Third Quarter 2019 Results

October 24, 2019

Caution Regarding Forward-Looking Statements

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) and comparable legislation in other provinces (collectively referred to herein as forward looking statements). 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 and guidance with respect to, among other matters, business unit and commodity production guidance, cost guidance (including but not limited to unit, site, operating and transport cost guidance) and expectations, expectations for production at each of our operations, sales guidance, capital expenditure guidance, targeted cost reduction amounts and timing, targeted completion date for QB2, expected annualized EBITDA improvements from our RACE21™ program, impact of the electrical equipment failure on Trail production and timing of repairs, timing of the closing of the QB2 project financing and first borrowing, expectation for improving throughput, grades and recoveries at Highland Valley, Teck’s share of remaining equity capital for the QB2 project and timing of contributions, potential for cash returns to shareholders, potential value catalyst of growth through QB2/QB3 execution, the expectations underlying our guidance, and our expectations regarding our business and markets.

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 coal, copper, zinc and other primary metals and minerals produced by Teck as well as oil, natural gas and petroleum products, the supply and demand for our blended bitumen, 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 and resource estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based, conditions in the financial markets generally, 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, acts of foreign and domestic governments, the impact of foreign exchange rates on our costs and results and the future operational and financial performance of the company generally. Assumptions regarding Quebrada Blanca Phase 2 are based on current project plans. Our anticipated RACE21™ related EBITDA improvements and associated costs assume that the relevant projects are implemented in accordance with our plans and budget, and are based on current commodity price assumptions. Assumptions are also referred to in the footnotes included in these slides. 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 , changes in interest and currency exchange rates, acts of domestic and foreign governments, 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 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), any change or deterioration in our relationships with our joint venture partners, 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. Returns to shareholders depend on availability of cash, and are subject to changes in policies or priorities. EBITDA improvements may be impacted by the effectiveness of our projects and actual commodity prices. Closing of the project finance and borrowing thereunder depend on satisfaction of closing and borrowing conditions precedent.

Statements concerning future production costs or volumes are based on numerous assumptions of management regarding operating matters and on assumptions that demand for products develops as anticipated, that customers and other counterparties perform their contractual obligations, that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labour disturbances, interruption in transportation or utilities, adverse weather conditions, and that there are no material unanticipated variations in the cost of energy or supplies. Statements regarding anticipated coal sales volumes and average coal prices for the quarter depend on timely arrival of vessels and performance of our coal-loading facilities, as well as the level of spot pricing sales.

We assume no obligation to update forward-looking statements except as required under securities laws. Further information concerning assumptions, risks and uncertainties associated with these forward-looking statements and our business can be found in our Annual Information Form for the year ended December 31, 2018, filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov) under cover of Form 40-F, as well as subsequent filings that can also be found under our profile.

Q3 2019 Highlights

- QB2 construction continues; targeted completion Q4 2021
- Continuing to advance RACE21™; expect to generate $150 million in annualized EBITDA[1] improvements by year end
- Named to the Dow Jones Sustainability World Index for the 10th straight year; top-ranked mining company on both the World & North American indices
- Financial position remains strong; extended the maturity of our US$4.0 billion revolver to 2024
- In light of current uncertain economic conditions, we have implemented a company-wide cost reduction program targeting reductions of ~$500 million from previously planned spending through the end of 2020

Q3 2019 Earnings

Impacted by lower prices for all of our key commodities

	Q3 2019	Q3 2018
Revenue	$ 3.0 billion	$ 3.2 billion
Gross profit before depreciation and amortization[1]	$ 1.2 billion	$ 1.4 billion
Gross profit	$ 787 million	$ 1.0 billion
EBITDA[1]	$ 1.0 billion	$ 2.1 billion
Adjusted EBITDA[1]	$ 1.1 billion	$ 1.2 billion
Profit attributable to shareholders	$ 369 million	$ 1.3 billion
Adjusted profit[1]	$ 403 million	$ 466 million
Adjusted basic earnings per share[1]	$ 0.72/share	$ 0.81/share
Adjusted diluted earnings per share[1]	$ 0.72/share	$ 0.80/share

Earnings Adjustments in Q3 2019

	Q3 2019	Q3 2018
Profit attributable to shareholders	$ 369 million	$ 1,281 million
Add (deduct):		
Debt prepayment option (gain) loss	-	(17) million
Debt redemption loss	-	19 million
Gain on sale of Waneta Dam	-	(812) million
Taxes and other	34 million	(5) million
Adjusted profit attributable to shareholders[1]	$ 403 million	$ 466 million
Adjusted basic earnings per share[1]	$ 0.72/share	$ 0.81/share
Adjusted diluted earnings per share[1]	$ 0.72/share	$ 0.80/share

Additional charges in Q3 2019 not adjusted for total $12 million after tax, or $0.02/share on a diluted basis

- Pricing adjustments: ($33) million or ($0.06)/share
- Stock-based compensation income (expense): $19 million or $0.04/share
- Gain on commodity derivatives: $8 million or $0.01/share
- Inventory write-downs: ($5) million or ($0.01)/share
- Decommissioning and reclamation provision change in estimate: ($1) million

Steelmaking Coal Business Unit

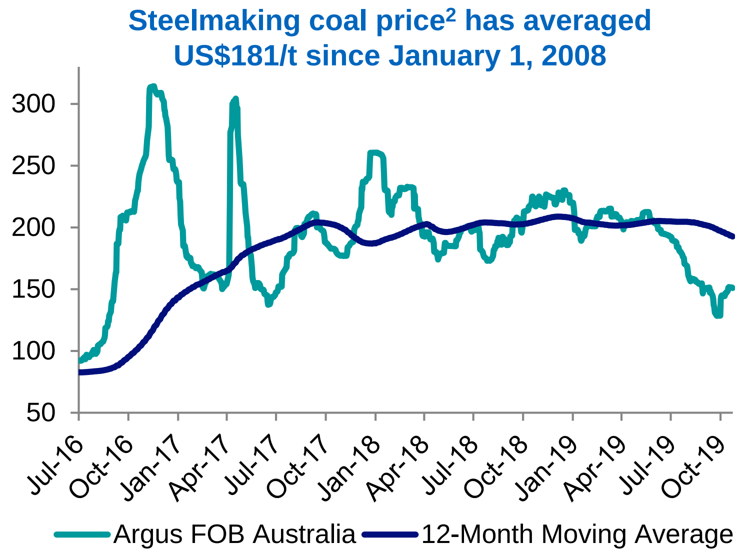
Q3 2019

- Sales of 6.1 Mt below guidance; though demand remained strong
- Production records at Line Creek, Greenhills Operations

Looking Forward

- Expect sales of ~6.2-6.4 Mt in Q4 2019
- Expect adjusted site cost of sales[1] to be lower in Q4 2019, in line with annual guidance.
- 2020 expect production to be lower in H1 as plant outages completed, increasing in H2.
- Expect adjusted site cost of sales[1] to be significantly higher in Q1 2020 than Q4 2019 due lower production
- Expect adjusted site cost of sales[1] to decrease significantly in H2 2020 as we return to full production

Steelmaking Coal Prices[2] (US$/t)



Guidance	2018A	2019	2020-2022
Production (Mt)	26.2	25.5-26.0	26.5-27.5
Adjusted Site Cost of Sales[1] ($/t)	$62	High end of $62-65	n/a
Transport Costs ($/t)	$37	High end of $37-39	n/a

Copper Business Unit

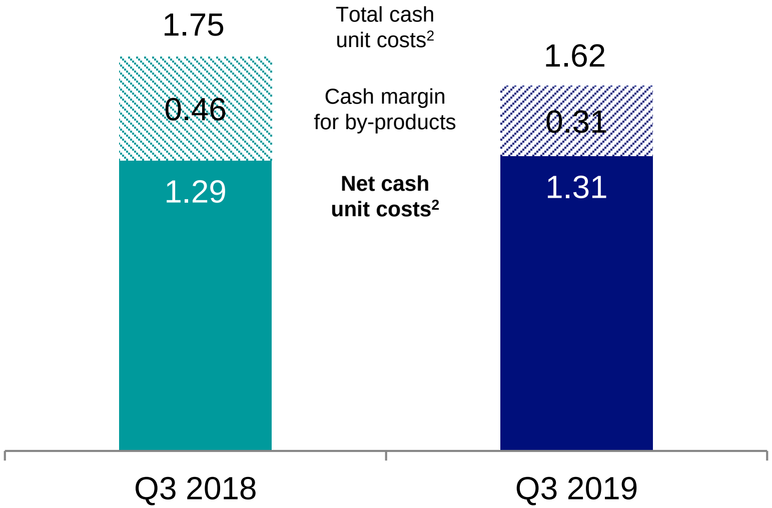
Q3 2019

- Copper production increased by 10% from a year ago, primarily due to higher copper grades, mill throughput and recoveries at Highland Valley, in line with guidance
- Lower total cash unit costs[2] before by-product credits; however, lower zinc sales and prices left net cash unit costs[2] roughly in line with one year ago

Looking Forward

- Continued improvement in throughput, grades and recoveries at Highland Valley
- Continue to expect production within our 2019 guidance range, despite a strike by the worker's union at Carmen de Andacollo from October 14, 2019

Cash Unit Costs (US$/lb)



Guidance	2018A	2019	2020-2022
Production[1] (Mt)	294	290-310	285-305
Net Cash Unit Costs[2] (US$/lb)	$1.23	$1.40-1.50	n/a

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QB2 Project Update[1]

Engineering[1] ~95%	Commitments[1] ~65%
Procurement[1] ~92%	Progress[1] ~17.6% Overall
Contracting[1] ~97%	Workforce[4] +5,000

Photo: SAG Mill number 1 – Concrete and rebar placement

Concentrator

Grinding Area

Teck

Concentrator

Flotation Area

Teck

Port Area
Desalination Plant

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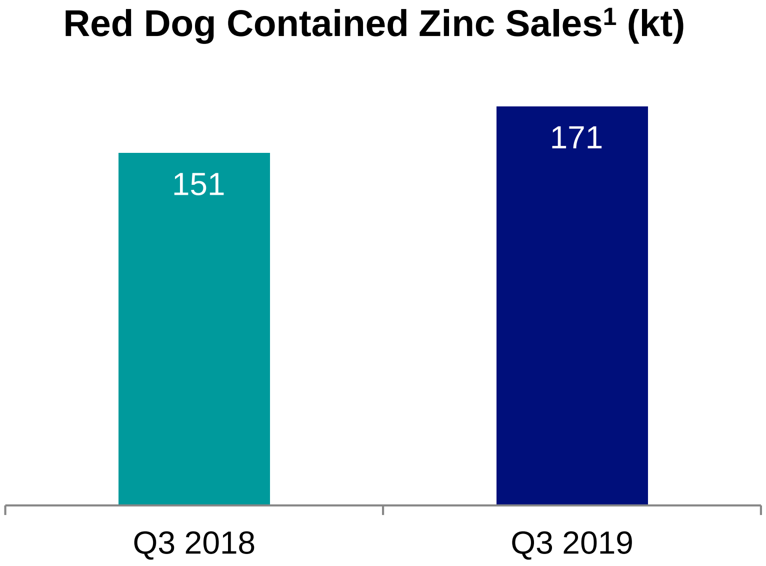
Zinc Business Unit

Q3 2019

- Red Dog contained zinc sales[1] above guidance at 171 kt
- Net cash unit costs[2] reflect higher 2019 TC/RC benchmark terms
- Trail Operations impacted by electrical equipment failure in the zinc refinery; expect repairs to be completed by mid-December

Looking Forward

- Red Dog shipping season expected to be complete in early November, with all available concentrate shipped
- Expect Red Dog contained zinc sales[1] of 160-165 kt in Q4 2019



Guidance	2018A	2019	2020-2022
Production, Mined Zinc[3] (kt)	705	620-650	600-630
Production, Refined Zinc (kt)	303	275-285 (was 305-310)	310-315
Net Cash Unit Costs[2] (US$/lb)	$0.31	$0.30-0.35	n/a

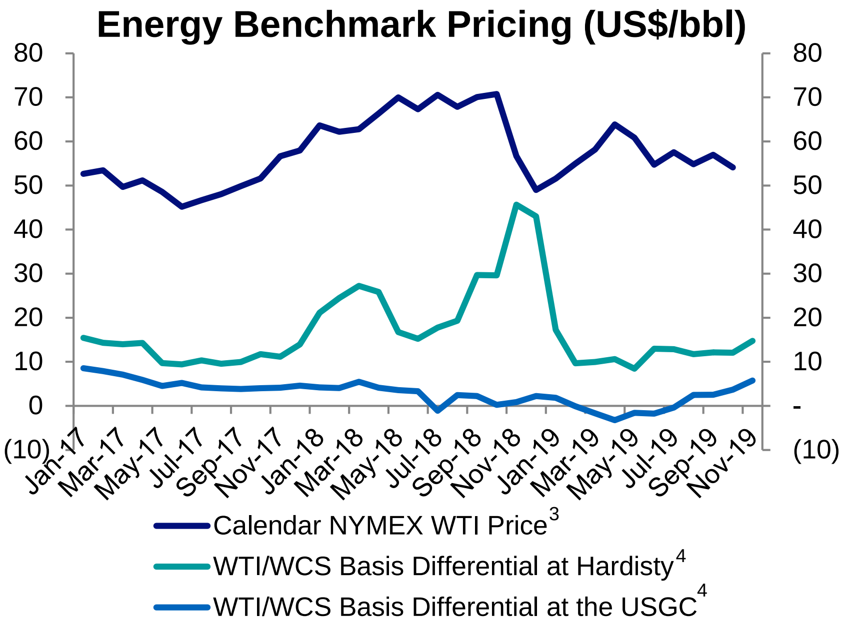
Energy Business Unit

Q3 2019

- Gross profit declined in Q3 2019 from Q2 2019, primarily reflecting the decline in the price of WTI and the widening of heavy differentials
- Production and unit operating costs continue to reflect the Government of Alberta's production curtailments

Looking Forward

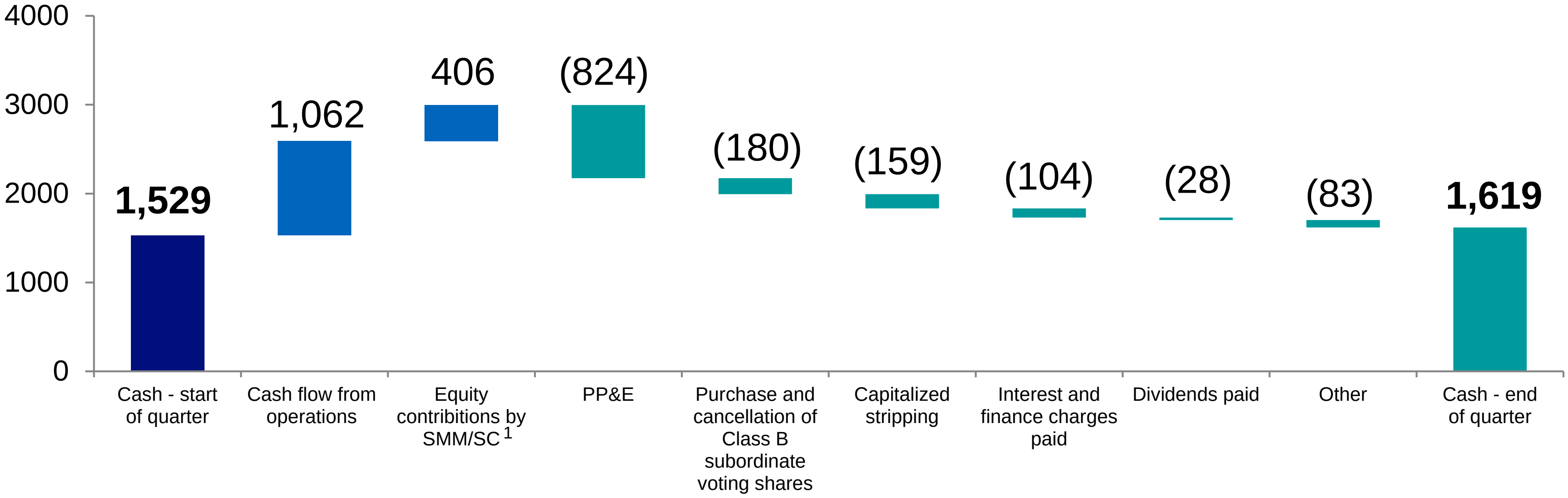
- Production curtailments extended through December 2020, with option to terminate earlier
- Despite the announced extension of curtailments, we continue to expect to be at the low end of our annual production guidance and high end of our unit operating cost guidance



Guidance	2018A	2019	2020-2022
Production, Bitumen[1] (M barrels)	6.8	Low end of 12-14	14
Adjusted Operating Costs[2] (C$/barrel bitumen)	C$32.89	High end of C$26-29	n/a

Cash Flow

Cash Changes in Q3 2019 ($M)

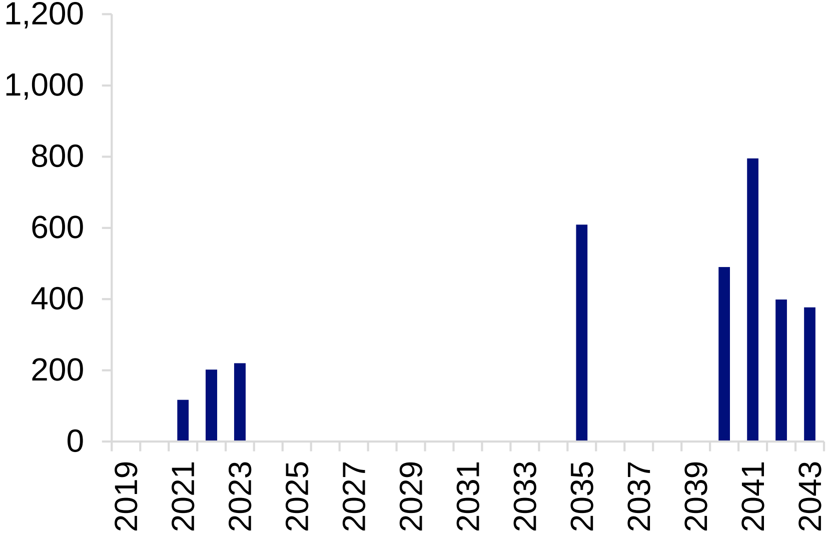


Strong Financial Position

- ~C$6.8 billion of liquidity[1]; including $1.6 billion in cash, $1.0 billion in Chile for QB2 development
- US$4.0 billion committed revolving credit facility; maturity extended to November 2024
- No significant note maturities until 2035
- Investment grade credit rating
- Expect US$2.5 billion QB2 project finance facility to close in Q4 2019; first borrowing not expected until early 2020
- QB2 partnership and financing plan dramatically reduces Teck's capital requirements; Teck's share of funding before escalation is ~US$700 million[2], with no contributions required until early 2021[3]

Note Maturity Profile[4] (C$M)

Notes outstanding reduced from US$7.2 billion to US$3.2 billion



Cost Reduction Program

Implementing a company-wide cost reduction program in response to current global economic uncertainty

- We are targeting total reductions of ~$500 million from previously planned spending through the end of 2020
  - $170 million for the balance of 2019: $120 million in capex and $50 million in other costs
  - $330 million in 2020: $130 million in planned capex and $200 million in other costs
- Approximately 30% of the ~$500 million total relates to deferral of capex
- We expect to eliminate ~500 full-time equivalent positions
- Target cost reductions do not include initiatives that would result in a reduction in production volumes or that could adversely affect health and safety

A Transformational Time for Teck

Future Value Catalysts

Positioned For Cash Returns to Shareholders

Growth Through QB2/QB3 Execution

Transformation Through Innovation: RACE21™

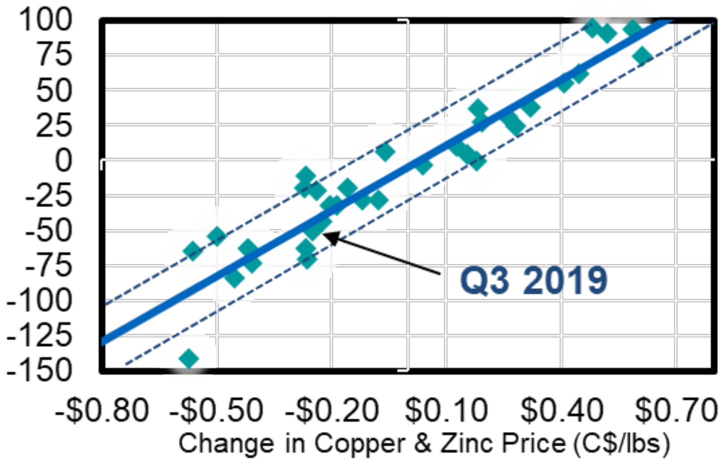
Compelling Value

Appendix

Other Operating Income (Expense)

Simplified Settlement Pricing Adjustment Model

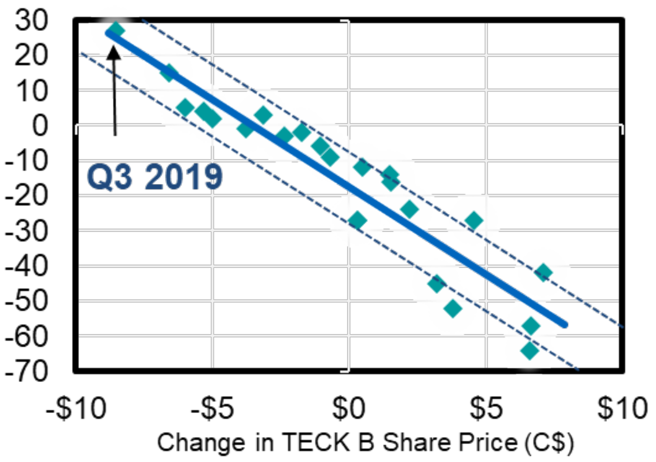
(Pre-tax settlement pricing adjustment in C$M)



	Outstanding at June 30, 2019		Outstanding at September 30, 2019		Pricing Adjustments
	Mlbs	US$/lb	Mlbs	US$/lb	C$M
Copper	172	2.71	105	2.61	(19)
Zinc	155	1.15	230	1.06	(19)
Other					(12)
Total					**(50)**

Simplified Compensation Expense Model

(Pre-tax share based compensation income / expense in C$M)



	Outstanding at June 30, 2019	Outstanding at September 30, 2019	Quarterly Price Change	Compensation Income (Expense)
	C$/share	C$/share	C$/share	C$M
Teck B	30.22	21.67	(8.55)	**27**

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Notes

Slide 3: Q3 2019 Highlights

1. EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2019 news release for further information.
2. Liquidity is as at October 23, 2019.

Slide 4: Q3 2019 Earnings

1. Gross profit before depreciation and amortization, EBITDA, adjusted EBITDA, adjusted profit, adjusted basic earnings per share and adjusted diluted earnings per share are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2019 news release for further information.

Slide 5: Earnings Adjustments in Q3 2019

1. Adjusted profit attributable to shareholders, adjusted basic earnings per shares, and adjusted diluted earnings per share are non-GAAP financial measures. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2019 news release for further information.

Slide 6: Steelmaking Coal Business Unit

1. Steelmaking coal unit costs are reported in Canadian dollars per tonne and include site costs, transport costs, and other and does not include capitalized stripping or capital expenditures. Non-GAAP financial measures. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2019 news release for further information.
2. Source: Argus, Teck. Plotted to October 23, 2019.

Slide 7: Copper Business Unit

1. Metal contained in concentrate. We include 100% of production and sales from our Quebrada Blanca and Carmen de Andacollo mines in our production and sales volumes even though we do not own 100% of these operations because we fully consolidate their results in our financial statements. We include 22.5% of production and sales from Antamina, representing our proportionate ownership interest. Copper production includes cathode production at Quebrada Blanca and Carmen de Andacollo. Production guidance for 2020 to 2022 excludes production from QB2.
2. Copper unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Copper net cash unit costs are after by-product margins and include adjusted cash cost of sales, smelter processing charges and cash margin for by-products including co-products. Assumes a zinc price of US$1.15 per pound, a molybdenum price of US$12 per pound, a silver price of US$16 per ounce, a gold price of US$1,350 per ounce and a Canadian/U.S. dollar exchange rate of $1.32. Non-GAAP financial measures. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2019 news release for further information.

Slide 8: QB2 Project Update

1. Project progress as at the end of September 2019 .
2. Number of active workers versus employees on payroll.

Slide 12: Zinc Business Unit

1. Metal contained in concentrate.
2. Zinc unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Zinc net cash costs are after by-product margins and are mine costs including adjusted cash cost of sales, smelter processing charges and cash margin for by-products. Assumes a lead price of US$0.90 per pound, a silver price of US$16 per ounce and a Canadian/U.S. dollar exchange rate of $1.32. By-products include both by-products and co-products. Non-GAAP financial measures. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2019 news release for further information.
3. Metal contained in concentrate. Total zinc production includes co-product zinc production from our Copper business unit. We include 22.5% of production and sales from Antamina, representing our proportionate ownership interest.

Notes

Slide 13: Energy Business Unit

1. We include 21.3% of production from Fort Hills, representing our proportionate ownership interest. Results for 2018 are effective from June 1, 2018. The 2020-2022 production guidance does not include potential near term debottlenecking opportunities. See Energy business unit section of the Q3 2019 news release for further information.
2. Bitumen unit costs are reported in Canadian dollars per barrel. Adjusted operating costs represent costs for the Fort Hills mining and processing operations and do not include the cost of diluent, transportation, storage and blending. Non-GAAP financial measure. See “Non-GAAP Financial Measures” slides and “Use of Non-GAAP Financial Measures” section of the Q3 2019 news release for further information.
3. The WTI CMA is an average of the daily settle quoted price for WTI prices for future deliveries for the trading days during a calendar month. Source: CME Group. As at October 23, 2019.
4. WCS at Hardisty: an index value determined during the trading period, which is typically the first 9 to 11 business days of the month prior to the month of delivery and does not include trades done after this trading period or during the month of delivery. Sources: Net Energy and CalRock. As at October 22, 2019.
5. Source: Link. A simple average of Link brokerage assessments for the month of delivery during the trading period, which is typically the 25th of two months prior to the month of delivery to the 25th of the month prior to the month of delivery. As at October 22, 2019.

Slide 14: Cash Flow

1. Sumitomo and SMM/SC refer to Sumitomo Metal Mining Co. Ltd. (SMM) and Sumitomo Corporation (SC).

Slide 15: Strong Financial Position

1. Liquidity is as at October 23, 2019.
2. On a go forward basis from January 1, 2019.
3. Assumes US$1.2 billion of Sumitomo contributions associated with purchase price spent before first draw of project finance facility. Thereafter, project finance facility used to fund all capital costs until target debt : capital ratio achieved on a cumulative basis, after which point project finance and equity contributions are made ratably based on this same debt : capital ratio.
4. Public notes outstanding as at September 30, 2019.

Non-GAAP Financial Measures

Non-GAAP Financial Measures

EBITDA is profit attributable to shareholders before net finance expense, income and resource taxes, and depreciation and amortization. Adjusted EBITDA is EBITDA before the pre-tax effect of certain types of transactions that in our judgment are not indicative of our normal operating activities or do not necessarily occur on a regular basis. These adjustments to EBITDA highlight items and allow us and readers to analyze the rest of our results more clearly. EBITDA margin for our operations as business units is EBITDA (as described above) for those operations and business units, divided by the revenue for the relevant operation or business unit for the year-to-date. For adjusted profit attributable to shareholders, we adjust profit attributable to shareholders as reported to remove the after-tax effect of certain types of transactions that in our judgment are not indicative of our normal operating activities or do not necessarily occur on a regular basis. Adjusted basic earnings per share is adjusted profit divided by average number of shares outstanding in the period. Adjusted diluted earnings per share is adjusted profit divided by average number of fully diluted shares in a period. We believe that disclosing these measures assist readers in understanding the ongoing cash generating potential of our business in order to provide liquidity to fund working capital needs, service outstanding debt, fund future capital expenditures and investment opportunities, and pay dividends. Free cash flow is presented to provide a means to evaluate shareholder returns. Other non-GAAP financial measures, including those comparing our results to our diversified and North American peers, are presented to help the reader compare our performance with others in our industry. The measures described above do not have standardized meanings under IFRS, may differ from those used by other issuers, and may not be comparable to such measures as reported by others. For a definition of other non-GAAP measures used in this presentation and a discussion of why management presents them, please see our third quarter results news release dated October 24, 2019.These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

Reconciliation of Profit and Adjusted Profit

(C$ in millions)	Three months ended September 30, 2019	Three months ended September 30, 2018
Profit attributable to shareholders	**$ 369**	**$ 1,281**
Add (deduct):		
Debt redemption losses	-	19
Debt prepayment option (gain) loss	-	(17)
Gain on sale of Waneta Dam		(812)
Asset impairment	-	-
Taxes and other	34	(5)
Adjusted profit attributable to shareholders	**$ 403**	**$ 466**
Adjusted basic earnings per share	**$ 0.72**	**$ 0.81**
Adjusted diluted earnings per share	**$ 0.72**	**$ 0.80**

Non-GAAP Financial Measures

Reconciliation of Basic Earnings Per Share to Adjusted Basic Earnings Per Share

(C$ in millions)	Three months ended September 30, 2019	Three months ended September 30, 2018
Basic earnings per share	**$ 0.66**	**$ 2.23**
Add (deduct):		
Debt prepayment option loss (gain)	-	(0.03)
Debt redemption loss	-	0.03
Gain on sale of Waneta Dam	-	(1.41)
Taxes and other	0.06	(0.01)
Adjusted basic earnings per share	**$ 0.72**	**$ 0.81**

Reconciliation of Diluted Earnings Per Share to Adjusted Diluted Earnings Per Share

(C$ in millions)	Three months ended September 30, 2019	Three months ended September 30, 2018
Diluted earnings per share	**$ 0.66**	**$ 2.20**
Add (deduct):		
Debt prepayment option loss (gain)	-	(0.03)
Debt redemption loss	-	0.03
Gain on sale of Waneta Dam	-	(1.39)
Taxes and other	0.06	(0.01)
Adjusted diluted earnings per share	**$ 0.72**	**$ 0.80**

Non-GAAP Financial Measures

Reconciliation of Net Debt-to-Adjusted EBITDA Ratio & Net Debt-to-Debt-Plus-Equity Ratio

(C$ in millions)	(A) Twelve months ended December 31, 2018	(B) Nine months ended September 30, 2018	(C) Nine months ended September 30, 2019		(A-B+C) Twelve months ended September 30, 2019
EBITDA	$ 6,174	$ 5,022	$ 3,236	(D)	$ 4,388
Adjusted EBITDA	$ 5,390	$ 4,135	$ 3,604	(E)	$ 4,859
Total debt at period end	$ 5,519			(F)	$ 4,929
Less: cash and cash equivalents at period end	(1,734)				(1,619)
Net debt	$ 3,785			(G)	$ 3,310
Equity				(H)	$ 24,216
Debt to EBITDA ratio				(F/D)	1.1
Net debt to EBITDA ratio				(G/D)	0.8
Net debt to adjusted EBITDA ratio				(G/E)	0.7
Net debt to net debt-plus-equity				(G/(G+H))	12%

We include net debt measures as we believe they provide readers with information that allows them to assess our credit capacity and the ability to meet our short and long-term financial obligations, as well as providing a comparison to our peers.

Non-GAAP Financial Measures

Reconciliation of EBITDA and Adjusted EBITDA

(C$ in millions)	Three months ended September 30, 2019	Three months ended September 30, 2018
Profit attributable to shareholders	$ 369	$ 1,281
Finance expense net of finance income	56	74
Provision for income taxes	171	329
Depreciation and amortization	436	380
EBITDA	**$ 1,032**	**$ 2,064**
Add (deduct):		
Debt prepayment option loss (gain)	-	(23)
Debt redemption loss	-	26
Gain on sale of Waneta Dam	-	(888)
Taxes and other	48	(15)
Adjusted EBITDA	**$ 1,080**	**$ 1,164**

Non-GAAP Financial Measures

Energy Business EBITDA by Entity

(C$ in millions)	Three months ended September 30, 2019			Three months ended September 30, 2018		
	Reported as:			Reported as:		
	Energy	Fort Hills	Other Energy	Energy	Fort Hills	Other Energy
Profit (loss) before taxes	$ (2)	$ 7	$ (9)	$ (24)	$ (21)	$ (3)
Depreciation and amortization	37	37	-	21	21	-
Finance expense net of finance income	5	5	-	7	7	-
EBITDA	**$ 40**	**$ 49**	**$ (9)**	**$ 4**	**$ 7**	**$ (3)**

Non-GAAP Financial Measures

Reconciliation of Gross Profit Before Depreciation and Amortization

(C$ in millions)	Three months ended September 30, 2019	Three months ended September 30, 2018
Gross profit	$ 787	$ 1,009
Depreciation and amortization	436	380
Gross profit before depreciation and amortization	**$ 1,223**	**$ 1,389**
Reported as:		
Steelmaking coal (A)	$ 628	$ 810
Copper (B)	269	291
Zinc (C)	277	281
Energy (D)	49	7
Gross profit before depreciation and amortization	**$ 1,223**	**$ 1,389**

Non-GAAP Financial Measures

Reconciliation of Gross Profit Margins Before Depreciation

(C$ in millions)	Three months ended September 30, 2019	Three months ended September 30, 2018
Revenue		
Steelmaking coal (E)	$ 1,277	$ 1,505
Copper (F)	601	611
Zinc (G)	902	884
Energy (H)	255	209
Total	$ 3,035	$ 3,209
Gross profit margins before depreciation		
Steelmaking coal (A/E)	49%	54%
Copper (B/F)	45%	48%
Zinc (C/G)	31%	32%
Energy (D/H)[1]	19%	3%

Non-GAAP Financial Measures

Steelmaking Coal Unit Cost Reconciliation

(C$ in millions, except where noted)	Three months ended September 30, 2019	Three months ended September 30, 2018
Cost of sales as reported	**$ 852**	**$ 871**
Less:		
Transportation	(237)	(250)
Depreciation and amortization	(203)	(176)
Inventory write-down	(4)	-
Adjusted cash cost of sales	$ 408	$ 445
Tonnes sold (millions)	6.1	6.7
Per unit amounts (C$/t)		
Adjusted cash cost of sales	$ 67	$ 67
Transportation	39	37
Inventory write-down	(1)	-
Cash unit costs (C$/t)	$ 107	$ 104
US$ AMOUNTS		
Average exchange rate (C$/US$)	$ 1.32	$ 1.31
Per unit amounts (US$/t)[1]		
Adjusted cash cost of sales	$ 51	$ 51
Transportation	29	28
Inventory write-down	(1)	-
Unit costs (US$/t)	$ 81	$ 79

1. Average period exchange rates are used to convert to US$ per tonne equivalent.
We include unit cost information as it is frequently requested by investors and investment analysts who use it to assess our cost structure and margins and compare it to similar information provided by many companies in our industry.

Non-GAAP Financial Measures

Copper Unit Cost Reconciliation

(C$ in millions, except where noted)	Three months ended September 30, 2019	Three months ended September 30, 2018
Revenue as reported	$ 601	$ 611
By-product revenue (A)	(79)	(104)
Smelter processing charges (B)	41	36
Adjusted revenue	$ 563	$ 543
Cost of sales as reported	$ 458	$ 440
Less:		
Depreciation and amortization	(126)	(120)
Inventory (write-downs) provision reversal	(7)	-
Labour settlement	(8)	(1)
By-product cost of sales (C)	(12)	(15)
Adjusted cash cost of sales (D)	$ 305	$ 304
Payable pounds sold (millions) (E)	162.2	148.9
Per unit amounts (C$/lb)		
Adjusted cash cost of sales (D/E)	$ 1.88	$ 2.04
Smelter processing charges (B/E)	0.25	0.24
Total cash unit costs (C$/lb)	$ 2.13	$ 2.28
Cash margin for by-products (C$/lb) ((A-C)/E)	(0.41)	(0.60)
Net cash unit costs (C$/lb)	$ 1.72	$ 1.68

	Three months ended September 30, 2019	Three months ended September 30, 2018
US$ AMOUNTS[1]		
Average exchange rate (C$/US$)	$ 1.32	$ 1.31
Per unit amounts (US$/lb)		
Adjusted cash cost of sales	$ 1.43	$ 1.56
Smelter procesing charges	0.19	0.19
Total cash unit costs (US$/lb)	$ 1.62	$ 1.75
Cash margin for by-products (US$/lb)	(0.31)	(0.46)
Net cash unit costs (US$/lb)	$ 1.31	$ 1.29

1. Average period exchange rates are used to convert to US$ per pound equivalent.
We include unit cost information as it is frequently requested by investors and investment analysts who use it to assess our cost structure and margins and compare it to similar information provided by many companies in our industry.

Non-GAAP Financial Measures

Zinc Unit Cost Reconciliation (Mining Operations)[1]

(C$ in millions, except where noted)	Three months ended September 30, 2019	Three months ended September 30, 2018
Revenue as reported	$ 902	$ 884
Less:		
Trail Operations revenues as reported	(456)	(443)
Other revenues as reported	(2)	(2)
Add back: Intra-segment revenues as reported	136	154
	$ 580	$ 593
By-product revenue (A)	(215)	(209)
Smelter processing charges (B)	105	59
Adjusted revenue	$ 470	$ 443
Cost of sales as reported	$ 695	$ 666
Less:		
Trail Operations cost of sales as reported	(476)	(479)
Other costs of sales as reported	(8)	(1)
Add back: Intra-segment as reported	136	154
	$ 347	$ 340
Less:		
Depreciation and amortization	(48)	(44)
Royalty costs	(117)	(119)
By-product cost of sales (C)	(15)	(50)
Adjusted cash cost of sales (D)	$ 131	$ 127

(C$ in millions, except where noted)	Three months ended September 30, 2019	Three months ended September 30, 2018
Payable pounds sold (millions) (E)	332.0	298.2
Per unit amounts (C$/lb)		
Adjusted cash cost of sales (D/E)	$ 0.39	$ 0.43
Smelter processing charges (B/E)	0.32	0.20
Total cash unit costs (C$/lb)	$ 0.71	$ 0.63
Cash margin for by-products (C$/lb) ((A-C)/B)	(0.49)	(0.53)
Net cash unit costs (C$/lb)[3]	$ 0.22	$ 0.10
US$ AMOUNTS[2]		
Average exchange rate (C$/US$)	$ 1.32	$ 1.31
Per unit amounts (US$/lb)		
Adjusted cash cost of sales	$ 0.30	$ 0.33
Smelter processing charges	0.24	0.15
Total cash unit costs (US$/lb)	$ 0.54	$ 0.48
Cash margin for by-products (US$/lb)	(0.37)	(0.41)
Net cash unit costs (US$/lb)	$0.17	$0.07

1. Red Dog and Pend Oreille.
2. Average period exchange rates are used to convert to US$ per pound equivalent.
We include unit cost information as it is frequently requested by investors and investment analysts who use it to assess our cost structure and margins and compare it to similar information provided by many companies in our industry.

Non-GAAP Financial Measures

Energy Operating Netback[1]

(C$ in millions, except where noted)	Three months ended September 30, 2019	Three months ended September 30, 2018
Revenue as reported	**$ 255**	**$ 209**
Less:		
Cost of diluent for blending	(79)	(66)
Non-proprietary product revenue	(7)	(18)
Add back: Crown royalties (D)	6	7
Adjusted revenue (A)	$ 175	$ 132
Cost of sales as reported	$ 243	$ 223
Less:		
Depreciation and amortization	(37)	(21)
Cash cost of sales	$ 206	$ 202
Less:		
Cost of diluent for blending	(79)	(66)
Cost of non-proprietary product purchased	(5)	(12)
Transportation costs for FRB (C)	(30)	(24)
Operating cost adjustment[2]	(1)	(3)
Adjusted operating costs (E)	$ 91	$ 97

1. Fort Hills financial results included from June 1, 2018.

2. Reflects adjustments for costs not directly attributed to the production of Fort Hills bitumen, including transportation for non-proprietary product purchased.

We include unit cost information as it is frequently requested by investors and investment analysts who use it to assess our cost structure and margins and compare it to similar information provided by many companies in our industry.

Non-GAAP Financial Measures

Bitumen Price Realized Reconciliation[1]

	Three months ended September 30, 2019	Three months ended September 30, 2018
Blended bitumen barrels sold (000's)	4,240	3,105
Less: diluent barrels included in blended bitumen (000's)	(932)	(621)
Bitumen barrels sold (000's) (B)	3,308	2,484
Per barrel amounts (C$)		
Bitumen price realized[2] (A/B)	$ 52.61	$ 53.41
Crown royalties (D/B)	(1.81)	(2.90)
Transportation costs for FRB (C/B)	(9.16)	(9.58)
Adjusted operating costs (E/B)	(27.31)	(39.04)
Operating netback (C$/barrel)	**$ 14.33**	**$ 1.89**

1. *Fort Hills financial results included from June 1, 2018.*
2. *Bitumen price realized represents the realized petroleum revenue (blended bitumen sales revenue) net of diluent expense, expressed on a per barrel basis. Blended bitumen sales revenue represents revenue from our share of the heavy crude oil blend known as Fort Hills Reduced Carbon Life Cycle Dilbit Blend (FRB), sold at the Hardisty and U.S. Gulf Coast market hubs. FRB is comprised of bitumen produced from Fort Hills blended with purchased diluent. The cost of blending is affected by the amount of diluent required and the cost of purchasing, transporting and blending the diluent. A portion of diluent expense is effectively recovered in the sales price of the blended product. Diluent expense is also affected by Canadian and U.S. benchmark pricing and changes in the value of the Canadian dollar relative to the U.S. dollar.*

Non-GAAP Financial Measures

Blended Bitumen Price Realized Reconciliation[1]

(C$ in millions, except where noted)	Three months ended September 30, 2019	Three months ended September 30, 2018
Revenue as reported	**$ 255**	**$ 209**
Less: Non-proprietary product revenue	(7)	(18)
Add back: Crown royalties	6	7
Blended bitumen revenue (A)	$ 254	$ 198
Blended bitumen barrels sold (000s) (B)	4,240	3,105
Blended bitumen price realized (C$) (A/B)=D[1]	$ 59.78	$ 63.96
Average exchange rate (C$ per US$1) (C)	1.32	1.31
Blended bitumen price realized (US$/barrel) (D/C)[1]	$ 45.26	$ 48.94

1. Fort Hills financial results included from June 1, 2018.

Non-GAAP Financial Measures

Reconciliation of EBITDA Margin

(C$ in millions)	Nine months ended September 30, 2019				
	Coal	**Copper**	**Red Dog**	**Other[1]**	**Teck**
Earnings before taxes	1,558	289	504	(454)	1,897
Adjust non-controlling interest (NCI) for earnings attributable to shareholders	(31)	(6)	-	-	(37)
Depreciation & amortization	585	354	99	166	1,204
Net finance expense	44	81	26	21	172
EBITDA (A)	**2,156**	**718**	**629**	**(267)**	**3,236**
Revenue (B)	4,417	1,877	1,146	1,839	9,279
EBITDA Margin (A/B)	**49%**	**38%**	**55%**	**(15%)**	**35%**

1. Other includes Energy business unit, the Zinc business unit without Red Dog, and corporate.

Non-GAAP Financial Measures

Reconciliation of Coal Business Unit Adjusted EBITDA

(C$ in millions)	October 1, 2008 to September 30, 2019
Gross Profit	**$ 18,918**
Add back: Depreciation and amortization	6,922
Gross profit, before depreciation and amortization	**$ 25,840**
Deduct: Other costs	(596)
Adjusted EBITDA	**$ 25,244**

Reconciliation of Free Cash Flow

(C$ in millions)	2003 to Q3 2019
Cash Flow from Operations	**$45,805**
Debt interest and finance charges paid	(5,394)
Capital expenditures, including capitalized stripping costs	(23,939)
Payments to non-controlling interests (NCI)	(627)
Free Cash Flow	**$15,835**
Dividends paid	$4,354
Payout ratio	27%

Third Quarter 2019 Results

October 24, 2019

Teck