

Teck



Fourth Quarter 2013 Investor Conference Call & Webcast

February 13, 2014

Forward Looking Information



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

The forward-looking statements in these slides and the oral presentation include those statements made on the slides titled “2014 Outlook” and the related oral presentation, and also include estimates, forecasts, and statements as to management’s expectations with respect to, among other things, production targets and our expectation that they will be met, expected savings as a result of our cost reduction program, expected Q1 coal sales level, future production and sales volumes, forecast capital expenditures, demand and market outlook for commodities and future commodity prices.

These forward-looking statements involve numerous assumptions, risks and uncertainties and actual results may vary materially. These statements are based on a number of assumptions, including, but not limited to, assumptions regarding general business and economic conditions, interest rates, the supply and demand for, inventories of, and the level and volatility of prices of zinc, copper, coal and other primary metals and minerals produced by Teck as well as oil, natural gas and petroleum products, the timing of receipt of regulatory and governmental approvals for Teck’s development projects and other operations, Teck’s costs of production and production and productivity levels, as well as those of its competitors, power prices, market competition, the accuracy of Teck’s reserve estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based, tax benefits, the resolution of environmental and other proceedings, assumptions regarding the impact of our cost reduction program on our operations, our ongoing relations with our employees and partners and joint venturers, performance by customers and counterparties of their contractual obligations, and the future operational and financial performance of the company generally.

The foregoing list of assumptions is not exhaustive. Events or circumstances could cause actual results to differ materially. Factors that may cause actual results to vary include, but are not limited to: adverse developments in business and economic conditions in the principal markets for Teck’s products, in credit markets, or in the supply, demand, and prices for metals and other commodities to be produced, changes in interest and currency exchange rates, failure of customers or counterparties to perform their contractual obligations, inaccurate geological or metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), changes in taxation regimes, legal disputes or unanticipated outcomes of legal proceedings, unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications or expectations, cost escalation, unavailability of materials and equipment, government action or delays in the receipt of permits or government approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters), political risk, social unrest, lack of available financing for Teck or its partners or co-venturers, and changes in general economic conditions or conditions in the financial markets.

Certain of these risks are described in more detail in the annual information form of the company available at www.sedar.com and in public filings with the SEC. The company does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.



Speakers

Don Lindsay

President & CEO

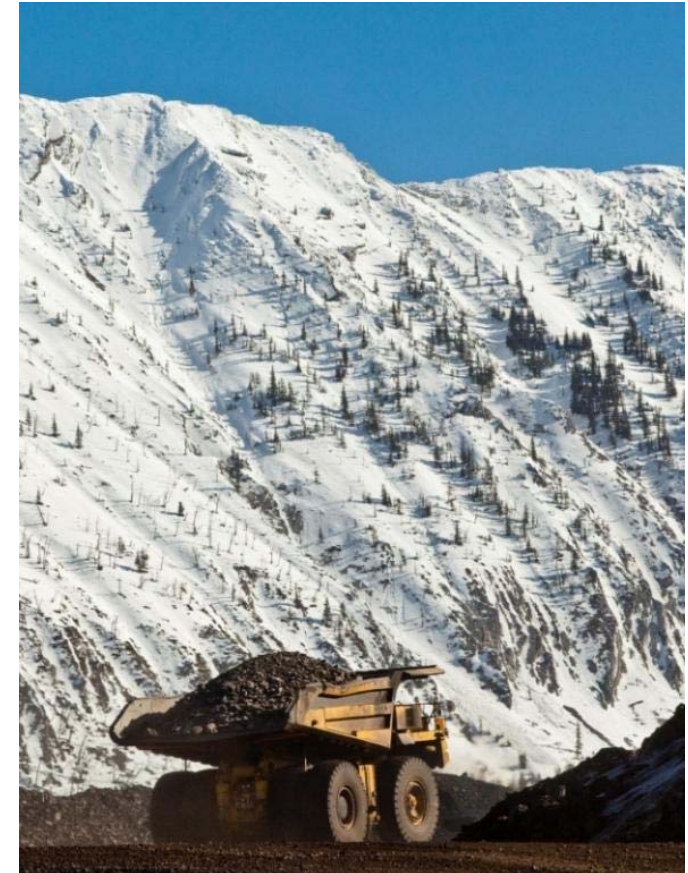
Ron Millos

SVP Finance & CFO

2013 Results Highlights



- **Solid operational performance**
 - Met or exceeded production targets
 - Record coal sales
 - Record annual throughput at four mines
- **Exceeded the goals of our Cost Reduction Program**
 - >\$380M of annual ongoing annual potential cost savings identified and ~\$360 million implemented
- **Prudent capital allocation to best risk/reward projects**
 - Reducing sustaining capital; deferring projects
 - Investing in building an energy business
- **Returning cash to shareholders, while maintaining a strong balance sheet**



Disciplined & focused on the long-term,
while remaining mindful of the short-term

2013 Results Overview



Diversified, Resourceful, Sustainable

Revenues	\$ 9.4 Billion
Gross profit (before depreciation & amortization)	\$ 3.7 Billion
Profit (attributable to shareholders)	\$ 961 Million
Adjusted profit* (attributable to shareholders)	\$ 1.0 Billion \$1.74/share
EBITDA	\$ 3.2 Billion



	2013 Guidance	2013 Actual	
Steelmaking Coal			
Coal production	24.5–25.5 Mt	✓ 25.6 Mt	Record coal sales
Coal site costs	\$51-58 /t	✓ \$51 /t	Cost reduction >10%
Copper			
Copper production	340–360 kt	✓ 364 kt	Second highest copper production year
Zinc			
Zinc in concentrate production	560-590 kt	✓ 623 kt	Record annual throughput at Red Dog & Antamina
Refined zinc production	280–290 kt	✓ 290 kt	

Q4 2013 Results Highlights



- **Record quarterly copper production of 105,000 tonnes**
- **Benefiting from strengthening of the US dollar, relative to the Canadian dollar**
- **Announced with partners development of the Fort Hills oil sands project**
- **Announced \$0.45 dividend per share, which was paid on January 2, 2014**

Subsequent to Quarter End

- **Recognized as one of the Global 100 Most Sustainable Corporations** for the second consecutive year



Q4 2013 Results Overview



Revenues	\$ 2.4 Billion
Gross profit (before depreciation & amortization)	\$ 875 Million
Profit (attributable to shareholders)	\$ 232 Million
Adjusted profit* (attributable to shareholders)	\$ 227 Million \$0.40/share
EBITDA	\$ 766 Million

Q4 2013 Results

Steelmaking Coal



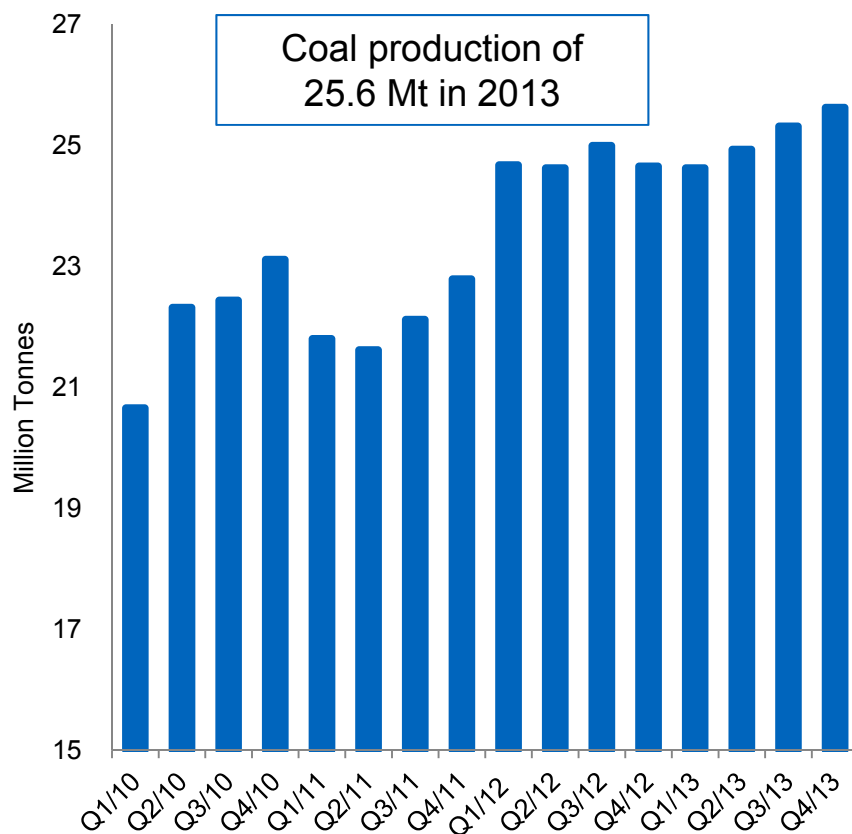
		Q4 2013	Q4 2012	Q3 2013
Production	(Mt)	6.7	6.4	6.7
Sales	(Mt)	6.5	6.4	7.6
Average realized price	(US\$/t)	142	159	139
Average realized price	(C\$/t)	149	157	144
Site costs	(C\$/t)	55	49	50
Transportation costs	(C\$/t)	39	41	38
Financial Results				
Revenue	(C\$ Million)	963	1,010	1,088
Gross profit (before depreciation and amortization)	(C\$ Million)	352	435	417

Q4 2013 Results

Steelmaking Coal Update



Rolling Four-Quarter Coal Production (Mt)



Quintette

- If market conditions are favourable, can proceed with reopening with production possible within 14 months of a decision

Elk Valley

- Brownfields growth target achieved - capacity ~28 Mt
- Commissioning of the first water treatment plant to reduce selenium in Q2 2014

Outlook For Q1 2014

- Benchmark of US\$143/t for the highest quality products
- Expect total sales to be at or above 6.3 Mt

Q4 2013 Results

Copper

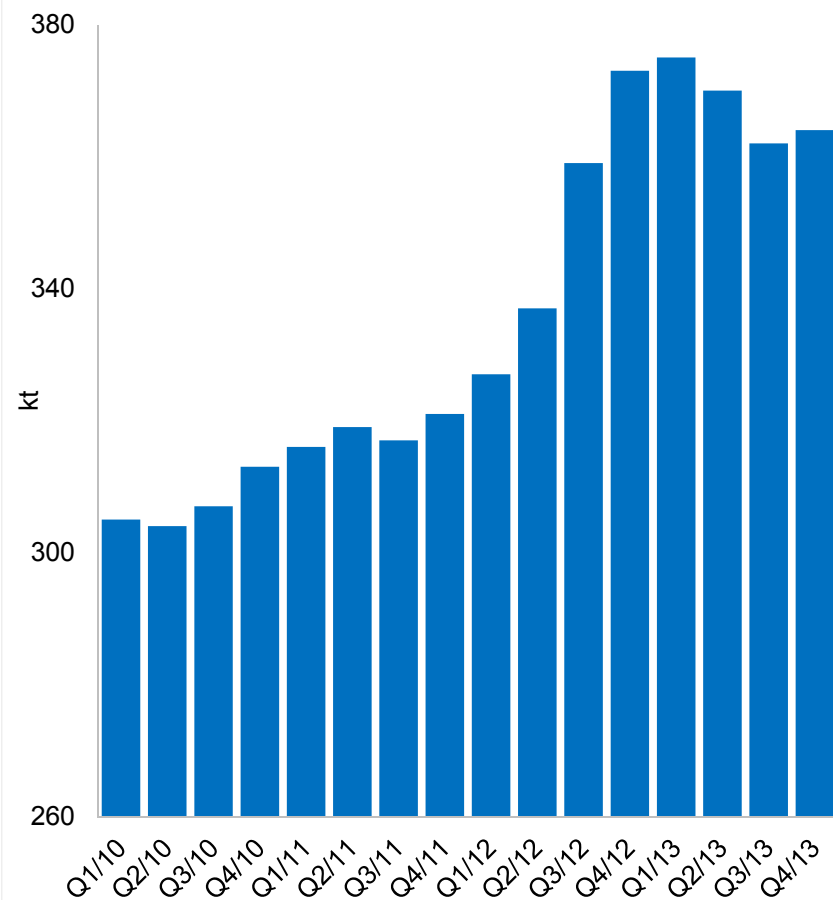


		Q4 2013	Q4 2012	Q3 2013
Copper in Concentrate				
Production	(kt)	88	88	77
Sales	(kt)	83	90	80
Copper in Cathode				
Production	(kt)	17	15	14
Sales	(kt)	16	16	15
Moly in Concentrate				
Production	(M lbs)	2.2	3.0	1.7
Sales	(M lbs)	2.2	3.6	1.9
Financial Results				
Revenue	(C\$ Million)	762	895	714
Gross profit (before depreciation and amortization)	(C\$ Million)	384	463	318

Q4 2013 Results Copper Update



Rolling Four-Quarter Copper Production (kt)



- Strong throughput at **Highland Valley**
- Set new records at **Antamina**, including quarterly copper production
- **Quebrada Blanca** production up 13%
 - Restructuring plan very successful in lowering the operating cost structure (33% decline in copper unit costs)
 - Ramp down in QB2 engineering & procurement activities & costs
- **Carmen de Andacollo** copper unit costs declined 15%
- **Relincho** feasibility study completed

Q4 2013 Results

Copper Update – HVC MOP Project

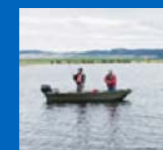


First Concentrate Production In New Flotation Plant

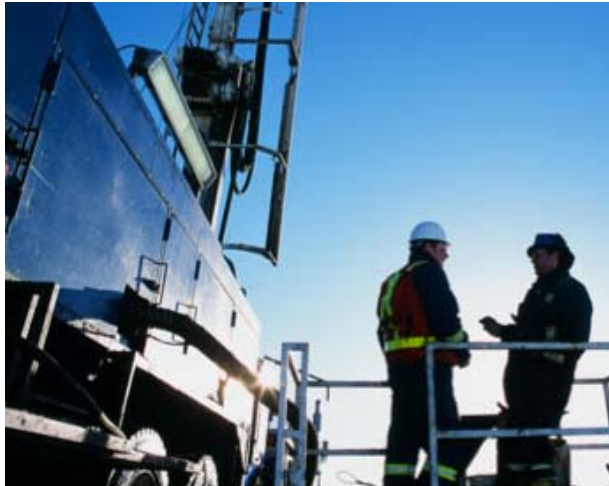


Q4 2013 Results

Zinc



		Q4 2013	Q4 2012	Q3 2013
Zinc in Concentrate				
Production	(kt)	158	157	156
Sales	(kt)	166	207	191
Refined Zinc				
Production	(kt)	69	67	77
Sales	(kt)	73	67	78
Lead in Concentrate				
Production	(kt)	25	26	23
Sales	(kt)	40	50	60
Refined Lead				
Production	(kt)	21	24	24
Sales	(kt)	22	23	23
Financial Results				
Revenue	(C\$ Million)	649	824	721
Gross profit (before depreciation and amortization)	(C\$ Million)	138	194	183



Fort Hills Update

- \$298M spending in 2013, including earn-in commitments
- Fully-escalated capital investment: ~\$2.94B over four years (2014-2017), including remaining earn-in of \$240M
 - Estimated spending in 2014: \$850M, based on Suncor's planned project spending of \$3.16B



Speakers

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President & CEO

Ron Millos

SVP Finance & CFO

Q4 2013 Results

Cash Changes



\$ Millions

Cash Flow From Operations	636
Working capital changes	133
Purchase of property, plant, & equipment	(541)
Capitalized production stripping costs	(185)
Financial investments & other assets	(47)
Proceeds from sale of investments & other assets	498
Repayment of debt	(15)
Debt interest paid	(31)
Distributions to non-controlling interests, FX & Other	74
Cash & short-term investments increase	522
Cash at Quarter End	\$2,772

Q4 2013 Results

Pricing Adjustments

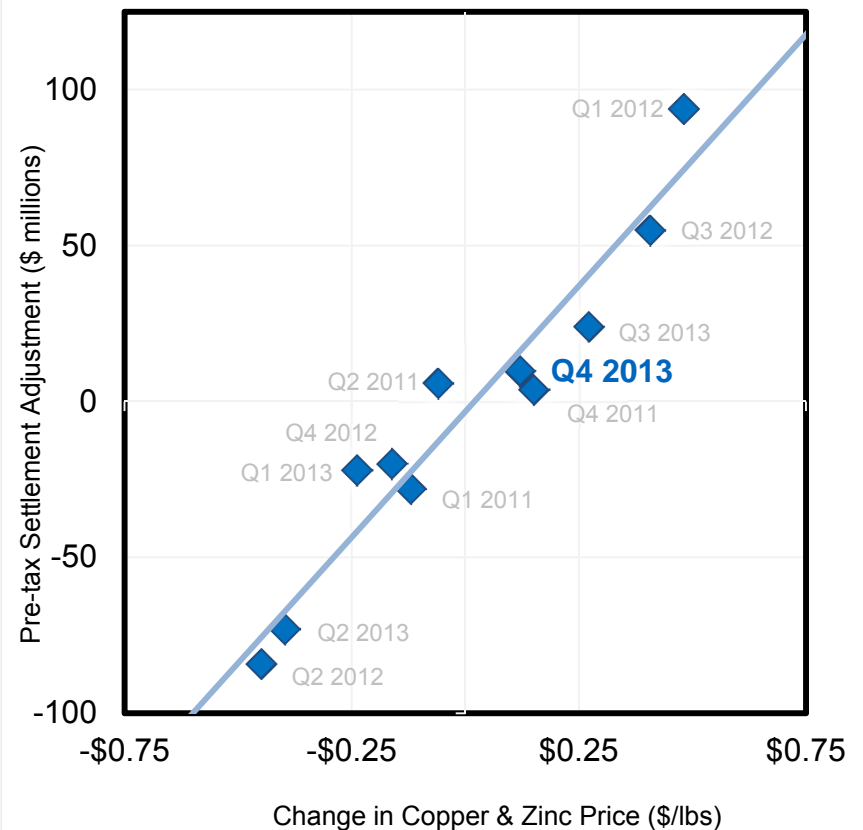


Quarterly change in commodity prices drive settlement pricing adjustments

- Copper: \$0.04
- Zinc: \$0.08
- Cumulative change: \$0.12

	Outstanding at September 30, 2013		Outstanding at December 31, 2013		Pricing Adjustment (C\$ M) Before Tax
Cu	138 M lbs	\$3.31 US\$/lb	135 M lbs	\$3.35 US\$/lb	\$8 Million
Zn	224 M lbs	\$0.86 US\$/lb	109 M lbs	\$0.94 US\$/lb	\$5 Million
Other (moly, silver, gold, lead, etc.)					-\$3 Million
Reported Total Pricing Adjustments					\$10 Million

Quarterly Change In Commodity Prices vs. Settlement Adjustment

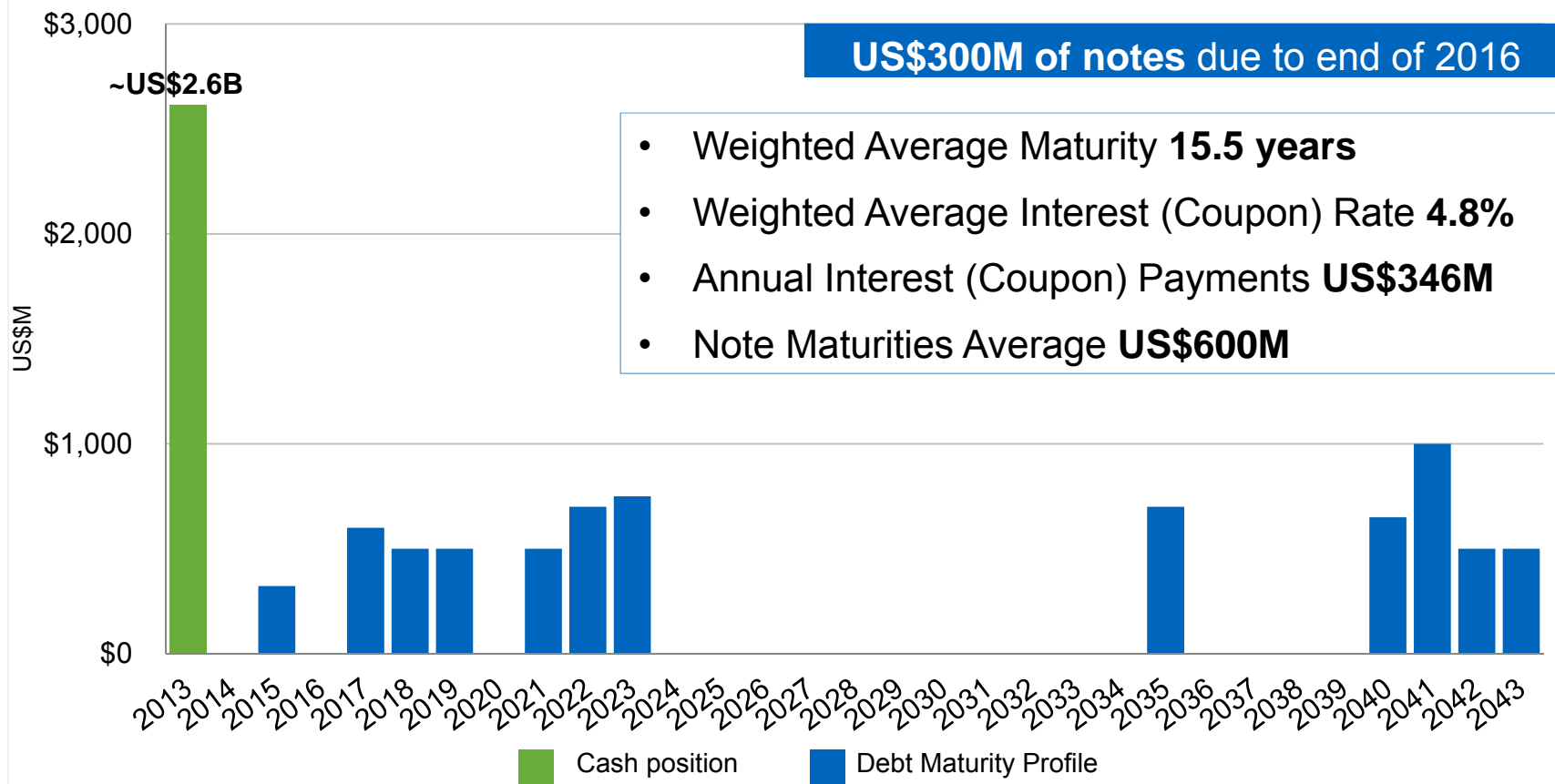


Q4 2013 Results

Strong Balance Sheet*



Investment Grade Credit Rating of Mid-BBB (Stable Outlook)





	Guidance
Steelmaking Coal	
Coal production	26-27 Mt
Coal site costs	C\$55-60 /t
Coal transportation costs	C\$38-42 /t
Coal costs – combined*	US\$84-92 /t
Copper	
Copper production	320–340 kt
Copper cash unit costs (net of by-product credits)	US\$1.70-1.90 /lb
Zinc	
Zinc in concentrate production	555-585 kt
Refined zinc production	280–290 kt

2014 Outlook Capex Guidance



(\$M)	Sustaining	Major Enhancement	New Mine Development*	Capitalized Stripping	Total
Copper	235	100	120	255	710
Coal	215	70	25	415	725
Zinc	150	-	15	30	195
Energy	-	-	955	-	955
Corporate	20	-	-	-	20
Total	620	170	1,115	700	2,605

Leverage to Strong Commodities



	Production Guidance 2014 (Mid-Pt)	Change	Profit Δ	EBITDA Δ¹
• Coal	26.5 Mt	US\$1/tonne	\$19 M / \$1 Δ	\$29 M / \$1 Δ
• Copper	330 kt	US\$0.01/lb	\$5 M / \$.01 Δ	\$7 M / \$.01 Δ
• Zinc ²	855 kt	US\$0.01/lb	\$7 M / \$.01 Δ	\$10 M / \$.01 Δ
• \$C/\$US		C\$0.01	\$40 M / \$.01 Δ	\$62 M / \$.01 Δ

Volume and cost changes from 2013
need to be taken into account in estimates of EBITDA

1. The effect on our profit attributable to shareholders of commodity price and exchange rate movements will vary from quarter to quarter depending on sales volumes.

2. Zinc includes 285,000 tonnes of refined zinc and 570,000 tonnes of zinc contained in concentrates.



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Summary



Exceeded annual production targets

Coal production capacity increasing

Continued progress on cost reduction

Prudent capital allocation to best risk/reward projects

Maintained dividend

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