate to the mill itself and not necessarily to the mining fleet.

<A – Jon Price – Teck Resources Limited>: So to answer your question, I mean, of course, as we expand the processing through the plant, we would have to expand the ore being delivered to that plant. You know, Dale, if you can just unpack that somewhat as well, please.

<A – Dale Webb – Teck Resources Limited>: [ph] Yeah. Sure (03:45:50). As we increase the capacity of the plant, the mine operations we need to keep up to that element. At this point, the mine operations is able to do that. And if it needed some small increase, it would be included part of how we would approach it. But what we're seeing, though, is the actual asset where we look at sort of the crushing, grinding that element, certainly, we're seeing excess capacity and opportunity there when we look at the availabilities of the equipment and the excess power we have in our SAG mills.

So, in terms of major, major capital, those elements at this point, that's what the optimization is about is really to find out how far we can take it before we need to look at other potential debottlenecking. So, the quantum of our debottlenecking today is in that range because of what we're seeing in terms of excess capacity. And remember, that's all supported by previous expansion studies which looked at design and how much opportunity there is within that.

<Q>: [indiscernible] (03:46:51). With 100,000 tonne gain in output next year and roughly the same number of people making 22.7% more copper, I'm optimistic the costs fall next year. Could we get back to – I'm thinking 2023 and 2024 are funny years. You have the QB startup. You sold the coal. Glencore [ph] said low (03:47:19) distractions. Can you get to 2022 actual CAD 245 a pound cash cost in copper and since you sold the majority of your EBITDA, can the G&A fall from CAD 236 in 2022 to a much smaller number?

<A – Jon Price – Teck Resources Limited>: Yeah. So, two elements to that. I'll ask Dale to talk to the first piece because there are a number of drivers that will see operating costs, unit costs at QB reduced significantly year-over-year. And then secondly, I'll just ask Crystal to make a comment on the SG&A. She touched on it briefly in her remarks. But we'll start with Dale.

<A – Dale Webb – Teck Resources Limited>: [indiscernible] (03:48:04) during a ramp-up phase would include a lot of abnormal costs, as well as our efficiencies around maintenance, contract support, and operating efficiencies aren't where they would be when we hit stable operation. We're already seeing those improvements today where we have less contractors at site. We're seeing through our optimization work reduction in some of those key reagents as well as other consumables. And we're seeing our maintenance far more planned [indiscernible] (03:48:34) the cost being much less. So we're already seeing that today, so I would expect us to be able to improve our cost position, especially when you compare to ramp-up situation.

<Q>: So if you reduce the absolute cost, getting rid of the contractors and the reagents, but you're making more copper, then your cost per pound should fall by more than 20%? I'm just following what you're saying, Dale.

<A – Jon Price – Teck Resources Limited>: Yeah. Correct. I mean, we haven't put a number or a target on the cost reduction next year at QB, but we do expect it to be significant, I mean, and additional factors to that, of course, would be the presence of moly as a more significant byproduct credit than it has been to-date from a net cash unit cost perspective. So, there's a number of drivers here that give us confidence, and we're seeing them already with some of the work that Dale is doing at the site there that the unit costs will be significantly better at QB. And then, Crystal, maybe just...

<A – Crystal Prystai – Teck Resources Limited>: Yeah. [indiscernible] (03:49:33).

<A – Jon Price – Teck Resources Limited>: Absolutely.

<A – Crystal Prystai – Teck Resources Limited>: Yeah. Yeah. No problem. On the G&A, just as I mentioned, we're obviously very focused on the cost discipline side of things. I think with our new business structure, there is an opportunity for us to streamline in certain areas such that we're really set up to deliver our strategy. But we're just in the middle of our business planning cycle at this time and expect to put out our guidance in January including in relation to G&A.

<Q – Dalton Baretto – Canaccord Genuity Corp.>: Thanks. Dalton Baretto from Canaccord again. Two questions for me, sort of both related to QB2. First of all, at the risk of triggering [ph] PTSD questions (03:50:14) out here, if I take Karla's project management methodologies and all her learnings and I look back at the build, what would you say is sort of the biggest gap or the biggest driver of that major CapEx increase?

<A – Jon Price – Teck Resources Limited>: You mean the $8.6 billion to $8.8 billion versus the original...

[indiscernible] (03:50:37)

<Q – Dalton Baretto – Canaccord Genuity Corp.>: The original to the final construction cost.

<A – Jon Price – Teck Resources Limited>: Yeah. I mean, I think we broke that down and presented some of that last year in Santiago in terms of what the key drivers were. But Karla, would you like to just comment on some of the key buckets qualitatively, at least?

<A – Karla Mills – Teck Resources Limited>: Yeah. Sure. Happy to. I think there were – obviously, COVID played a key role in the increase in capital. Some of the efficiencies and productivities that we were seeing from our contractors during our construction was a key contributor. And then our responsiveness to change played a role in our ability to pivot and adjust and recover from a schedule perspective. So that schedule duration impacted our overall capital.

<A – Jon Price – Teck Resources Limited>: And if I just add to that, I mean, labor productivity was one of the key factors we saw that was disappointing relative to the assumptions that we made for that project. That, of course, is something we can now carry forward into the assumptions that we make in future projects. So, we'll have a much better level of definition around cost and schedule driven by labor in particular.

The other issue that we spoke about is QB2, and this went into schedule as well, but also directly to cost. It's where we encountered geotechnical issues associated with construction in certain areas in relation to tailings pipeline, port, et cetera. And again, that's something we can control through the level of geotechnical drilling that we undertake before we sanction project. So, they are all factors that drove the increases in the cost in QB that we can actually take forward into the assumptions we make for future projects. We can have more confidence in the returns that we will deliver.

<A – Karla Mills – Teck Resources Limited>: I think if you expand on what Jonathan says on the geotech side, I mean we're doing more geotechnical drilling before sanctions. So we have a clear understanding. And when I talk about that single source of data truth and that real-time data analytics, that's where we actually come into play on the productivity and the responsiveness to real-time data on how productive our labor is and how we can improve upon it.

<Q – Dalton Baretto – Canaccord Genuity Corp.>: Got it. So, that on a go-forward basis, which is my next question, your projects, as you said, both at QB2 and elsewhere are a lot smaller. You know, we saw one of your peers build something in Chile recently using a fixed price contract with a competitor. Is that something you guys are considering at all, or are you kind of go forward with your internal team?

[indiscernible] (03:53:04)

<A – Karla Mills – Teck Resources Limited>: Yeah.

<A – Jon Price – Teck Resources Limited>: Recently very successfully delivered a project through a fixed price contract.

[indiscernible] (03:53:10)

<A – Karla Mills – Teck Resources Limited>: Yeah, we did. We had a decent-sized project that we actually did an open book estimate through the detailed design and then we converted it to a guaranteed max price and delivered it within that guaranteed max price and within the schedule such that the guaranteed max price service provider didn't have to pay any penalties. So they achieved both schedule and cost.

And so, yes, those are strategies that we certainly can apply. And by advancing our engineering further, like to the 50%, for example, like we're doing at Zafranal, that allows us to fix our scopes of work in a way that we can actually then not – well, we can realize the benefit of more fixed price, more guaranteed max price, those sort of strategies. Yeah.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Thanks. Orest Wowkodaw, Scotiabank. Two more QB questions here. The updated guidance that you issued for 2025, what does that assume in terms of timing for QB reaching sort of full nameplate, full recoveries? Does that mean Q3, Q4? I'm just wondering what your expectation is based on the ramp-up right now.

<A – Jon Price – Teck Resources Limited>: Yeah. I mean, Dale will talk to that. Obviously, we've set out assumptions associated with the low, mid and high of the range, and we signaled at the Q3 a couple of weeks back that certain works would have to be done in the first half that we would benefit from later in the year, so it does indicate a ramp. But, Dale, if you can answer that Orest's question, please.

<A – Dale Webb – Teck Resources Limited>: Yes. The guidance – thank you for the question. The guidance – the low end in the guidance is essentially where we are today with a marginal increase in throughput, but otherwise, it's not at nameplate yet. So, tremendous amount of upside within that. If you look at the top end of the guidance, that is at nameplate with close to nameplate recovery levels. So, there is opportunity within that to further increase as well. And through that range is really the time that we will work through to achieve our recovery targets, recognizing we're doing that work now.

And the other main part is as we continue to advance the mine plan, our ability to blend ore will be that much easier, and we've achieved higher recoveries with that blend already relative to what we're assuming for the [ph] 240,000 case (03:55:22). So, ultimately, we expect to be in that range, but ultimately the nameplate is at the higher level.

<A – Jon Price – Teck Resources Limited>: And maybe if you can just add to that, Dale, explain some of the things perhaps we'll do in the first half that will benefit from in the second half which explains why we'd expect more production later in the year.

<A – Dale Webb – Teck Resources Limited>: So, I think the first one is around the recovery. That work that we're doing to optimize towards the end of this year and into next year and the mine blending that we're doing now, or sorry, the mine blending will become that much easier as we go into next year. We have a shutdown plan in January. We'll be doing some work to upgrade certain pieces of equipment, normal routine maintenance, not major capital or minor capital, as well as some other improvements to actually facilitate accelerating ability to hit nameplate.

But overall, today, we're achieving a lot of that today. So really, it's about – some of it is about improving our ability to work as one team and be able to deliver that. And that's around the management operating system to facilitate that planning and execution to be able to do that. That's the key point relative to each component that we have as achieve those design rates. So now, it's how to get those pieces together and deliver it as we go forward.

<A – Jon Price – Teck Resources Limited>: And I can tell that Shehzad is itching to add something here so...

[indiscernible] (03:56:33)

<A – Shehzad Bharmal – Teck Resources Limited>: Yeah. I just wanted to clarify just one thing. In terms of the nameplate throughput that you – the question that you asked on Q1, Q2 is perhaps the best way to think about it not in terms of tonnes per hour. On tonnes per hour, we are there. It's in terms of online time, the percent availability of that.

And the first half of the year, where we will take some extended planned downtime to actually make some of the minor modifications, so they can continue to get consistency and get that in second half. So probably Q3, as you mentioned, is would be the way where we would have on a month-by-month basis at 143,000 tonnes per day, every day of the month.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Perfect. And just for clarification, the press release overnight stated that the debottlenecking project was plus 15% to 25% increase in copper output. But today, you've talked about throughput increase. Can you just clarify that? Is the press release...

<A – Shehzad Bharmal – Teck Resources Limited>: Yeah. So that includes the optimization and the debottlenecking...

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Yeah.

<A – Shehzad Bharmal – Teck Resources Limited>: ...right? So it is from 15% to 25% throughput number.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Throughput, not copper.

<A – Shehzad Bharmal – Teck Resources Limited>: Yeah. Yeah.

<Q – Orest Wowkodaw – Scotia Capital, Inc.>: Okay. Thank you.

<Q>: Hi. [indiscernible] (03:57:45). So my first question for Dale. Super helpful the chart you showed for like on the QB2 range for 2025 from 240,000 tonnes to 280,000 tonnes for next year. As you think about the longer term guidance of the 280,000 tonnes to 310,000 tonnes, call it close to 300,000 tonnes at midpoint, does that include the optimization to get there, let's say, like beyond 2025?

And then my second question is for Crystal. On the G&A, I don't mean to press you on this, but, like, I mean, you said like it's in the process plan. But since selling off the coal business, we should expect a significant or like a decent step-down, right, like, run rate basis for G&A. There should be – I mean, there would be some corporate cost or something that would go away essentially is like – is that the right way to think about it?

<A – Jon Price – Teck Resources Limited>: Yeah. Let's pick up the first question first on QB and then we'll talk to the SG&A again.

<A – Dale Webb – Teck Resources Limited>: Sure. So building upon actually the answer we were just providing for 2025, what we see is our ability – once we achieve steady state, we also will see higher grades because recognizing, as I explained earlier, our mine plan is delayed just from being behind in our production. So, as we advance the mine plan, we expect to see higher grades. So higher grades at steady state enable us to be in that range between 280,000 tonnes and 310,000 tonnes.

And that – and you're stepping back, looking at our design, 100% – our design is we've been able to demonstrate a robust design because we've been able to validate each component by itself has been able to achieve those rates as well. So we're not concerned that each – there is one of those that'll prevent us from achieving that range as well. So all the improvement work we have in place, as we achieve steady state with the higher grades in front of us, we'll be able to achieve those rates.

<A – Jon Price – Teck Resources Limited>: I'll just make a comment on SG&A and then invite Crystal to add to it. But EVR within the Teck portfolio operated very much as a self-contained business. And what I mean by that, it had its own embedded finance team, human resources team. It had an extensive sustainable development team given all the work that they have to do on sustainability around water management and reclamation, et cetera, in the Valley. One of the key sort of true shared services, if you like, that EVR benefited from was IT.

And IT is an area where we have to continue to provide support for a period of time through transition. And right now you'll see that in our costs and we get reimbursed for that spend by EVR or Glencore. So, that's an area where you could expect to see some change going forward. But I just wanted to provide that context in the way that EVR was structured relative to Teck. But, Crystal, would you like to dig into that?

[indiscernible] (04:00:23)

<A – Crystal Prystai – Teck Resources Limited>: You stole my thunder, but, yeah, I do expect there to be a decrease, but factoring in everything that Jonathan said, I wouldn't expect it to be commensurate with, say, the reduction that we might see from the revenue base leaving. Yeah.

<Q – Brian MacArthur – Raymond James Ltd.>: Brian MacArthur, Raymond James. So, I have three questions on the slide where Crystal put up the conversion of EBITDA to operating cash flow. And I'm going to focus mostly on QB. And basically, independent of price, it looks like if you take your EBITDA down, it goes down CAD 100 million, whether you're going from CAD 2.6 billion to CAD 2.5 billion or CAD 2.2 billion to CAD 2.1 billion. I assume that's all the tax sheltering at QB2. Is that just rounding though that's CAD 100 million at every level or is there a fixed base in there, or is that just rounding?

<A – Crystal Prystai – Teck Resources Limited>: Yeah, I think rounding is reasonable. QB is really subject to very low cash income taxes as I mentioned given the loss carryforwards that we have there and other tax pools. So it's sort of a mining tax of maybe 5% of the operating profit there.

<Q – Brian MacArthur – Raymond James Ltd.>: And my second question then, though, that's consolidator, right? So, you're only getting 60% of that cash flow.

<A – Crystal Prystai – Teck Resources Limited>: That's correct.

<Q – Brian MacArthur – Raymond James Ltd.>: So, if you wanted to bring it back up to Teck Corporate, because ultimately, if this is the big cash machine going forward, you may want to do that. I get it, you may reinvest, but hopefully you're going to make a lot more money that you're not going to put it all back there. Is there another tax to bring it back up from Chile or is it set up so it's really efficient?

<A – Crystal Prystai – Teck Resources Limited>: It's set up through an efficient tax structure.

<Q – Brian MacArthur – Raymond James Ltd.>: Tax. So, I can just assume that cash flow can go up and down. No problem.

<A – Crystal Prystai – Teck Resources Limited>: Yeah.

<Q – Brian MacArthur – Raymond James Ltd.>: Great. Thanks.

<A – Fraser Phillips – Teck Resources Limited>: Well, if there are no other questions, why don't we – Jonathan, any final remarks you'd like to leave us with?

Jonathan Price, President, Chief Executive Officer & Director, Teck Resources Limited

Yeah. Thank you, everyone, for the questions. That's been fantastic. Of course, we'll have plenty of time this evening for more questions and, of course, we get to spend the day together tomorrow as well. So, I'm sure you can think of a few more questions overnight that we can tackle on the bus or on the flight or over lunch while we're at the site.

Just to close out the session today, I will make just a few comments and a few key takeaways from the session. Firstly, at Teck, we do have a foundation of high-quality assets, including three Tier 1 assets. We have a value accretive copper growth pipeline. We have a track record of strong shareholder returns, and we have an industry-leading balance sheet.

So, we are very well positioned to continue to deliver value accretive growth and strong returns to shareholders. So, that concludes the formal part of today's program. So, thank you all for joining us in the room here.

Thank you for those who've joined on the webcast. It's, of course, getting very late in the East and in other locations. The IR team, of course, as ever, will be available to fill in the blanks and provide further detail as required. And like I said, we look forward to spending tomorrow with you. So, thank you very much.

H. Fraser Phillips, Senior Vice President-Investor Relations & Strategic Analysis, Teck Resources Limited

Let me just make a couple of remarks over to the rest of the evening. So, you know what's happening, there is a reception that basically starts now. It's in the other room over here and that'll be followed by dinner at 6:30. There is some [ph] code (04:03:54) over there you can look at and start to crack. And actually, our VP and Head of Exploration [indiscernible] (04:04:02) all the good work that group is doing if you'd like to.

I just want to make one point. I know quite a number of you are, I guess, busy and you've got maybe notes to write, et cetera, or other things to do. We understand if you have to miss reception or miss dinner, don't give that a second thought. We'll see it more, as Jonathan says. If for some reason you're in that situation, don't forget, it's like 5:30 sharp departure from the front of the hotel. So, you get on the plane and get to Cambridge by 8:00 because it's [indiscernible] (04:04:40-

04:04:46) you're not going to be able to join us tonight if any doubt for [indiscernible] (04:04:50) details, just email us, and maybe we will help you out. That's it. Thanks, everyone.