

Teck



Third Quarter 2010

Investor Conference Call and Webcast

October 27, 2010

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, the impact of our recently announced agreement with CP Rail, the sensitivity of our earnings to changes in commodity prices and exchange rates, 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, 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.

Forward Looking Information



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.

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

3rd Quarter 2010 Highlights



Strong Operating Results

Revenues	\$2,520 million
Operating Profit (before Depreciation & Amortization)	\$1,228 million
Earnings (attributable to shareholders)	\$331 million
Adjusted Earnings	\$467 million
EBITDA	\$912 million

3rd Quarter 2010 Highlights



Strong Business Fundamentals

- Andacollo achieved commercial production
- Premium coal contracted for Q4 at ~US\$209/t
- Copper prices increasing
- Debt refinanced at historical low interest rates
- Reduced future interest expense

Comparative Earnings



(\$ millions, net of taxes)

Earnings attributable to Shareholders as Reported

Asset Sales & Other

F/X (gains) losses on net debt

Derivative (gains) losses

Financing items & Impairment charges

Tax Items

(Earnings) loss from discontinued Ops

Adjusted Earnings

EPS Fully Diluted

Pricing Adjustments

Comparative Earnings

	<u>Q3 '10</u>	<u>Q3 '09</u>	<u>Q2 '10</u>
	\$331	\$609	\$260
Asset Sales & Other	(127)	(3)	—
F/X (gains) losses on net debt	(26)	(311)	42
Derivative (gains) losses	(51)	(16)	16
Financing items & Impairment charges	340	84	6
Tax Items	—	—	—
(Earnings) loss from discontinued Ops	—	(26)	—
Adjusted Earnings	467	337	324
EPS Fully Diluted	\$0.79	\$0.59	\$0.55
Pricing Adjustments	(62)	(67)	52
Comparative Earnings	\$405	\$270	\$376

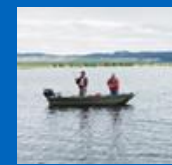
Q3 Guidance



Guidance met except for coal sales

Red Dog zinc con sales 170kt	✓ 170 kt
Coal sales 5.8 to 6.2 Mt (revised 5.2-5.5Mt)	✗ 5.5 Mt
Coal pricing US \$195/t to \$200/t	✓ \$200/t
Coal costs ~C\$90/t site & port for 2010	✓ On track
Copper production and costs	✓ On track
Settlement adjustments	✓ Positive

Coal



	Q3	Q3	Q2
	<u>2010</u>	<u>2009</u>	<u>2010</u>
Coal – Mt			
Production	5.5	5.3	6.0
Sales	5.5	5.7	6.4
Average Price (US\$/t)	200	137	182
(C\$/t)	208	152	186
Site Costs (C\$/t)	62	54	56
Transportation Costs (C\$/t)	33	30	31
Financial Results	C\$ millions		
Revenue	1,150	869	1,196
Operating Profit (Before Depreciation)	622	389	634

Teck / CP Rail - Agreement



- 10-year rail agreement
- Agreement commences April 1, 2011
- Applicable to the five mines located in southeast BC
- Provides visibility for growth strategy for seaborne export



Copper



	Q3	Q3	Q2
	<u>2010</u>	<u>2009</u>	<u>2010</u>
Copper in Concentrate (kt)			
Production ex. CDA	44	50	46
Sales	48	58	46
Copper Cathode (kt)			
Production	23	26	24
Sales	23	28	24
Moly in Concentrate (M lbs)			
Production	2.2	1.9	1.6
Sales	1.9	2.1	2.0
Financial Results	C\$ millions		
Revenue	639	642	499
Operating Profit	306	308	344
(Before Depreciation & Pricing Adjustments)			

Carmen de Andacollo Update



- Commercial production achieved effective Oct 1, 2010
- Current average plant throughput 53kt of ore per day
- Design capacity is 55Kt per day, plant has operated above target for a number of consecutive days
- Ramp-up period completed in seven months
- Final project cost ~US\$440m



Zinc



	Q3	Q3	Q2
	<u>2010</u>	<u>2009</u>	<u>2010</u>
Zinc in concentrate – kt			
Production	162	182	167
Sales	193	191	101
Refined Zinc – kt			
Production	69	56	71
Sales	70	59	70
Lead in Concentrate – kt			
Production	27	32	31
Sales	86	72	3
Refined Lead – kt			
Production	17	19	20
Sales	16	19	23
Financial Results	C\$ millions		
Revenue	731	620	415
Operating Profit	204	159	90
(Before Depreciation & Pricing Adjustments)			

Red Dog Update



- Aqqaluk mining underway
- Ore to mill Q3
- New water discharge permit process continues
- Current water discharge under existing permit

Aqqaluk Pit - October 2010



Q3 Investor Conference Call



Speakers

Don Lindsay

President & CEO

Ron Millos

SVP Finance & CFO

3rd Quarter 2010

- Cash Changes



\$Millions

Cash Flow from Operations

818

Working Capital Changes

(88)

Capital Expenditures / Investments

(227)

Increase in Debt

52

Non-controlling Interests

(9)

Exchange, Discontinued Ops & Other

(127)

Cash & STI Decrease

419

Cash at quarter end

\$1,177

Final Pricing Revenues



Outstanding from Q2 & Settled in Q3

	Valued		Settled		Revenue Adj. (C\$ M)	
	<u>M lbs</u>	<u>US\$/lb</u>	<u>M lbs</u>	<u>US\$/lb</u>	<u>Before Tax*</u>	<u>After Tax*</u>
Copper	90	\$2.96	85	\$3.33	(30)	
Zinc	112	\$0.77	107	\$0.88	<u>(4)</u>	
Total					\$34	\$21

Adjustments on Settlements within Q3 **\$62** **\$41**

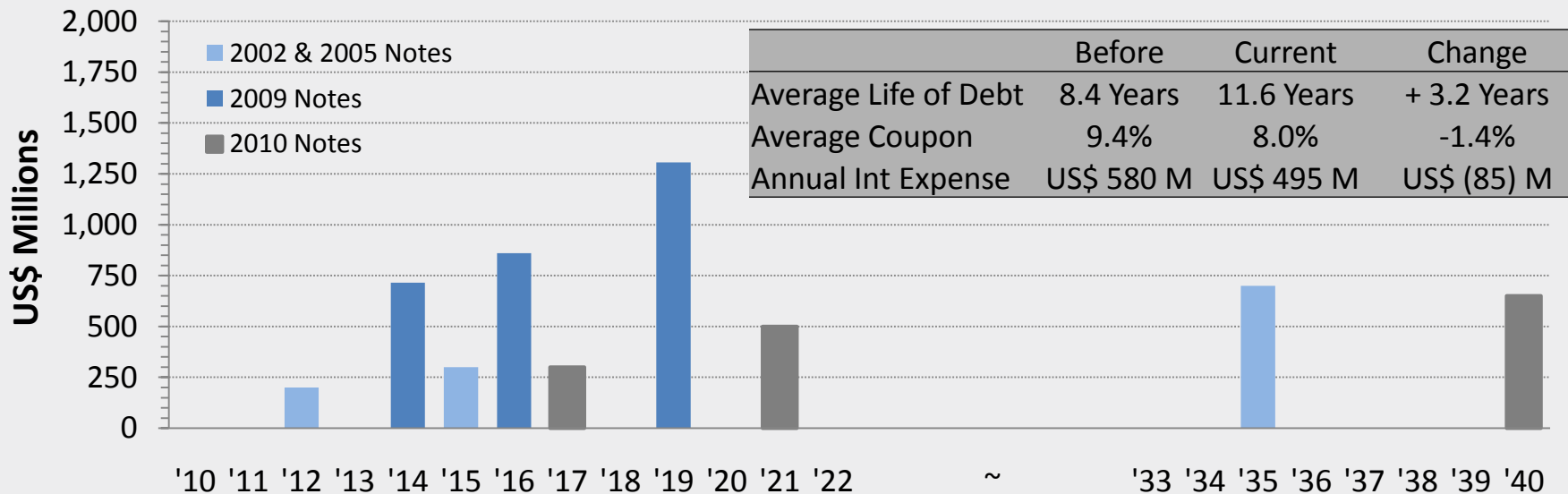
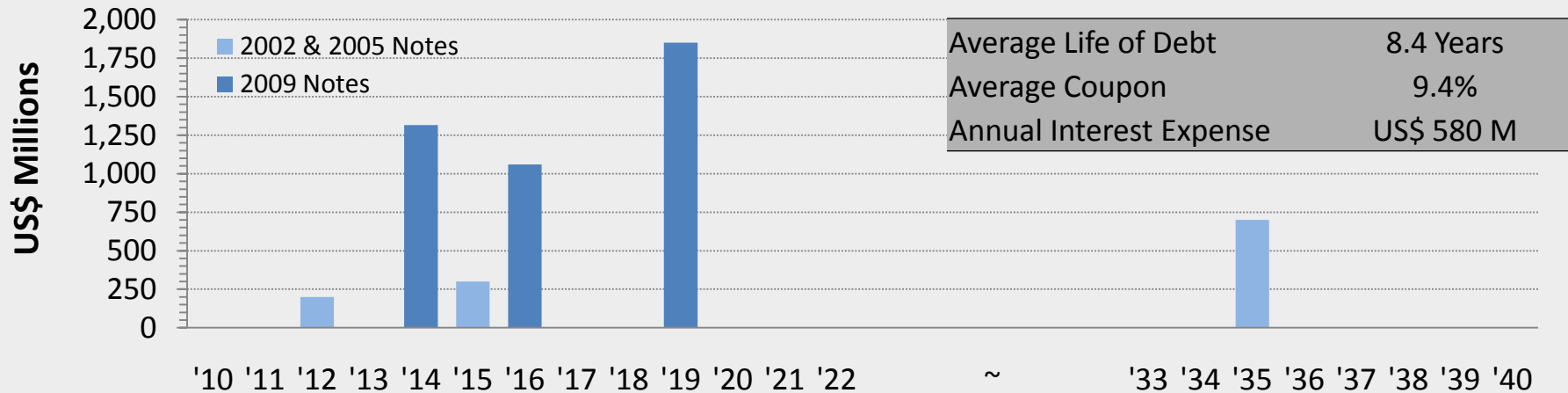
Total Final Pricing Adjustments Q3 **\$96** **\$62**

Outstanding Q4

	M lbs	Valued US\$/lb
Copper	77	\$3.65
Zinc	145	\$0.99
Lead	72	\$0.92

*Net of treatment and refining charges, tax, royalties & non-controlling interests

Debt Maturity profile



Q4 Guidance



Factors to consider

- Red Dog zinc & lead sales 190 kt
- CY 2010 coal sales 23.0 to 23.8 Mt
- Coal pricing US \$200/t to \$205/t
- Coal costs ~C\$57/t site, ~C\$33/t tpt for 2010
- \$68 million charge for debt refinancing
- Copper production and costs at HVC & CdA
- Settlement adjustments



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President & CEO

Project Developments



- **Quebrada Blanca Copper Concentrate**
 - Proceeding to feasibility
- **Relincho Copper Mine**
 - Pre-feasibility study expected mid-year 2011
- **Galore Creek Copper Mine**
 - Pre-feasibility expected Q2 2011
- **Frontier / Equinox Oil Sands Mine Projects**
 - Pre-feasibility and regulatory application expected Q2 2011
- **Quintette Coal Mine**
 - Feasibility Study expected late 2011

Summary



Strong balance sheet

Strong cash flow

Coal Production increasing

Copper Production increasing

Development Projects advancing

Teck



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