

Teck



Second Quarter 2011

Investor Conference Call and Webcast

July 29, 2011

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.

These forward-looking statements include estimates, forecasts, and statements as to management’s expectations with respect to, among other things, our future earnings and cash flow, our future interest expense, expected progress and costs of growth projects, expected realized pricing for coal, the potential impact of transportation and other potential production disruptions, the impact of currency exchange rates, future trends for the company, future production and sales volumes, capital expenditures and mine production costs, expected deliveries of equipment in our coal business, demand and market outlook for commodities, future commodity prices and treatment and refining charges, the settlement of coal contracts with customers, and the outcome of mine permitting currently underway.

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 gold 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, the availability of financing for Teck’s development projects on reasonable terms, 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, 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.

Forward Looking Information



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

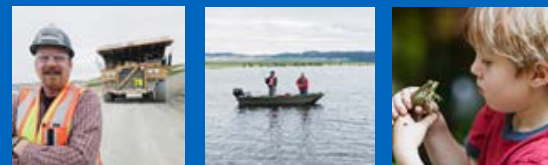


Strong Business Fundamentals

- Record quarterly revenue, gross profit, EBITDA*
- \$3.4 billion cash balance after dividends
- Strong free cash flow will continue to build cash
- Strategic US\$2.0 billion notes offering (July 5th)
- Q3 Premium HCC benchmark price US\$315/t

* Normalized EBITDA removing asset sale gains and tax refunds

Q2 Highlights



Revenues up 27%, Gross Profit* up 31%

Revenues \$ 2,796 million

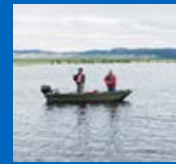
Gross Profit \$ 1,427 million
(before depreciation & amortization)

Profit \$ 756 million
(attributable to shareholders)

EBITDA \$ 1,461 million

**before depreciation & amortization*

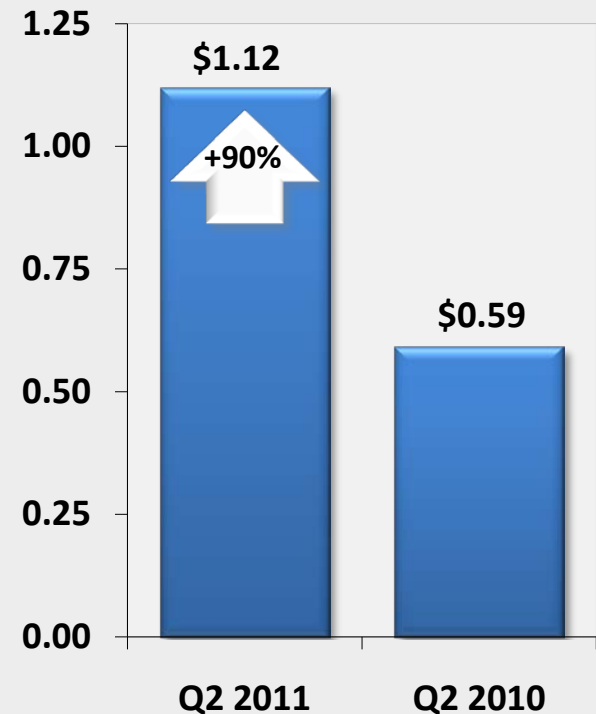
Q2 2011 Profit



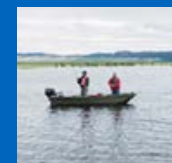
Adjusted Profit

	<u>Q2 2011</u>	<u>Q2 2010</u>
Profit (\$millions)	\$663	\$347
EPS - Basic	\$1.12	\$0.59
Diluted	\$1.12	\$0.59

Earnings per Share (C\$)



Adjusted Profit



(\$ millions, net of taxes)

Profit attributable to Shareholders as reported

	Q2 '11	Q2 '10	Q1 '11
	\$ 756	\$ 283	\$ 461
Asset Sales & Other	(113)	–	(8)
F/X (gains) losses	2	42	(7)
Derivative (gains) losses	(8)	16	4
Collective Agreement Charge	26	–	–
Financing items & Impairment charges	–	6	–
Adjusted Profit	663	347	450
Adjusted EPS	\$ 1.12	\$ 0.59	\$ 0.76

Coal



Coal - Mt

Production	
Sales	
Average Price	(US\$/t)
	(C\$/t)
Site Costs (C\$/t)	
Transportation Costs (C\$/t)	

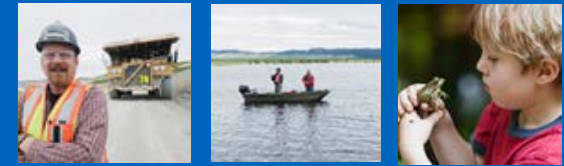
	Q2 2011	Q2 2010	Q1 2011
	5.8	6.0	4.4
	5.6	6.4	5.0
	272	182	207
	264	186	206
	73*	56	76
	33	31	34
	C\$ millions		
	1,471	1,196	1,019
	844	638	477

Financial Results

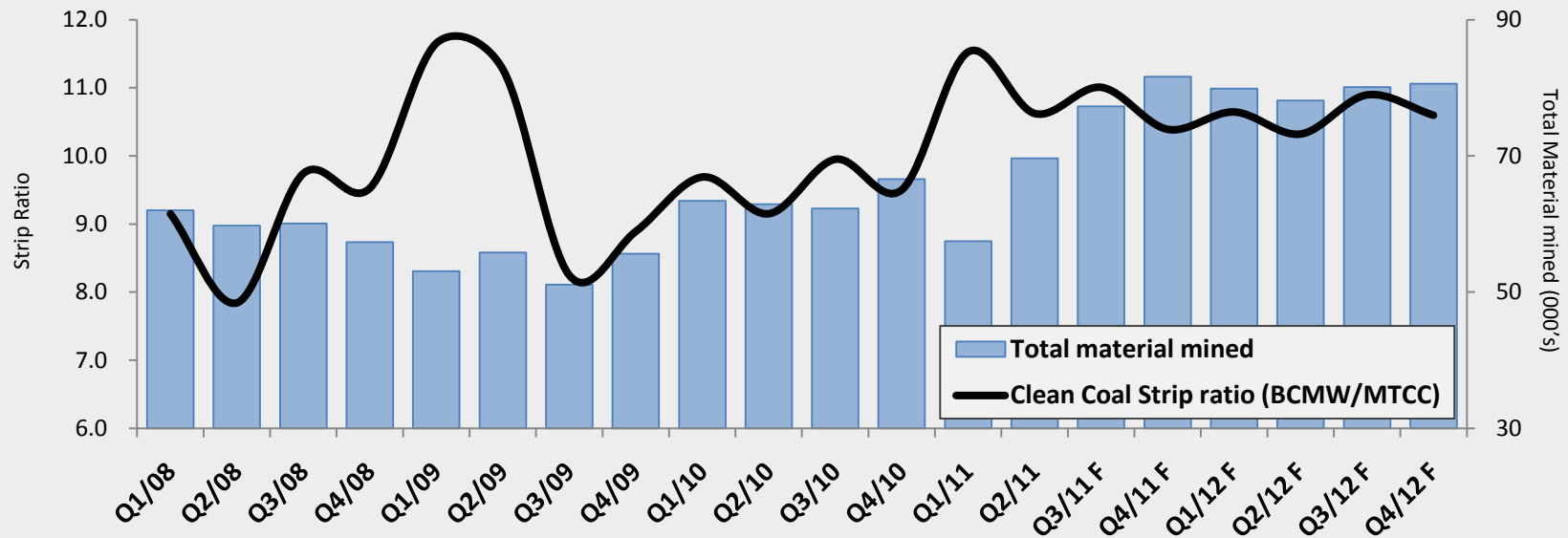
Revenue
Gross Profit
(before depreciation and amortization)

**Not reflecting one time costs due to settlement of labour contracts*

Coal – Mining



Moving More Material



- Higher strip ratio (clean coal)
- Record amount of material moved during Q2
- Increase in number of trucks & increase in truck size
- ~35% of cost increase over past 3-years due to higher strip ratio

Copper



Copper in Concentrate (kt)

Production¹

Sales¹

Copper Cathode (kt)

Production

Sales

Moly in Concentrate (M lbs)

Production

Sales

Financial Results

Revenue

Gross Profit

(before depreciation and amortization)

	Q2 2011	Q2 2010	Q1 2011
Copper in Concentrate (kt)			
Production ¹	62	53	57
Sales ¹	60	52	56
Copper Cathode (kt)			
Production	18	24	18
Sales	17	24	17
Moly in Concentrate (M lbs)			
Production	2.3	1.6	1.9
Sales	2.2	2.0	2.4
C\$ millions			
Revenue	749	574	773
Gross Profit	427	347	469



Increasing Throughput

- **Andacollo Concentrator improvement plan:**
 - Small crusher to feed pebble crusher (August '11)
 - Increase SAG motor capacity by 10% (Q3 '11)
 - Installation of a 20 ktpd pre-crusher plant (Q1 '12)
- **Estimated cost approximately US\$15 million**
- **Recoveries continue to be above design**

Quebrada Blanca – Dealing with Challenging Conditions



Challenges

- Wall Failures
- Abnormal Weather
- Change from Heap Leach to Dump Leach Operation

Initiatives

- Push Back South Wall
- Ripios re-leaching
- Upgrade SX Plant



Antamina Expansion



- Ore throughput increasing 30% over the first half of 2011
- Project 63% complete; estimated cost remains US\$1.3Bn
- New SAG & ball mills in place, new copper & zinc floatation cells in place
- Additional ore anticipated Q1 2012



Galore Creek



Pre-feasibility Study Completed

Large Copper/Gold Resource

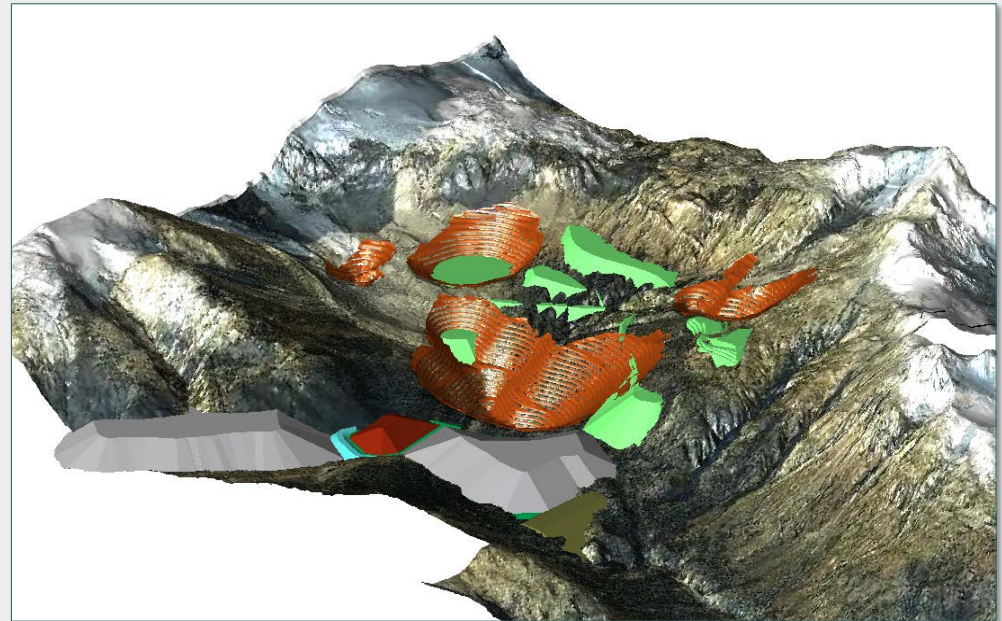
- Reserves: 6.8 B lbs Cu, 5.5 M ozs Au
- Avg Annual Production: 320 M lbs Cu & 208,000 oz Au
- 18 year mine life with significant upside

Project concept simplified:

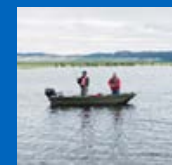
- Mining in the Galore Valley
- Processing in the West More Valley
- Slurry pipeline to Hwy 37
- Trucking to port facility in Stewart

Enhanced Plan being evaluated

- Completion by year-end 2011
- Basis for project description for feasibility study and permitting



Zinc



Zinc in Concentrate (kt)

Production

Sales

Refined Zinc (kt)

Production

Sales

Lead in Concentrate (kt)

Production

Sales

Refined Lead (kt)

Production

Sales

Financial Results

Revenue

Gross Profit

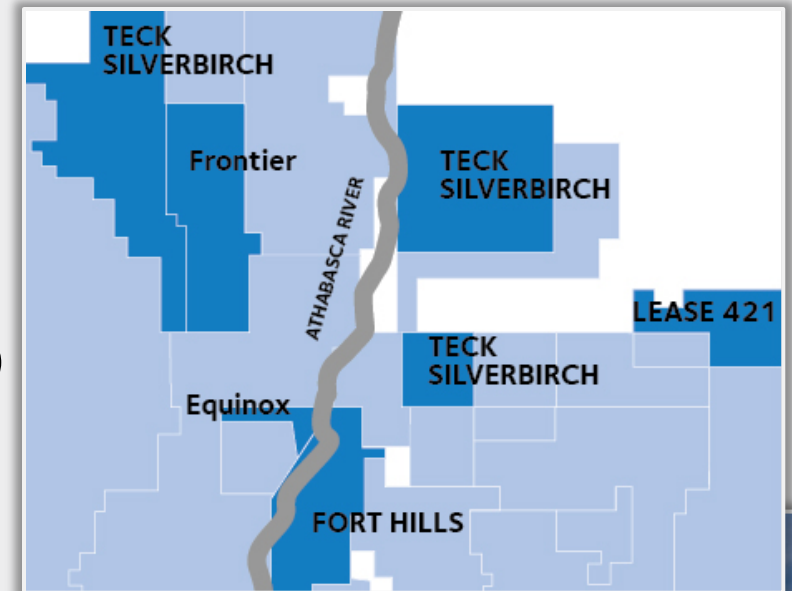
(before depreciation and amortization)

	Q2 2011	Q2 2010	Q1 2011
Zinc in Concentrate (kt)			
Production	166	167	166
Sales	99	101	129
Refined Zinc (kt)			
Production	71	71	72
Sales	72	70	73
Lead in Concentrate (kt)			
Production	22	31	21
Sales	–	3	–
Refined Lead (kt)			
Production	21	20	23
Sales	22	23	20
C\$ millions			
Revenue	576	428	574
Gross Profit	156	102	167

Energy



- **Fort Hills**
 - Phase I bitumen production planned for mid 2016
- **Frontier and Equinox**
 - Design Basis Memorandum (DBM) complete
 - Regulatory application late 2011
- **Lease 421**
 - Seismic program completed Q1 2011
- **Wintering Hills Windfarm**
 - On schedule, expected to be complete by the end of 2011



Q2 Investor Conference Call



Speakers

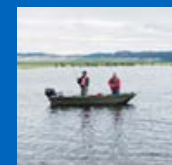
Don Lindsay

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Q2 2011 – Cash Changes



\$Millions

Cash Flow from Operations	1,207
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Working Capital Changes	(586)
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Capital Expenditures / Investments	(325)
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Proceeds from investments & other	134
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Debt principal and interest payments	(152)
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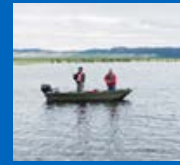
Non-controlling Interests	(7)
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Exchange & Other	(3)
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Cash & STI Increase	268
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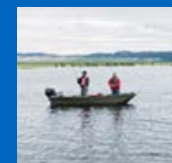
Cash at quarter end	\$1,314
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Working Capital Breakdown



- Factoring of Receivables
- Outstanding Receivables
 - Higher commodity prices
- Inventories Higher
 - Prices, volumes and costs
- Payables
 - Timing of royalty & tax payments

Final Pricing Adjustments



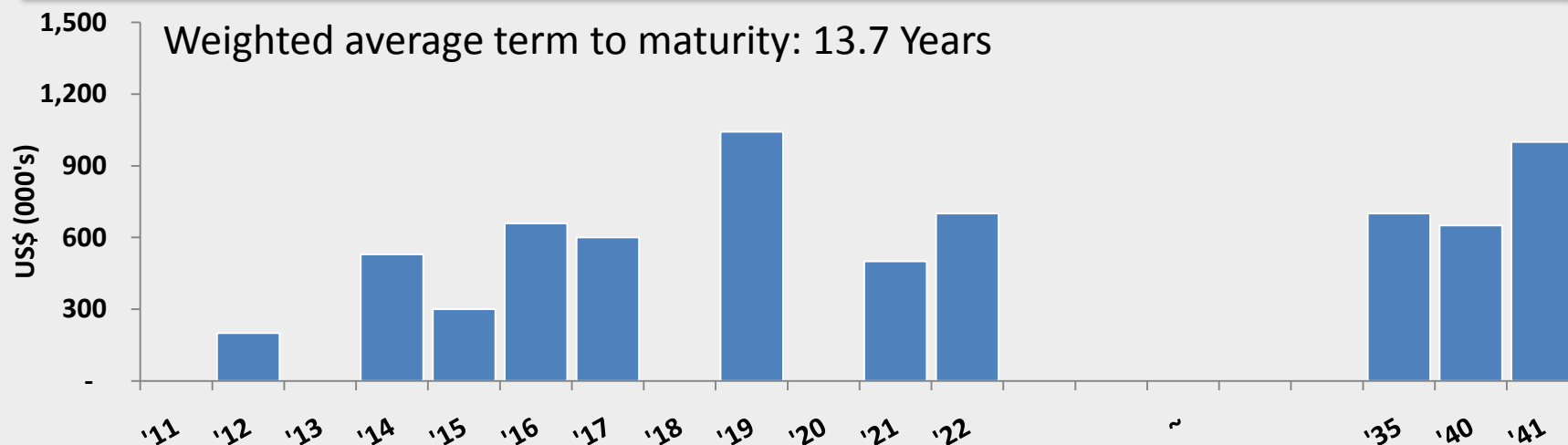
	Outstanding at March 31, 2011		Outstanding at June 30, 2011		Settlement Adjustment (C\$ M) Before Tax*
Copper	128 M lbs	\$4.27 US\$/lb	150 M lbs	\$4.22 US\$/lb	-\$10 Million
Zinc	116 M lbs	\$1.06 US\$/lb	103 M lbs	\$1.05 US\$/lb	-\$1 Million
Silver	3.1 M oz	\$38 US\$/oz	2.5 M oz	\$35 US\$/oz	+\$15 Million
Other					+\$2 Million
Total Pricing Adjustments*					\$6.0 million

**Net of treatment and refining charges*

Debt & Recent Notes Offering



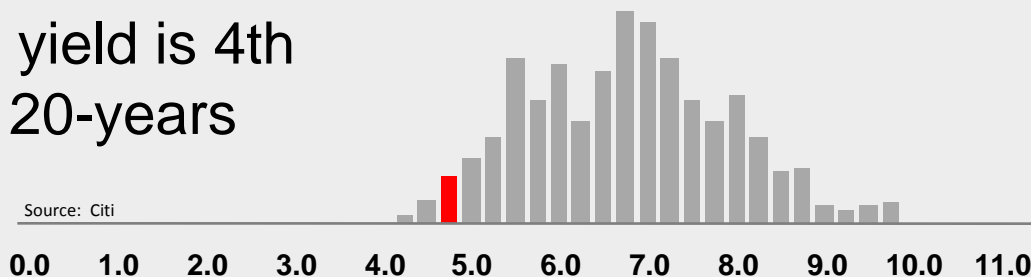
Overall Debt Maturity Profile



Successful US\$2.0B Notes Offering

'BBB' Average Rate Histogram

- Teck's average funding yield is 4th percentile over the last 20-years





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Ron Millos

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Don Lindsay

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Project Developments



- **Quintette Coal Mine**
Feasibility Study expected Q3 2011
- **Relincho Copper Mine**
Pre-feasibility study expected Q3 2011
- **Andacollo Expansion**
Feasibility study expected Q4 2011
- **Quebrada Blanca Copper Concentrate**
Feasibility study expected early 2012
- **Galore Creek Copper Mine**
Pre-feasibility completed
- **Frontier / Equinox Oil Sands Mine Projects**
DBM Complete and regulatory application expected 2nd half 2011

Summary



Positioning for upcoming capital expenditures

Strong cash flow & increasing cash balance

Coal production increasing

Copper production increasing

Development projects advancing

Teck



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