Fourth Quarter 2021 Results

February 24, 2022

Teck

Caution Regarding Forward-Looking Statements

Both these slides and the accompanying oral presentation contain certain forward-looking information and forward-looking statements as defined in applicable securities laws (collectively referred to as forward-looking statements). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “should”, “believe” and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this presentation.

These forward-looking statements include, but are not limited to, statements concerning: forecast production; forecast operating costs, unit costs, capital costs and other costs; sales forecasts; our strategies, objectives and goals; all guidance, including, but not limited to, guidance relating to production, sales and unit cost, capital expenditure and water treatment; future prices and price volatility for copper, zinc, steelmaking coal, blended bitumen and other products and commodities that we produce and sell, as well as oil, natural gas and petroleum products; the demand for and supply of copper, zinc, steelmaking coal, blended bitumen and other products and commodities that we produce and sell; expected mine lives and the possibility of extending mine lives through the development of new areas or otherwise; expected receipt of regulatory approvals and the expected timing thereof; expected receipt or completion of prefeasibility studies, feasibility studies and other studies and the expected timing thereof, the production capacity, planned production levels and future production of our operations and other development projects, including further Quebrada Blanca expansions or extensions; our expectations regarding our QB2 project, including expectations regarding timing of first production, capital costs, mine life, mine operation, regulatory approvals and projected expenditures and our expectation that QB2 will double our consolidated copper production by 2023; expectations regarding our Project Satellite properties, including timing of first production; our long- and short-term sustainability goals, including our goal to reduce carbon intensity by 33% by 2030 and to be carbon neutral by 2050; upcoming maintenance at our Trail operations; our dividend policy and capital allocation framework, including statements regarding potential returns to shareholders; expectations related to water treatment capacity at our steelmaking coal operations and all capital and cost estimates related thereto; expectations related to utilization rates and operating cash flows at Fort Hills; the statement that capital expenditures are expected to decrease in 2023; and all statements under the subheading “Looking Forward”.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; that are generally encountered in the permitting and development of mineral and oil and gas properties such as unusual or unexpected geological formations; associated with the COVID-19 pandemic; associated with unanticipated metallurgical difficulties; relating to delays associated with permit appeals or other regulatory processes, ground control problems, adverse weather conditions or process upsets and equipment malfunctions; associated with any damage to our reputation; associated with labour disturbances and availability of skilled labour; associated with fluctuations in the market prices of our principal commodities; associated with changes to the tax and royalty regimes in which we operate; created through competition for mining and oil and gas properties; associated with lack of access to capital or to markets; associated with mineral and oil and gas reserve estimates; posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; associated with changes to our credit ratings; associated with our material financing arrangements and our covenants thereunder; associated with climate change, environmental compliance, changes in environmental legislation and regulation, and changes to our reclamation obligations; associated with procurement of goods and services for our business, projects and operations; associated with non-performance by contractual counterparties; associated with potential disputes with partners and co-owners; associated with operations in foreign countries; associated with information technology; and risks associated with tax reassessments and legal proceedings. Declaration and payment of dividends and capital allocation, including share buybacks, are generally the discretion of the Board, and our dividend policy and capital allocation framework will be reviewed regularly and may change.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this presentation. Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions regarding: general business and economic conditions; commodity and power prices; the supply and demand for, deliveries of, and the level and volatility of prices of copper, zinc, steelmaking coal, and blended bitumen and our other metals and minerals, as well as oil, natural gas and other petroleum products; the timing of the receipt of permits and other regulatory and governmental approvals for our development projects and other operations, including mine extensions; our costs of production, and our production and productivity levels, as well as those of our competitors; continuing availability of water and power resources for our operations; credit market conditions and conditions in financial markets generally; our ability to procure equipment and operating supplies and services in sufficient quantities on a timely basis; the availability of qualified employees and contractors for our operations, including our new developments and our ability to attract and retain skilled employees; the satisfactory negotiation of collective agreements with unionized employees; the impact of changes in Canadian-U.S. dollar exchange rates, Canadian dollar-Chilean Peso exchange rates and other foreign exchange rates on our costs and results; the accuracy of our mineral, steelmaking coal and oil reserve and resource estimates (including with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based; tax benefits and tax rates; the impacts of the COVID-19 pandemic on our operations and projects and on global markets; and our ongoing relations with our employees and with our business and joint venture partners. Assumptions regarding QB2 include current project assumptions and assumptions contained in the final feasibility study, as well as there being no further unexpected material and negative impact to the various contractors, suppliers and subcontractors for the QB2 project relating to COVID-19 or otherwise that would impair their ability to provide goods and services as anticipated. Expectations regarding our operations are based on numerous assumptions regarding the operations. 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, COVID-19, interruption in transportation or

Caution Regarding Forward-Looking Statements

utilities, or adverse weather conditions; and that there are no material unanticipated variations in the cost of energy or supplies. Our sustainability goals are based on a number of additional assumptions, including regarding the availability and effectiveness of technologies needed to achieve our sustainability goals and priorities; the availability of clean energy sources and zero-emissions alternatives for transportation on reasonable terms; our ability to implement new source control or mine design strategies on commercially reasonable terms without impacting production objectives; our ability to successfully implement our technology and innovation strategy; and the performance of new technologies in accordance with our expectations.

The foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. See also the risks and assumptions discussed under “Risk Factors” in our Annual Information Form and in subsequent filings, which can be found under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov). Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.

Scientific and technical information in this presentation regarding our coal properties was reviewed and approved by Jo-Anna Singleton, P.Geo. and Robin Gold P.Eng., each an employee of Teck Coal Limited and each a Qualified Person under National Instrument 43-101. Scientific and technical information in this presentation regarding our base metal properties was reviewed and approved by Rodrigo Alves Marinho, P.Geo., an employee of Teck Resources Limited and a Qualified Person under National Instrument 43-101.

Q4 2021 Highlights

Record Financial Performance in Q4 2021	• Record adjusted EBITDA of $2.5B, >3x higher than Q4 2020 • Record profit before taxes of $2.2B • Adjusted diluted EPS of $2.54; unadjusted diluted EPS of $2.74
Operational Resilience	• Steelmaking coal supply chain resiliency demonstrated by response to unprecedented weather disruptions • Managing absenteeism due to COVID-19; no major impact on operations • Reached multi-year collective agreements at Antamina, Quebrada Blanca, Fording River, Elkview in 2021, and Highland Valley subsequent to year end
QB2 On Track for Production in H2 2022	• Reached 77% completion • Focus on completion of key systems for first production • Commissioning systems as completed
ESG Leadership	• Continued to progress towards net-zero operations by 2050 • Record low HPIF, with 38% reduction year over year • S&P Dow Jones Sustainability Index: #1 in Mining and Metals

Adjusted EBITDA is a non-GAAP financial measure. Adjusted diluted earnings per share (EPS) is a non-GAAP ratio. See "Non-GAAP Financial Measures and Ratios" slides.

Record Quarterly and Annual Profitability

Financial Highlights ($M)

	Q4 2021	2021
Gross Profit		
Copper	$ 442	$ 1,741
Zinc	217	688
Steelmaking Coal	1,455	2,785
Energy	(38)	(133)
Total Gross Profit	$ 2,076	$ 5,081
Profit before Tax	$ 2,208	$ 4,532
Adjusted EBITDA	$ 2,521	$ 6,573

Cash Returns to Shareholders ($M)

Increase in Dividends

- Base annual dividend increased to $0.50 per share, from $0.20 per share in 2021
- Declared a dividend of $0.625 per share to be paid on March 31, 2022, including:
  - $0.125 per share quarterly base dividend
  - $0.50 per share supplemental dividend

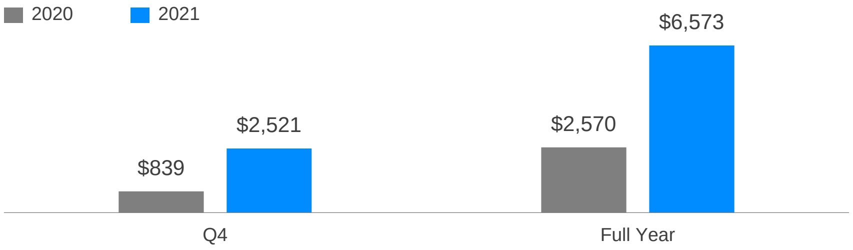
Authorized Share Buyback

- Up to $100 million of Class B shares
- Additional buybacks will be considered regularly

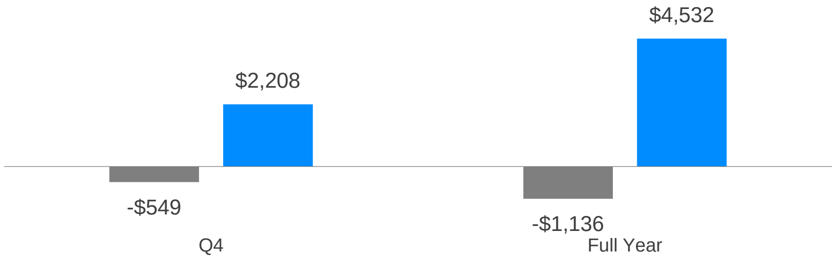
Total ~$635 million

Assumes $0.50/share annual base dividend, $0.50/share supplemental dividend and $100M in share repurchases

Adjusted EBITDA ($M)



Profit before Tax ($M)

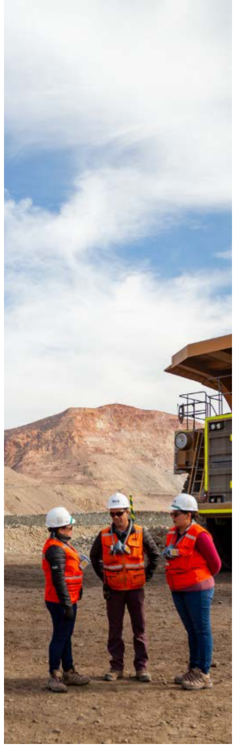


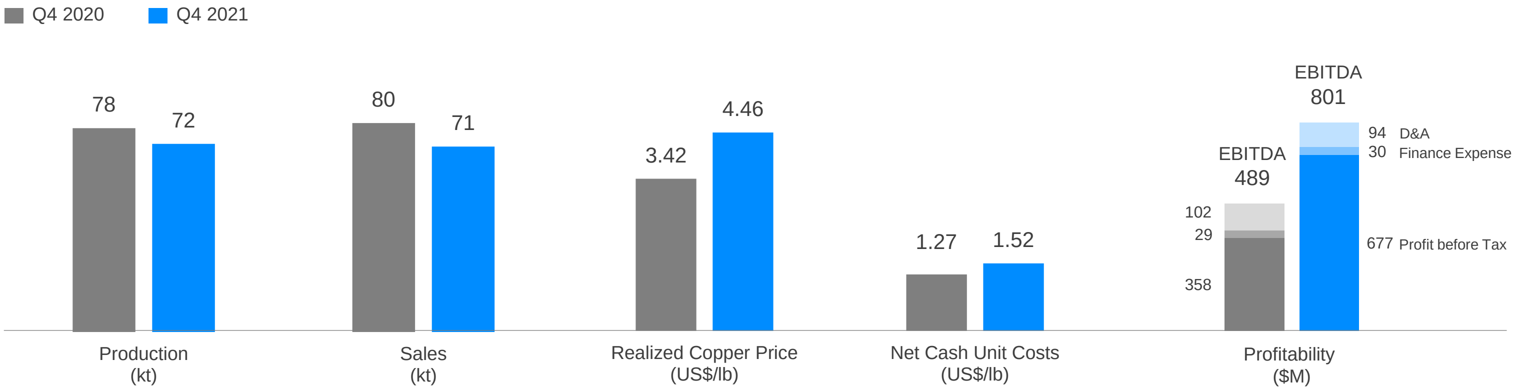
Adjusted EBITDA is a non-GAAP financial measure. See “Non-GAAP Financial Measures and Ratios” slides.

Operations Overview

Copper Business Unit

Q4 2021 operating overview





Q4 2021

- Highland Valley sales volume impacted by heavy rains and flooding in BC which affected rail service to port loading terminals in Vancouver
- Higher cost of sales compared vs. Q4 2020 due to higher consumables costs, and higher worker participation and royalties, largely offset by higher copper prices and cash margins for by-products

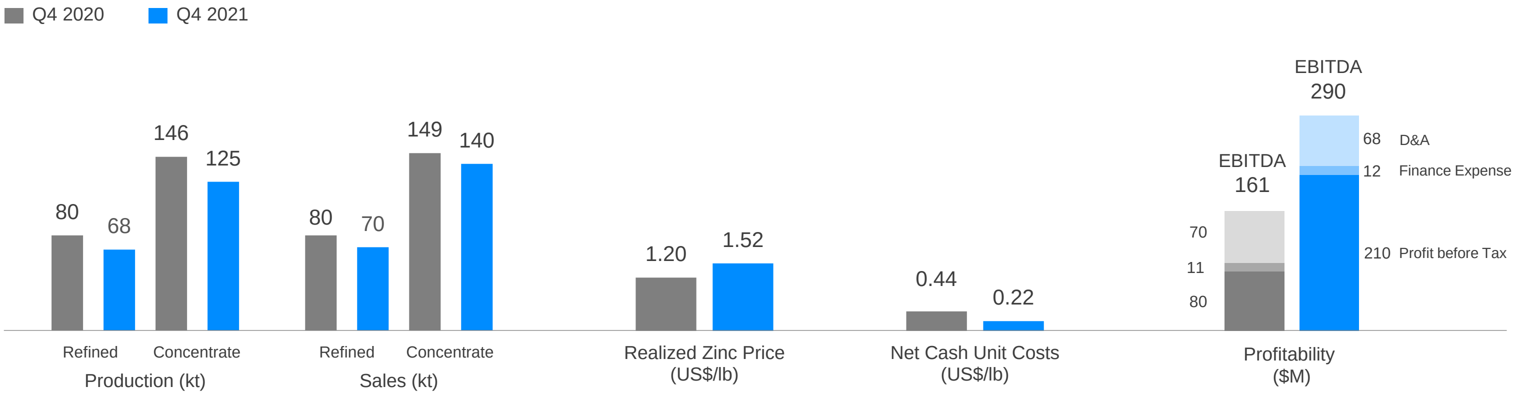
Looking Forward

- We expect similar production levels in 2022 vs. 2021, excluding QB concentrate, which is expected to add substantially to our copper production following first production in H2 2022
- We continue to experience inflationary cost pressures, and an increase in profitability-linked costs such as workers' participation and royalties at Antamina

EBITDA is a non-GAAP financial measure. Net cash unit costs per pound is a non-GAAP ratio. See "Non-GAAP Financial Measures and Ratios" slides.

Zinc Business Unit

Q4 2021 operating overview



Q4 2021

- Gross profit was $70M higher vs. Q4 2020, driven by higher zinc prices and partly offset by higher royalty costs related to profitability at Red Dog
- Lower zinc production at Red Dog due to lower mill throughput and lower mill recoveries as a result of unplanned maintenance

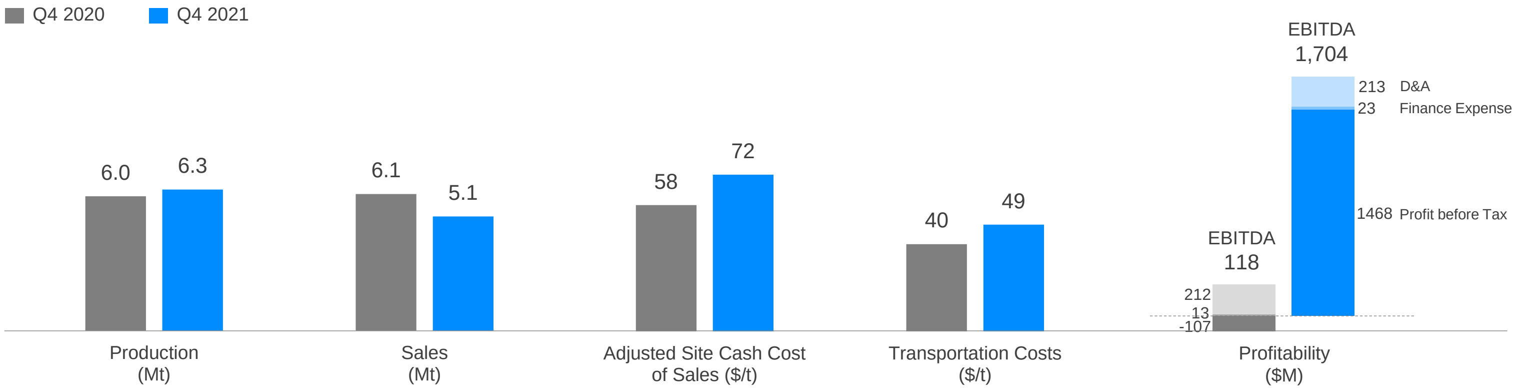
Looking Forward

- At Red Dog, expect higher production and lower net cash unit costs in 2022 vs. 2021; NANA royalty adjustment to 40% in October 2022
- Trail production to be impacted by major maintenance in 2022 with replacement of the KIVCET furnace hearth and a zinc roaster dome

EBITDA is a non-GAAP financial measure. Net cash unit costs per pound is a non-GAAP ratio. See “Non-GAAP Financial Measures and Ratios” slides.

Steelmaking Business Unit

Q4 2021 operating overview



Q4 2021

- Substantially higher steelmaking coal prices drove record quarterly gross profit
- Sales volumes were impacted by severe weather conditions in B.C. resulting in 16% lower sales than in Q4 2020
- Neptune Terminals exceeded nameplate design capacity

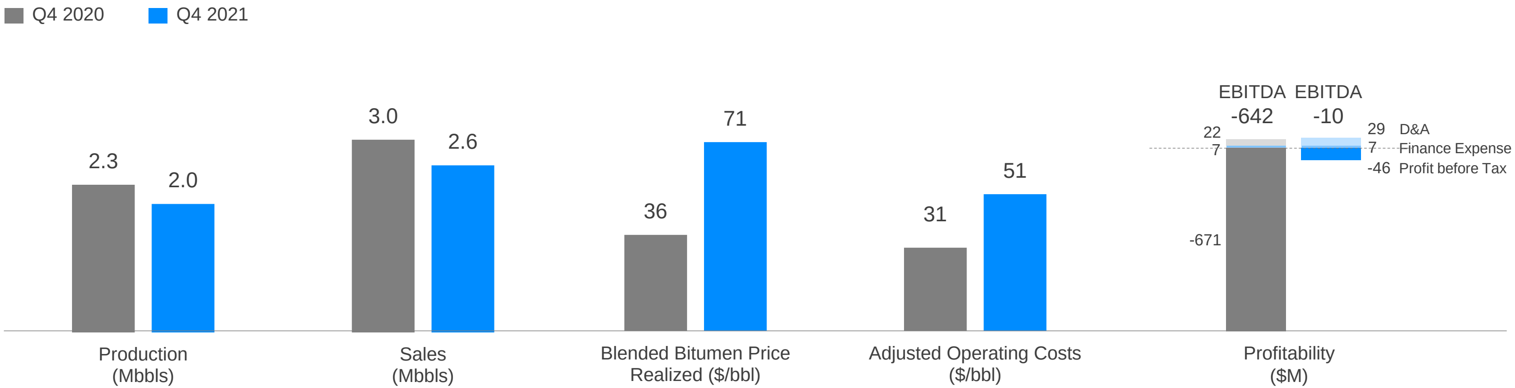
Looking Forward

- Sales previously planned for Q4 2021 are expected to be largely recovered in H1 2022
- By the end of 2022, we expect to have the capacity to treat 77.5 million litres of water/day, a 4x increase from 2020

EBITDA is a non-GAAP financial measure. Adjusted site cash cost of sales per tonne is a non-GAAP ratio. See “Non-GAAP Financial Measures and Ratios” slides.

Energy Business Unit

Q4 2021 operating overview



Q4 2021

- Continued improvements from Q4 2020, primarily due to higher Western Canadian Select prices
- This was partially offset by higher unit operating costs and transportation costs
- Two train operation resumed in late Q4 2021

Looking Forward

- At Fort Hills in 2022, expect an average utilization rate of 90% and production of 175 kbpd (100% basis)
- Combination of strong commodity prices and production expected to generate strong operating cash flows

EBITDA is a non-GAAP financial measure. Adjusted operating costs per barrel is a non-GAAP ratio. See “Non-GAAP Financial Measures and Ratios” slides.

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Executing our Copper Growth Strategy Through QB2

Reached 77% completion and delivering to key milestones

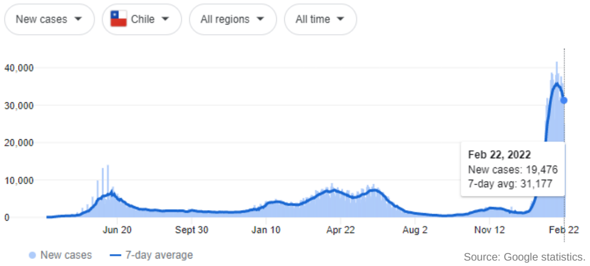
Focus on completion of key systems for first production in H2 2022

- Water supply pipeline >90% welded
- Tailings starter dam >85% constructed
- Port area electrical substations energized
- Desalination plant pre-operational tests continuing

Commissioning systems as completed

- Commissioning electrical substations and mine loop
- Commissioned first two electric shovels
- Completed autonomous haul truck system testing and initiated productive work

Continuing to aggressively mitigate COVID-19 impacts



Source: Google statistics.

Photo: QB2 primary crusher top shell assembly, January 2022.

QB2 Photo Tour

QB2 Mine Area

Commissioning of the mine electrical loop

January 2022

QB2 Photo Tour

QB2 Mine Area

Commissioning electric shovels

January 2022

QB2 Photo Tour

QB2 Concentrator Area

Ore stacker structure and stockpile dome erection

January 2022

QB2 Photo Tour

QB2 Concentrator Area

Grinding building siding installation

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QB2 Photo Tour

QB2 Concentrator Area

Tailings thickener equipment installation

February 2022

QB2 Photo Tour

QB2 Tailings Management Facility

Starter dam and upstream pond liner

February 2022

QB2 Photo Tour

QB2 Port Offshore

Main jetty construction

December 2021

QB2 Photo Tour

QB2 Port Onshore

Port area electrical substation energized

January 2022

QB2 Photo Tour

QB2 Port Onshore

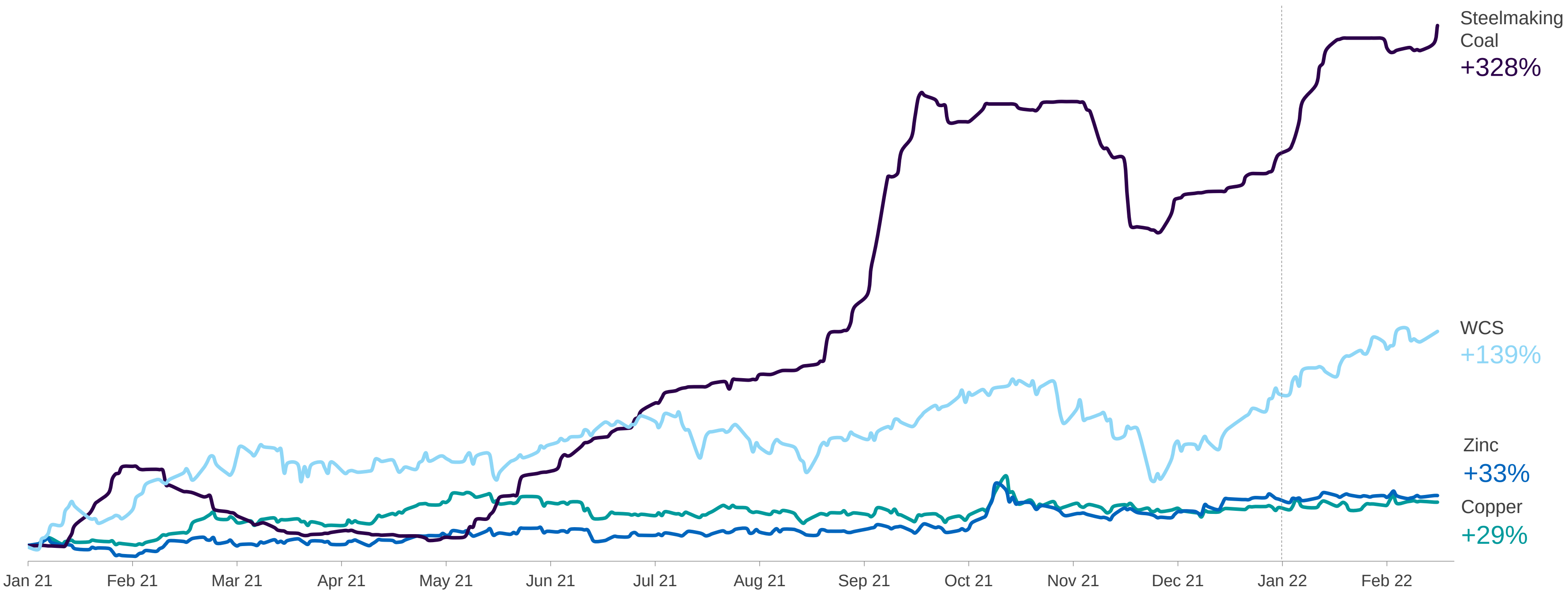
Concentrate storage building erection

January 2022

Financial Overview

Strong Commodity Prices and Record Financial Performance

Relative Performance since January 2021



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Quarterly Financial Performance

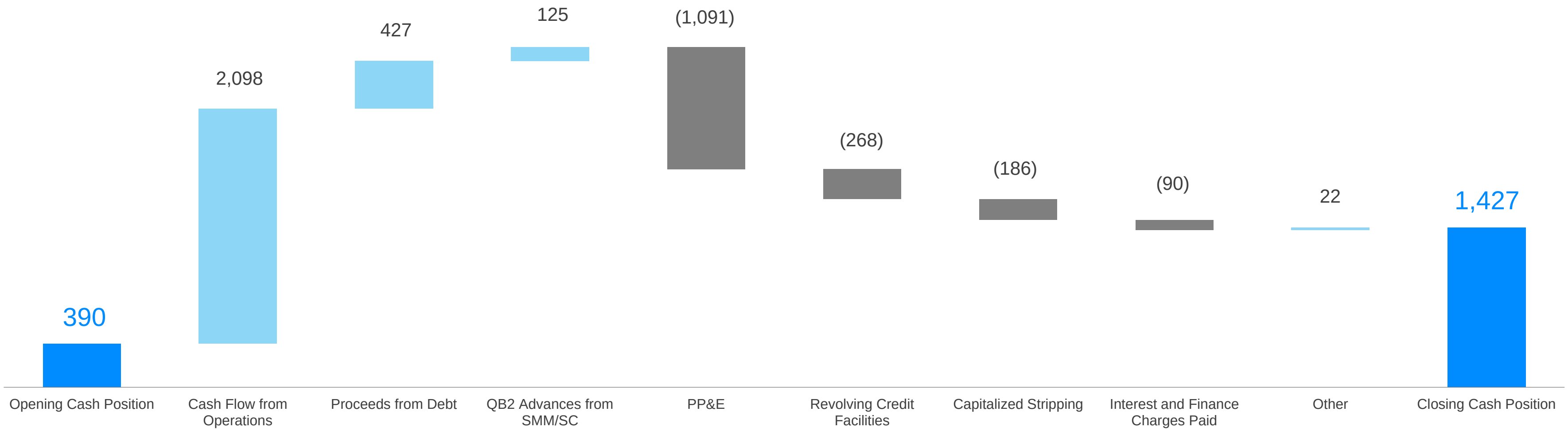
Strong commodity prices more than offset inflationary pressures

Profitability ($M)

EBITDA is a non-GAAP financial measure. See "Non-GAAP Financial Measures and Ratios" slides.

Cash Flow from Operations Drives Our Strong Cash Position

Key Cash Changes in Q4 2021 ($M)



Financial Strength

Record 2021 Profitability[1]

Adjusted EBITDA	Adjusted EBITDA Margin	Profit before Tax
$6.6B	49%	$4.5B

Track Record of Significant Cash Returns to Shareholders[3]

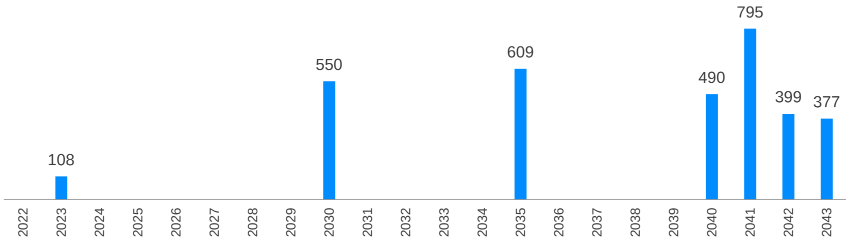
Total in the past 20 years:	Dividends	Share Buybacks
$6.9B	$4.6B	$2.3B

Strong Balance Sheet[2]

Liquidity	Net Debt to Adjusted EBITDA	Credit Rating
$7.0B	1.0x	Investment grade

Debt Maturity Ladder[2] (US$M)

No significant maturities prior to 2030



Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA margin and net debt to adjusted EBITDA are non-GAAP ratios. See "Non-GAAP Financial Measures and Ratios" slides.

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Capital Allocation Framework

Capital Allocation Framework Calculation 2021A

Cash Flow from Operations
after interest and finance charges, lease payments and distributions to non-controlling interests
$4.1B

Sustaining Capital
including stripping
$1.7B

Committed Growth Capital
$1.3B[1]

Base Dividend
$0.20 per share
$106M

Capital Structure
$335M

Supplemental Shareholder Distributions
minimum 30% available cash flow
$267M
(37% available cash flow)

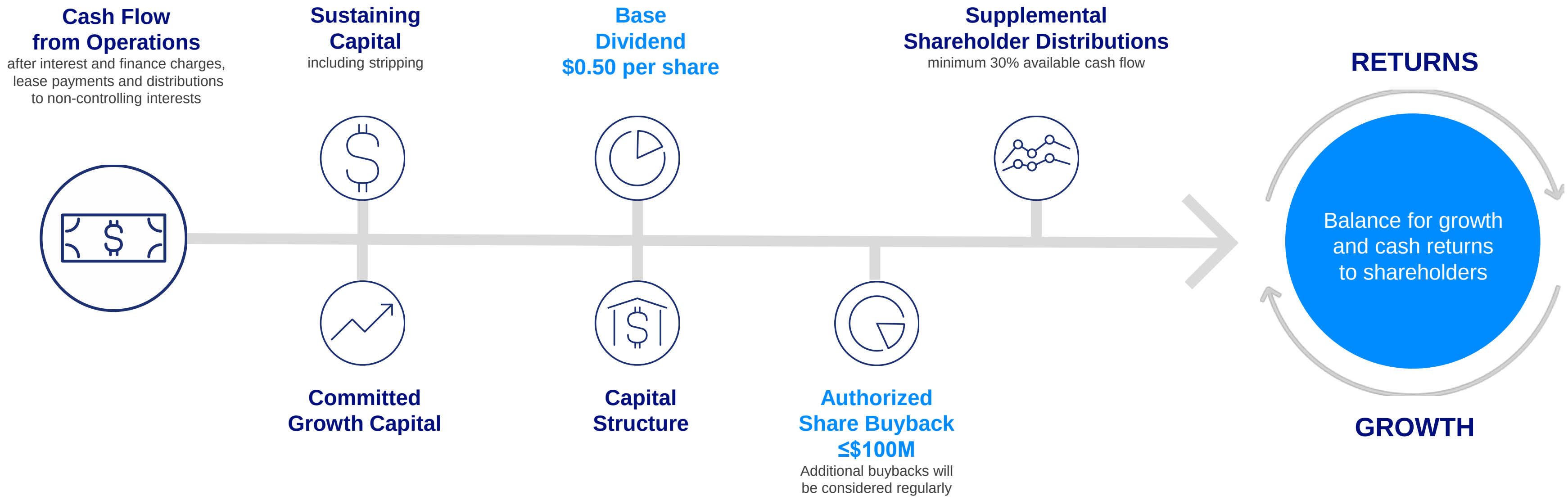
RETURNS

Balance for growth and cash returns to shareholders
$463M

GROWTH

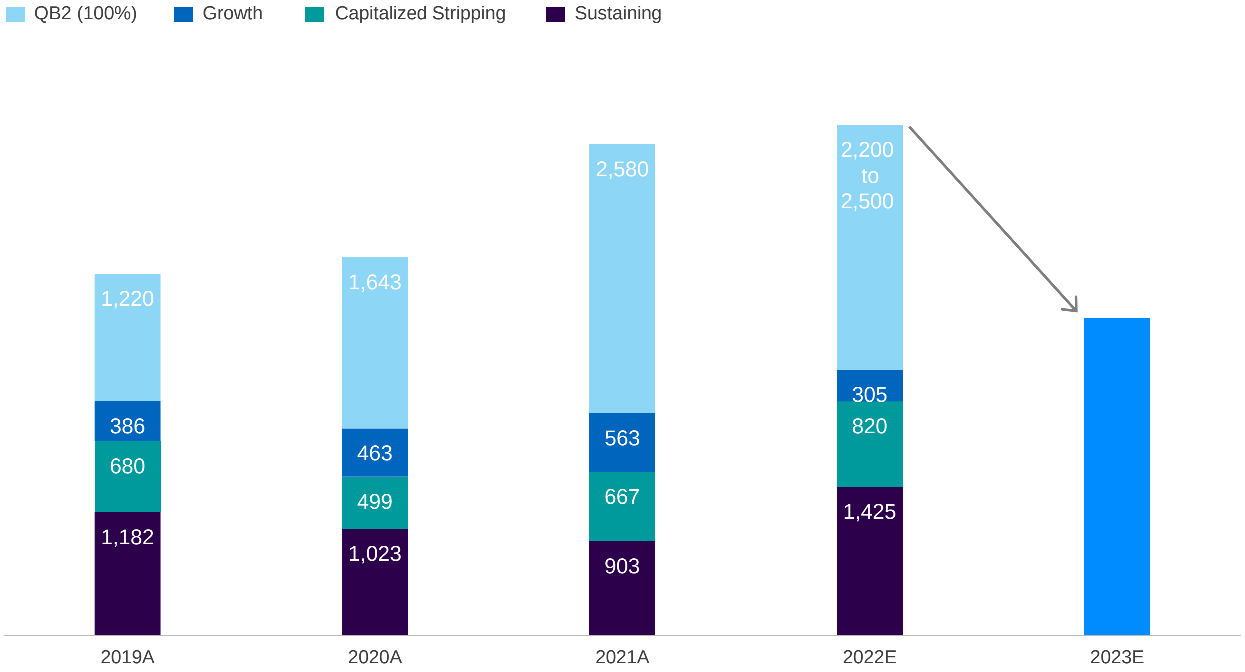
Capital Allocation Framework

Capital Allocation Framework 2022+



Capital Investments

Capital Investments Profile ($M)



Reduction of ~$2 billion driven by:

- Significantly lower QB2 capex
- Decline in capitalized stripping towards historical levels
- Decline in sustaining capital from 2022 levels

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Summary

2022 is a Transformational Year

- QB2 on track for startup in H2 2022
- Quebrada Blanca Mill Expansion (QBME)
- Project Satellite
  - Zafranal
  - San Nicolás

Driving Long-Term Sustainable Shareholder Value

Industry leading
copper growth

Rebalance portfolio
of high-quality assets
to low-carbon metals

Balance growth and cash returns
to shareholders

Leadership
in ESG and
operational excellence

=

Long-term sustainable shareholder value

Appendix

Production Guidance

Production (000's tonnes except as noted)

	2021 Actual	2022 Guidance[1]	3-Year Guidance[1] (2023-2025)
Copper[2,3,4]			
Highland Valley	130.8	**127-133**	130-160
Antamina	100.2	**91-96**	90-95
Carmen de Andecollo	44.8	**45-50**	50-60
Quebrada Blanca[6]	11.5	**10-11**	245-300
Total copper	287.3	**273-290**	515-615
Zinc[2,3,5]			
Red Dog	503.4	**540-570**	510-550
Antamina	104.0	**90-95**	80-100
Total zinc	607.4	**630-665**	590-650
Refined zinc			
Trail	279.0	**270-285**	295-315
Steelmaking coal (Mt)	24.6	**24.5-25.5**	26.0-27.0
Bitumen[3] (Mbbl)			
Fort Hills	7.3	**12.0-14.4**	14.0
Lead[2]			
Red Dog	97.4	**80-90**	85-95
Molybdenum[2,3] (Mlbs)			
Highland Valley	1.1	**0.8-1.3**	3.0-5.0
Antamina	1.1	**1.8-2.2**	3.0-4.0
Quebrada Blanca[6]	-	-	4.0-13.0
Total molybdenum	2.2	**2.6-3.5**	10.0-22.0

Sales and Unit Cost Guidance

Sales

	Q4 2021 Actual	Q1 2022 Guidance[1]
Zinc in concentrate		
Red Dog (kt)	140	**130-150**
Steelmaking coal (Mt)	5.1	**6.1-6.5**

Unit Costs

	2021 Actual	2022 Guidance[1]
Copper[2] (US$/lb)		
Total cash unit costs	1.80	**1.85-1.95**
Net cash unit costs	1.39	**1.40-1.50**
Zinc[4] (US$/lb)		
Total cash unit costs	0.56	**0.48-0.53**
Net cash unit costs	0.30	**0.32-0.38**
Steelmaking coal (C$/tonne)		
Adjusted site cash cost of sales	65	**72-77**
Transportation costs	44	**43-46**
Bitumen (C$/barrel)		
Adjusted operating costs	47.89	**26-30**

Total cash unit costs per pound, net cash unit costs per pound, adjusted site cash cost of sales per tonne and adjusted operating costs per barrel are non-GAAP ratios. See “Non-GAAP Financial Measures and Ratios” slides.

Capital Expenditures Guidance

Sustaining and Growth Capital (Teck's share in C$ millions)

	2021 Actual	2022 Guidance[1]
Sustaining		
Copper	$ 184	**$ 340**
Zinc	154	**190**
Steelmaking coal[2]	475	**750**
Energy	80	**140**
Corporate	10	**5**
Total sustaining	$ 903	**$ 1,425**
Growth[3]		
Copper[4]	$ 103	**$ 235**
Zinc	14	**35**
Steelmaking coal	440	**35**
Energy	3	**–**
Corporate	3	**–**
	$ 563	**$ 305**
Total		
Copper	$ 287	**$ 575**
Zinc	168	**225**
Steelmaking coal	915	**785**
Energy	83	**140**
Corporate	13	**5**
	$ 1,466	**$ 1,730**

QB2 Capital Expenditures (Teck's share in C$ millions)

	2021 Actual	2022 Guidance[1]
QB2 capital expenditures	$ 2,580	**$ 2,200 - 2,500**
Total before SMM/SC contributions	4,046	**3,930 - 4,230**
Estimated SMM/SC contributions to capital expenditures	(401)	**(630) - (730)**
Estimated QB2 project financing draw to capital expenditures	(1,376)	**(315)**
Total, net of partner contributions and project financing	$ 2,269	**$ 2,985 - 3,185**

Capitalized Stripping (Teck's share in C$ millions)

	2021 Actual	2022 Guidance[1]
Capitalized Stripping		
Copper	$ 207	**$ 250**
Zinc	91	**90**
Steelmaking coal	369	**480**
	$ 667	**$ 820**

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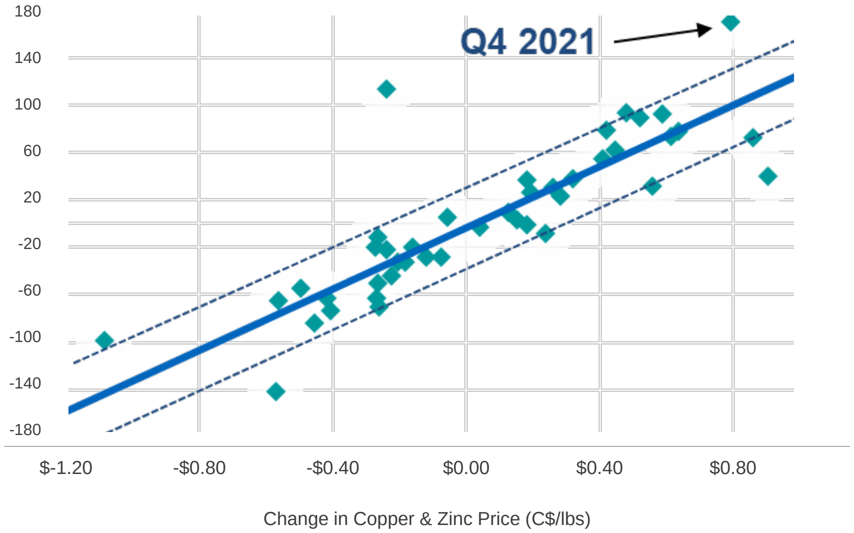
Water Treatment Guidance

Steelmaking Coal Capital Expenditures and Operating Costs Related to Water Treatment[1]

(C$ millions, unless otherwise noted)	2021 Actual	2022 Guidance	3-Year Guidance (2022-2024)	Long-Term Guidance[3] (C$/tonne)
Capital Expenditures				
Sustaining capital (water management and water treatment, including October 2020 direction issued by Environment and Climate Change Canada)[2]	$ 226	**$ 280**	**$ 650-750**	$ 2.00
Operating Costs				
Operating costs associated with water treatment (C$/tonne)	$ 0.75	–	–	$ 3.00

Settlement Pricing Adjustments

Simplified Settlement Pricing Adjustment Model (Pre-tax settlement pricing adjustment in C$M)



	Outstanding at December 31, 2021		Outstanding at September 30, 2021		Quarterly Pricing Adjustments
	Mlbs	US$/lb	Mlbs	US$/lb	C$M
Copper	156	$ 4.42	122	$ 4.05	$ 42
Zinc	175	1.62	201	1.36	49
Other					80
Total					**$ 171**

Endnotes

Slide 5: Record Quarterly and Annual Profitability

1. Assumes the new annual base dividend of $0.50 per share in 2022, the supplemental dividend of $0.50 per share to be paid on March 31, 2022, and the initial $100 million in share repurchases.

Slide 22: Strong Commodity Prices and Record Financial Performance

1. Source: Factset, Argus, Bloomberg. As at February 23, 2022.

Slide 25: Financial Strength

1. For the full year ended December 31, 2021.
2. As at December 31, 2021.
3. Twenty years from January 1, 2012 to December 31, 2021.

Slide 26: Capital Allocation Framework

1. Net of proceeds from project finance facility and SMM/SC contributions.

Slide 33: Production Guidance

1. As at February 24, 2022. See Teck's Q4 2021 press release for further details.
2. Metal contained in concentrate.
3. 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% and 21.3% of production and sales from Antamina and Fort Hills, respectively, representing our proportionate ownership interest in these operations.
4. Copper production includes cathode production at Quebrada Blanca and Carmen de Andacollo.
5. Total zinc includes co-product zinc production from our 22.5% proportionate interest in Antamina.
6. Quebrada Blanca concentrate production is excluded in 2022 guidance and included in three-year guidance 2023-2025.

Slide 34: Sales and Unit Cost Guidance

1. As at February 24, 2022. See Teck's Q4 2021 press release for further details.
2. Copper unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Copper net cash unit costs include adjusted cash cost of sales and smelter processing charges, less cash margins for by-products including co-products. Guidance for 2022 assumes a zinc price of US$1.35 per pound, a molybdenum price of US$17.00 per pound, a silver price of US$22 per ounce, a gold price of US$1,700 per ounce and a Canadian/U.S. dollar exchange rate of $1.27.
3. After co-product and by-product margins.
4. Zinc unit costs are reported in U.S. dollars per payable pound of metal contained in concentrate. Zinc net cash unit costs are mine costs including adjusted cash cost of sales and smelter processing charges, less cash margins for by-products. Guidance for 2022 assumes a lead price of US$0.95 per pound, a silver price of US$22 per ounce and a Canadian/U.S. dollar exchange rate of $1.27. By-products include both by-products and co-products.

Slide 35: Capital Expenditures Guidance

1. As at February 24, 2022. See Teck's Q4 2021 press release for further details.
2. Steelmaking coal sustaining capital 2022 guidance includes $280 million of water treatment capital. 2021 includes $225 million of water treatment capital.
3. Growth expenditures include RACE21™ capital expenditures for 2022 of $50 million, of which $10 million relates to copper, $5 million relates to zinc and $35 million relates to steelmaking coal.
4. Copper growth guidance for 2021 includes studies for HVC 2040, Antamina, QB3, Zafranal, San Nicolás and Galore Creek. Copper sustaining capital guidance for 2022 includes Quebrada Blanca concentrate.

Slide 36: Water Treatment Guidance

1. As at February 24, 2022. See Teck's Q4 2021 press release for further details.
2. The 2022 portion is included in 2022 guidance. See Teck's Q4 2021 press release for further details on the October 2020 Direction issued by Environment and Climate Change Canada.
3. Assumes 21 million tonnes in 2020 and 27 million tonnes long term.

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Non-GAAP Financial Measures and Ratios

Non-GAAP Financial Measures and Ratios

Our financial results are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. This presentation includes reference to certain non-GAAP financial measures and non-GAAP ratios, which are not measures recognized under IFRS, do not have a standardized meaning prescribed by IFRS and may not be comparable to similar financial measures or ratios disclosed by other issuers. These financial measures and ratios have been derived from our financial statements and applied on a consistent basis as appropriate. We disclose these financial measures and ratios because we believe they assist readers in understanding the results of our operations and financial position and provide further information about our financial results to investors. These measures should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

EBITDA – EBITDA is profit before net finance expense, provision for income taxes, and depreciation and amortization.

Adjusted EBITDA – Adjusted EBITDA is EBITDA before the pre-tax effect of the adjustments that we make to adjusted profit attributable to shareholders as described above.

EBITDA and Adjusted EBITDA highlight items and allow us and readers to analyze the rest of our results more clearly. We believe that disclosing these measures assists 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.

Adjusted EBITDA margin is a non-GAAP ratio comprised of adjusted EBITDA, divided by revenue. There is no similar financial measure in our financial statements with which to compare. Adjusted EBITDA is a non-GAAP financial measure.

Adjusted site cash cost of sales – Adjusted site cash cost of sales for our steelmaking coal operations is defined as the cost of the product as it leaves the mine excluding depreciation and amortization charges, out-bound transportation costs and any one-time collective agreement charges and inventory write-down provisions.

Total cash unit costs – Total cash unit costs for our copper and zinc operations includes adjusted cash costs of sales, as described below, plus the smelter and refining charges added back in determining adjusted revenue. This presentation allows a comparison of total cash unit costs, including smelter charges, to the underlying price of copper or zinc in order to assess the margin for the mine on a per unit basis.

Net cash unit costs – Net cash unit costs of principal product, after deducting co-product and by-product margins, are also a common industry measure. By deducting the co- and by-product margin per unit of the principal product, the margin for the mine on a per unit basis may be presented in a single metric for comparison to other operations.

Non-GAAP Financial Measures and Ratios

Adjusted operating costs – Adjusted operating costs for our energy business unit is defined as the costs of product as it leaves the mine, excluding depreciation and amortization charges, cost of diluent for blending to transport our bitumen by pipeline, cost of non-proprietary product purchased and transportation costs of our product and non-proprietary product and any one-time collective agreement charges or inventory write-down provisions.

The debt-related measures outlined below are disclosed 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.

Net debt to adjusted EBITDA ratio – net debt to adjusted EBITDA ratio is the same calculation as the debt to adjusted EBITDA ratio, but using net debt as the numerator.

Adjusted diluted earnings per share – Adjusted diluted earnings per share is adjusted profit attributable to shareholders divided by average number of fully diluted shares in a period.

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Non-GAAP Financial Measures and Ratios

Reconciliation of Diluted Earnings per share To Adjusted Diluted Earnings per share

(Per share amounts)	Three months ended December 31, 2021	Three months ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020
Diluted earnings (loss) per share	$ **2.74**	$ (0.87)	$ **5.31**	$ (1.62)
Add (deduct):				
Asset impairment (impairment reversal)	**(0.28)**	0.82	**(0.28)**	1.70
COVID-19 costs	**—**	—	**—**	0.43
QB2 variable consideration to IMSA and ENAMI	**(0.03)**	—	**0.23**	(0.06)
Environmental costs	**0.04**	0.37	**0.15**	0.39
Inventory write-downs	**0.01**	0.03	**—**	0.17
Share-based compensation	**0.06**	0.04	**0.18**	0.07
Commodity derivatives	**0.02**	(0.03)	**0.03**	(0.09)
Other	**(0.02)**	0.10	**0.04**	0.05
Adjusted diluted earnings per share	$ **2.54**	$ 0.46	$ **5.66**	$ 1.04

Reconciliation of Net Debt to Adjusted EBITDA Ratio

	Year ended December 31, 2021		Year ended December 31, 2020	
Profit (loss) before taxes	$ **4,532**		$ (1,136)	
Finance expense net of finance income	**210**		268	
Depreciation and amortization	**1,583**		1,510	
EBITDA	$ **6,325**		$ 642	
Add (deduct):				
Asset impairment (impairment reversal)	**(215)**		1,244	
COVID-19 costs	**—**		336	
QB2 variable consideration to IMSA and ENAMI	**141**		(56)	
Environmental costs	**108**		270	
Inventory write-down	**1**		134	
Share-based compensation	**125**		47	
Commodity derivatives	**22**		(62)	
Other	**66**		15	
Adjusted EBITDA	$ **6,573**	(E)	$ 2,570	(D)
Total debt at period end	$ **8,068**	(G)	$ 6,947	(F)
Less: cash and cash equivalents at period end	**(1,427)**		(450)	
Net debt	$ **6,641**	(I)	$ 6,497	(H)
Debt to adjusted EBITDA ratio	**1.2**	(G/E)	2.7	(F/D)
Net Debt to adjusted EBITDA ratio	**1.0**	(I/E)	2.5	(H/D)
Equity attributable to shareholders of the company	**23,005**	(K)	20,039	(J)
Obligation to Neptune Bulk Terminals	**183**	(M)	138	(L)
QB shovels financial liability	**74**	(O)	—	(N)
Adjusted Net debt to capitalization ratio	**0.22**	(I+M+O)/(G+K+M+O)	0.24	(H+L+N)/(F+J+L+N)

Non-GAAP Financial Measures and Ratios

Reconciliation of EBITDA and Adjusted EBITDA

(C$ in millions)	Three months ended December 31, 2021	2020	Year ended December 31, 2021	2020
Profit (loss) before taxes	$ 2,208	$ (549)	$ 4,532	$ (1,136)
Finance expense net of finance income	53	44	210	268
Depreciation and amortization	404	406	1,583	1,510
EBITDA	2,665	(99)	6,325	642
Add (deduct):				
Asset impairment (impairment reversal)	(215)	597	(215)	1,244
COVID-19 costs	—	—	—	336
QB2 variable consideration to IMSA and ENAMI	(27)	—	141	(56)
Environmental costs	26	258	108	270
Inventory write-downs	11	23	1	134
Share-based compensation	43	29	125	47
Commodity derivatives	15	(20)	22	(62)
Other	3	51	66	15
Adjusted EBITDA	$ 2,521	$ 839	$ 6,573	$ 2,570

Steelmaking Coal Unit Cost Reconciliation

(CAD$ in millions, except where noted)	Three months ended December 31, 2021	2020	Year ended December 31, 2021	2020
Cost of sales as reported	$ 830	$ 825	$ 3,466	$ 3,098
Less:				
Transportation costs (A)	(251)	(245)	(1,037)	(905)
Depreciation and amortization	(213)	(212)	(872)	(732)
Inventory write-down reversal (B)	—	(14)	10	(59)
Labour settlement (C)	—	—	(39)	(4)
Adjusted site cash cost of sales (D)	$ 366	$ 354	$ 1,528	$ 1,398
Tonnes sold (millions) (E)	5.1	6.1	23.4	21.9
Per unit amounts – CAD$/tonne				
Adjusted site cash cost of sales (D/E)	$ 72	$ 58	$ 65	$ 64
Transportation costs (A/E)	49	40	44	41
Inventory write-downs (B/E)	—	2	—	3
Labour settlement (C/E)	—	—	2	—
Unit costs – CAD$/tonne	$ 121	$ 100	$ 111	$ 108
US$ amounts[1]				
Average exchange rate (CAD$ per US$1.00)	$ 1.26	$ 1.30	$ 1.25	$ 1.34
Per unit amounts – US$/tonne				
Adjusted site cash cost of sales	$ 57	$ 44	$ 52	$ 47
Transportation costs	39	31	35	31
Inventory write-down reversal	—	2	—	2
Labour settlement	—	—	2	—
Unit costs – US$/tonne	$ 96	$ 77	$ 89	$ 80

Note:
1. Average period exchange rates are used to convert to US$/tonne equivalent.

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Non-GAAP Financial Measures and Ratios

Zinc Unit Cost Reconciliation (Mining Operations[1])

(C$ in millions, except where noted)	Three months ended December 31, 2021	2020	Year ended December 31, 2021	2020
Revenue as reported	$ **987**	$ 739	$ **3,063**	$ 2,700
Less:				
Trail Operations revenues as reported	**(565)**	(473)	**(1,997)**	(1,761)
Other revenues as reported	**(2)**	(2)	**(10)**	(9)
Add back: Intra-segment revenues as reported	**153**	140	**511**	464
	$ **573**	$ 404	$ **1,567**	$ 1,394
By-product revenues (A)	**(122)**	(74)	**(336)**	(316)
Smelter processing charges (B)	**52**	111	**240**	370
Adjusted revenue	$ **503**	$ 441	$ **1,471**	$ 1,448
Cost of sales as reported	$ **770**	$ 592	$ **2,375**	$ 2,177
Less:				
Trail Operations cost of sales as reported	**(579)**	(468)	**(1,999)**	(1,784)
Other cost of sales as reported	**—**	—	**2**	24
Add back: Intra-segment purchases as reported	**153**	140	**511**	464
	$ **344**	$ 264	$ **889**	$ 881
Less:				
Depreciation and amortization	**(44)**	(48)	**(144)**	(204)
Royalty costs	**(160)**	(93)	**(323)**	(231)
By-product cost of sales (C)	**(24)**	(17)	**(68)**	(78)
Adjusted cash cost of sales (D)	$ **116**	$ 106	$ **354**	$ 368
Payable pounds sold (millions) (E)	**263.2**	281.7	**842.4**	1,040.3
Per unit amounts – CAD$/pound				
Adjusted cash cost of sales (D/E)	$ **0.44**	$ 0.38	$ **0.42**	$ 0.35
Smelter processing charges (B/E)	**0.20**	0.39	**0.28**	0.36
Total cash unit costs – CAD$/pound	$ **0.64**	$ 0.77	$ **0.70**	$ 0.71
Cash margin for by-products – ((A - C)/E)	**(0.37)**	(0.20)	**(0.32)**	(0.23)
Net cash unit costs – CAD$/pound	$ **0.27**	$ 0.57	$ **0.38**	$ 0.48
US$ amounts[2]				
Average exchange rate (CAD$ per US$1.00)	$ **1.26**	$ 1.30	$ **1.25**	$ 1.34
Per unit amounts – US$/pound				
Adjusted cash cost of sales	$ **0.35**	$ 0.29	$ **0.34**	$ 0.26
Smelter processing charges	**0.16**	0.30	**0.22**	0.27
Total cash unit costs – US$/pound	$ **0.51**	$ 0.59	$ **0.56**	$ 0.53
Cash margin for by-products	**(0.29)**	(0.15)	**(0.26)**	(0.17)
Net cash unit costs – US$/pound	$ **0.22**	$ 0.44	$ **0.30**	$ 0.36

Notes:
1. Red Dog mining operations.
2. Average period exchange rates are used to convert to US$ per pound equivalent.

Copper Unit Cost Reconciliation

(C$ in millions, except where noted)	Three months ended December 31, 2021	2020	Year ended December 31, 2021	2020
Revenue as reported	$ **924**	$ 820	$ **3,452**	$ 2,419
By-product revenue (A)	**(107)**	(104)	**(386)**	(300)
Smelter processing charges (B)	**35**	40	**124**	140
Adjusted revenue	$ **852**	$ 756	$ **3,190**	$ 2,259
Cost of sales as reported	$ **482**	$ 452	$ **1,711**	$ 1,560
Less:				
Depreciation and amortization	**(94)**	(102)	**(385)**	(383)
Labour settlement charges	**(26)**	—	**(26)**	—
By-product cost of sales (C)	**(23)**	(29)	**(84)**	(71)
Adjusted cash cost of sales (D)	$ **339**	$ 321	$ **1,216**	$ 1,106
Payable pounds sold (millions) (E)	**151.5**	172.7	**596.1**	591.7
Per unit amounts – CAD$/pound				
Adjusted cash cost of sales (D/E)	$ **2.24**	$ 1.86	$ **2.04**	$ 1.87
Smelter processing charges (B/E)	**0.23**	0.23	**0.21**	0.23
Total cash unit costs – CAD$/pound	$ **2.47**	$ 2.09	$ **2.25**	$ 2.10
Cash margin for by-products – ((A – C)/E)	**(0.55)**	(0.43)	**(0.51)**	(0.39)
Net cash unit costs – CAD$/pound	$ **1.92**	$ 1.66	$ **1.74**	$ 1.71
US$ amounts[1]				
Average exchange rate (CAD$ per US$1.00)	$ **1.26**	$ 1.30	$ **1.25**	$ 1.34
Per unit amounts – US$/pound				
Adjusted cash cost of sales	$ **1.78**	$ 1.42	$ **1.63**	$ 1.39
Smelter processing charges	**0.18**	0.18	**0.17**	0.18
Total cash unit costs – US$/pound	$ **1.96**	$ 1.60	$ **1.80**	$ 1.57
Cash margin for by-products	**(0.44)**	(0.33)	**(0.41)**	(0.29)
Net cash unit costs – US$/pound	$ **1.52**	$ 1.27	$ **1.39**	$ 1.28

Note:
1. Average period exchange rates are used to convert to US$ per pound equivalent.

Non-GAAP Financial Measures and Ratios

Energy Business Unit – Adjusted Operating Costs[1]

(CAD$ in millions, except where noted)	Three months ended December 31, 2021	Three months ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020
Revenue as reported	**$ 210**	$ 140	**$ 715**	$ 454
Less:				
Cost of diluent for blending	**(79)**	(54)	**(250)**	(217)
Non-proprietary product revenue	**—**	(4)	**(50)**	(21)
Add back: Crown royalties (D)	**6**	1	**15**	4
Adjusted revenue (A)	**$ 137**	$ 83	**$ 430**	$ 220
Cost of sales as reported	**$ 248**	$ 186	**$ 848**	$ 780
Less:				
Depreciation and amortization	**(29)**	(22)	**(96)**	(103)
Inventory write-down	**(11)**	(8)	**(11)**	(54)
Cash cost of sales	**$ 208**	$ 156	**$ 741**	$ 623
Less:				
Cost of diluent for blending	**(79)**	(54)	**(250)**	(217)
Cost of non-proprietary product purchased	**—**	(4)	**(45)**	(17)
Transportation for non-proprietary product purchased[3]	**—**	(1)	**(8)**	(8)
Transportation for costs FRB (C)	**(29)**	(25)	**(104)**	(103)
Adjusted operating costs (E)	**$ 100**	$ 72	**$ 334**	$ 278
Blended bitumen barrels sold (000's)	**2,613**	3,056	**9,333**	11,641
Less diluent barrels included in blended bitumen (000's)	**(673)**	(762)	**(2,363)**	(2,949)
Bitumen barrels sold (000's) (B)	**1,940**	2,294	**6,970**	8,692
Per barrel amounts – CAD$				
Bitumen price realized (A/B)[2]	**$ 70.58**	$ 35.92	**$ 61.78**	$ 25.27
Crown royalties (D/B)	**(3.16)**	(0.33)	**(2.18)**	(0.49)
Transportation costs for FRB (C/B)	**(14.70)**	(10.69)	**(14.96)**	(11.84)
Adjusted operating costs (E/B)	**(51.09)**	(31.13)	**(47.89)**	(31.96)
Operating netback – CAD$ per barrel	**$ 1.63**	$ (6.23)	**$ (3.25)**	$ (19.02)

Notes:
1. Calculated per unit amounts may differ due to rounding.
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.
3. Reflects adjustments for costs not directly attributed to the production of Fort Hills bitumen, including transportation for non-proprietary product purchased.

Fourth Quarter 2021 Results

February 24, 2022

Teck