

Teck



First Quarter 2014 Results

April 22, 2014

Forward Looking Information



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

The forward-looking statements in these slides and the oral presentation include estimates, forecasts, and statements as to management's expectations with respect to, among other things, our future earnings and cash flow, production and sales targets and our expectation that they will be met, expected savings as a result of our cost reduction program, expected progress and timing of growth projects, expected sales and realized pricing for coal, the production benefits of the Highland Valley Mill Optimization, the costs of restarting our Pend Oreille mine as well as the timing and cost of the restart, expected benefits from processing Pend Oreille production at Trail, expectations regarding our cost reduction efforts, demand and market outlook for commodities and future commodity prices.

These forward-looking statements involve numerous assumptions, risks and uncertainties and actual results may vary materially. These statements are based on a number of assumptions, including, but not limited to, assumptions regarding general business and economic conditions, interest rates, the supply and demand for, inventories of, and the level and volatility of prices of zinc, copper, coal and 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, decisions by our partners to proceed with certain of those projects, 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, assumptions regarding the impact of our cost reduction program on our operations, our ongoing relations with our employees and partners and joint venturers, performance by customers and counterparties of their contractual obligations, and the future operational and financial performance of the company generally.

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

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



Market

- Good demand for all principal products
- Uneconomic supply of steelmaking coal is impacting prices

Teck

- Increased efforts to reduce operating costs and capital expenditures
- Strong financial position
- Semi-annual dividend paid in January

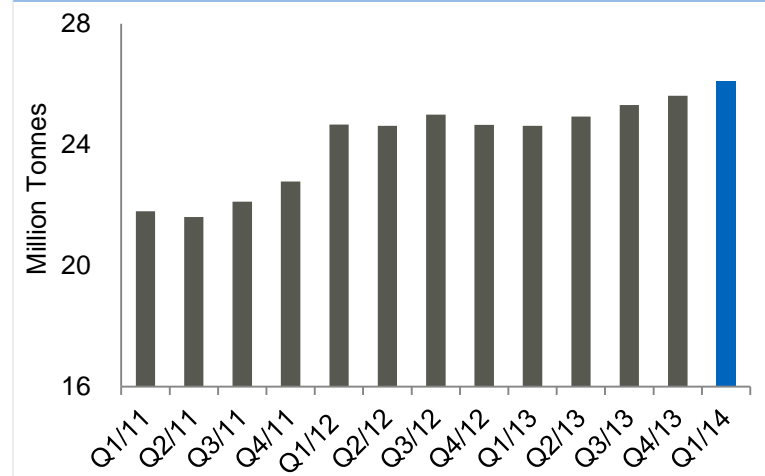
Q1 2014 Highlights



- **Higher production volumes for major products**
 - Record for monthly coal production in January
 - Increased copper production
- **Profitability impacted by lower prices for all principal products**
 - Negative pricing adjustments of (\$63M)
 - Coal inventory write-down of \$30M
 - Partially offset by the strengthening of the US dollar

Production (000's tonnes)	Q1 2014	△ To Q1 2013
Coal	6,730	▲ 496
Copper	85	▲ 2
Zinc in concentrate	163	▲ 16
Zinc – refined	62	▼ 12

Rolling Four-Quarter Coal Production (Mt)

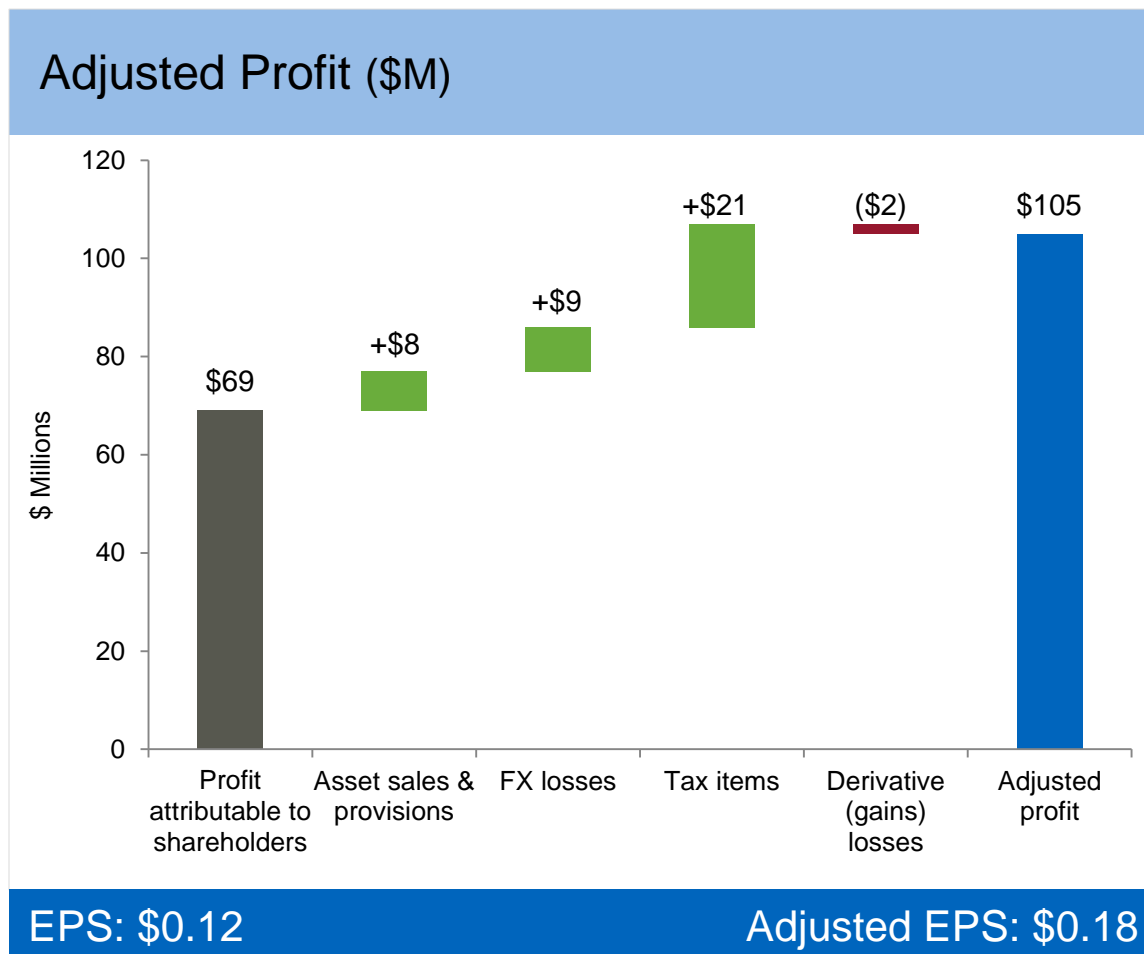


Solid operational performance

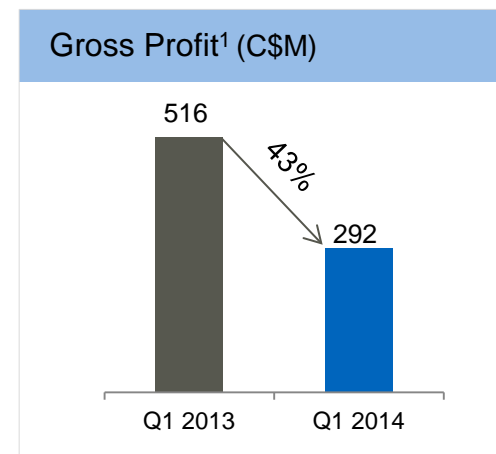
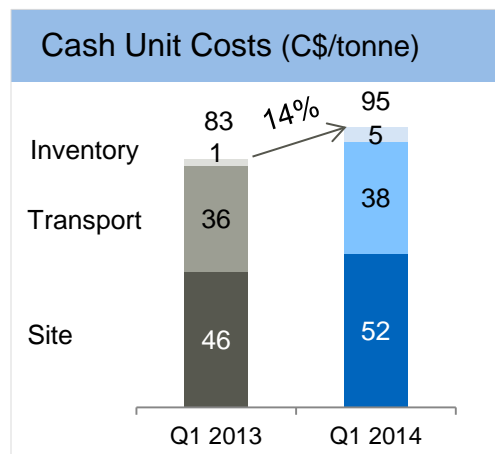
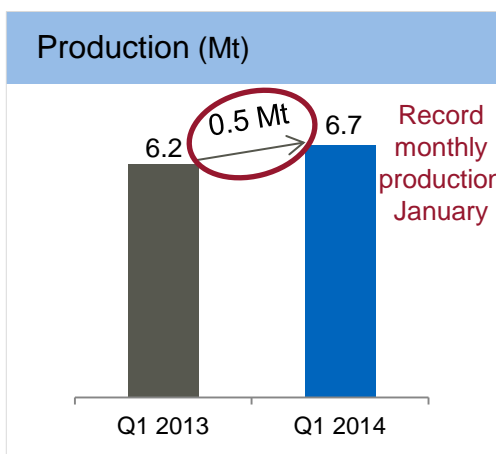
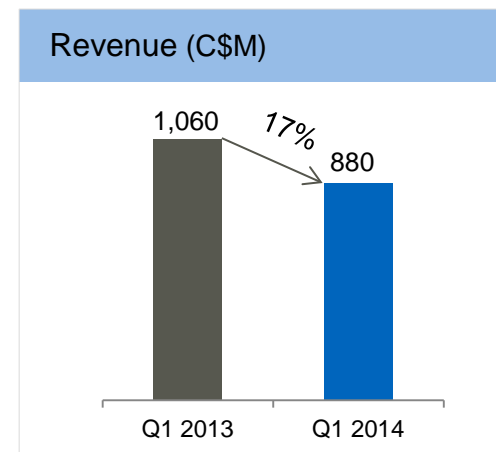
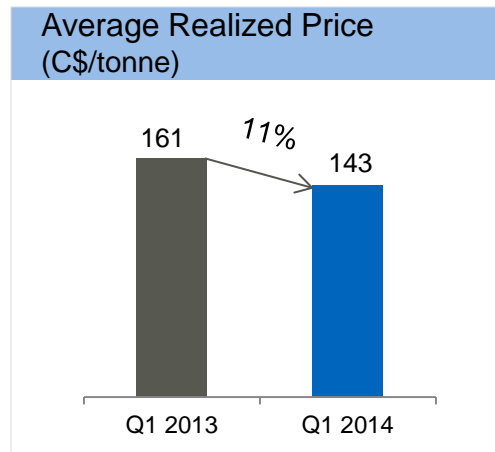
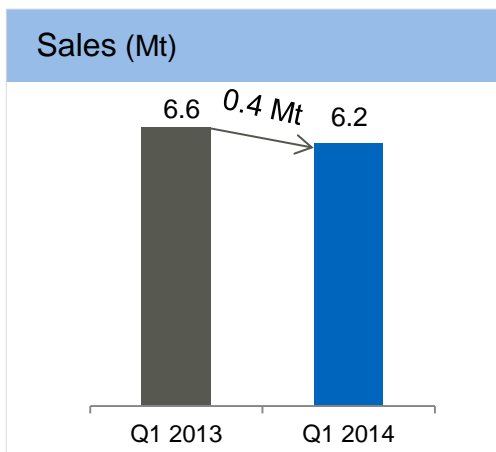
Profitability



(\$M)	Q1 2014	△To Q1 2013
Gross profit ¹	732	▼ 262
EBITDA	557	▼ 345
Profit attributable to shareholders	69	▼ 250
Adjusted profit	105	▼ 223



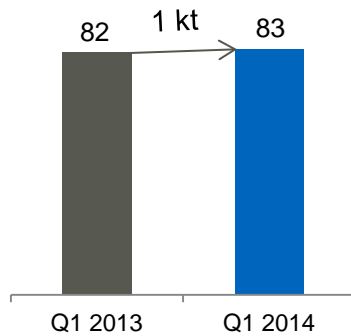
Steelmaking Coal



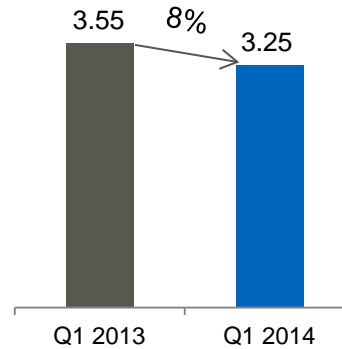
Copper



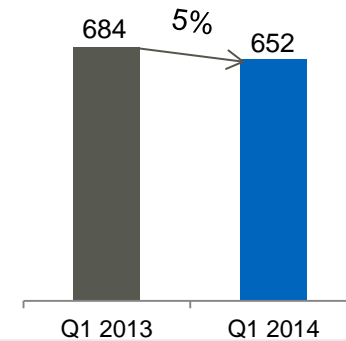
Sales (kt)



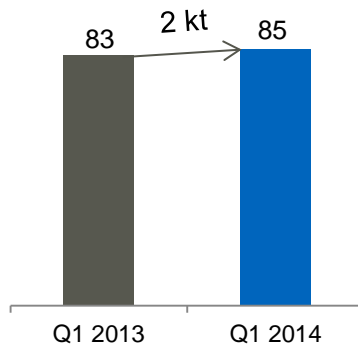
Realized Price (US\$/lb)



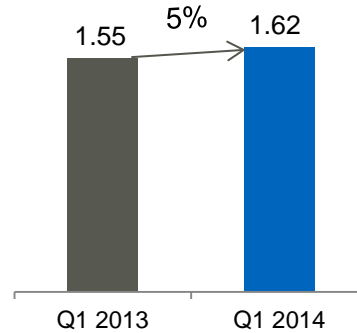
Revenue (C\$M)



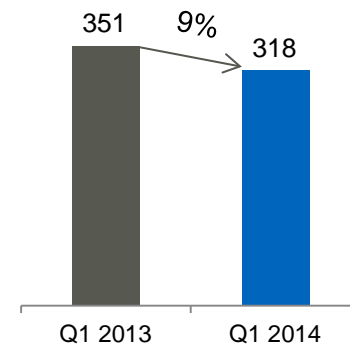
Production (kt)



Total Cash Unit Costs¹ (US\$/lb)



Gross Profit² (C\$M)



Highland Valley Mill Optimization



Throughput exceeds expectations

- Designed for: 130 ktpd
- Average in March: 139 ktpd
- Highest day: 175 ktpd

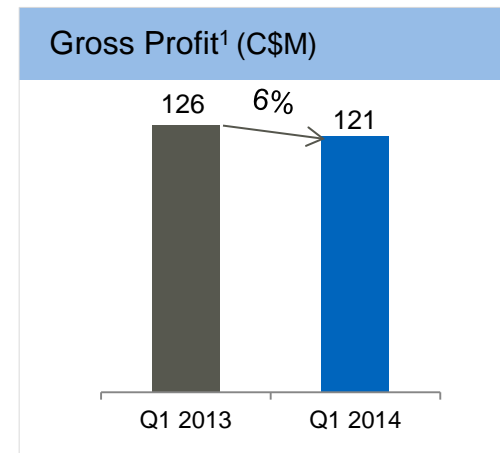
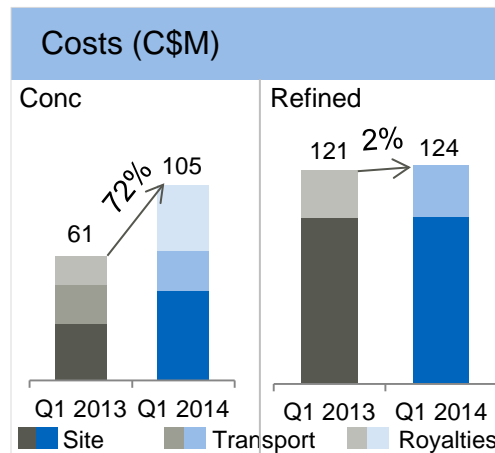
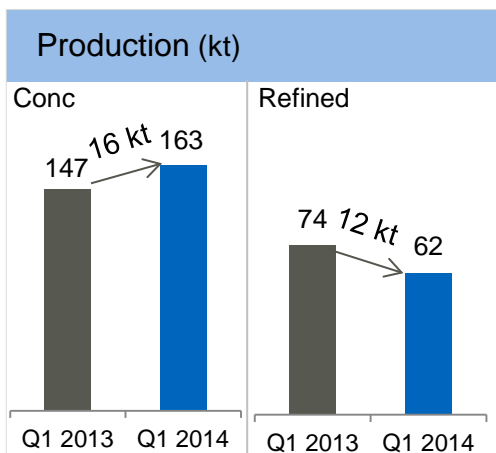
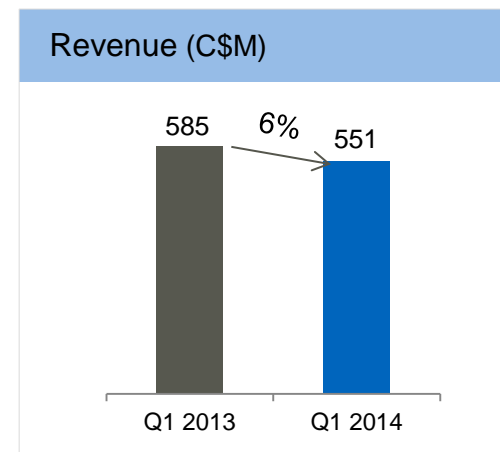
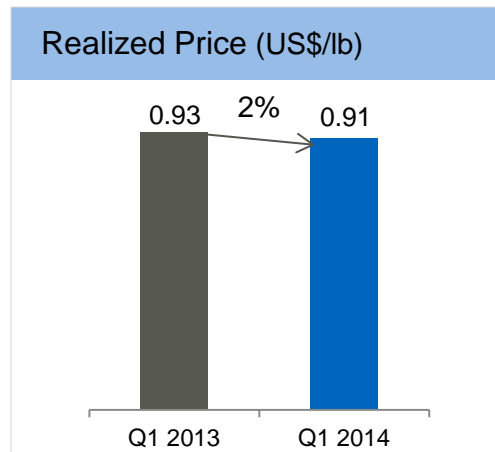
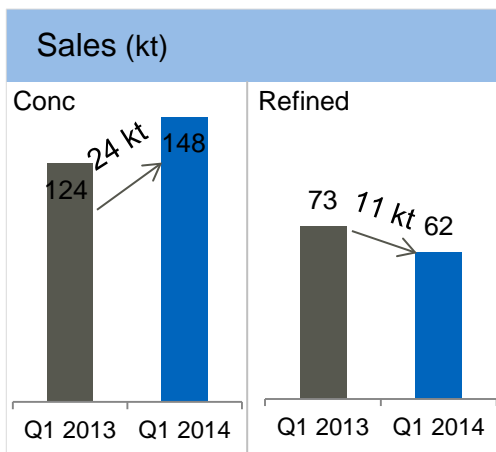
Highland Valley Mill Optimization



Supports mining through at least 2027

- Increase in mill throughput of ~10%
- Improvement in recovery
- Copper production ~15 ktpa higher

Zinc



Pend Oreille



Restart

- Further life of ~5y expected
- Annual production of 44kt zinc in concentrate



Fort Hills Update

- On schedule
- Spending consistent with the project budget
- Teck's share of cash spending¹
 - 2014 estimate: \$850M
 - Q1 2014 actual: \$114M

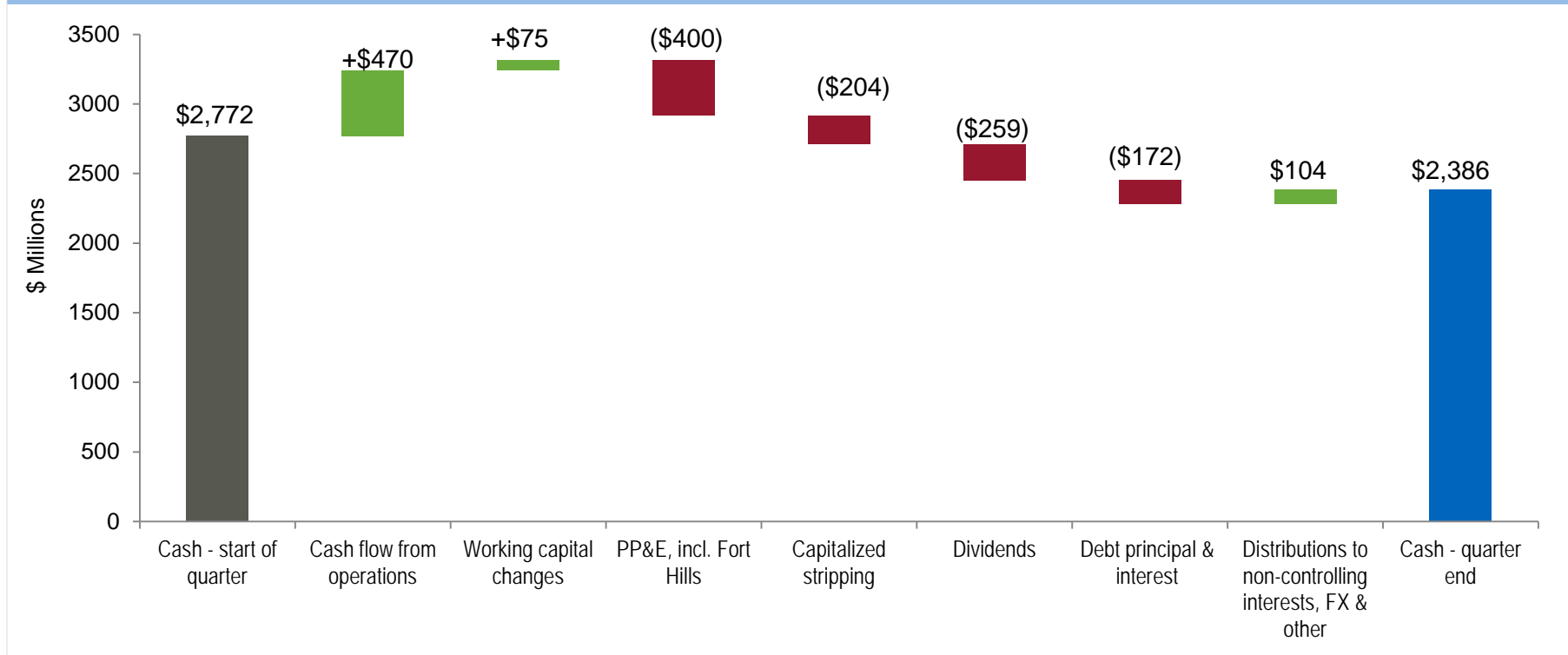


Fort Hills Project. Credit: Ledcor Group

Cash



Cash Changes in Q1 2014 (\$M)



Strong balance sheet with \$2.4B in cash

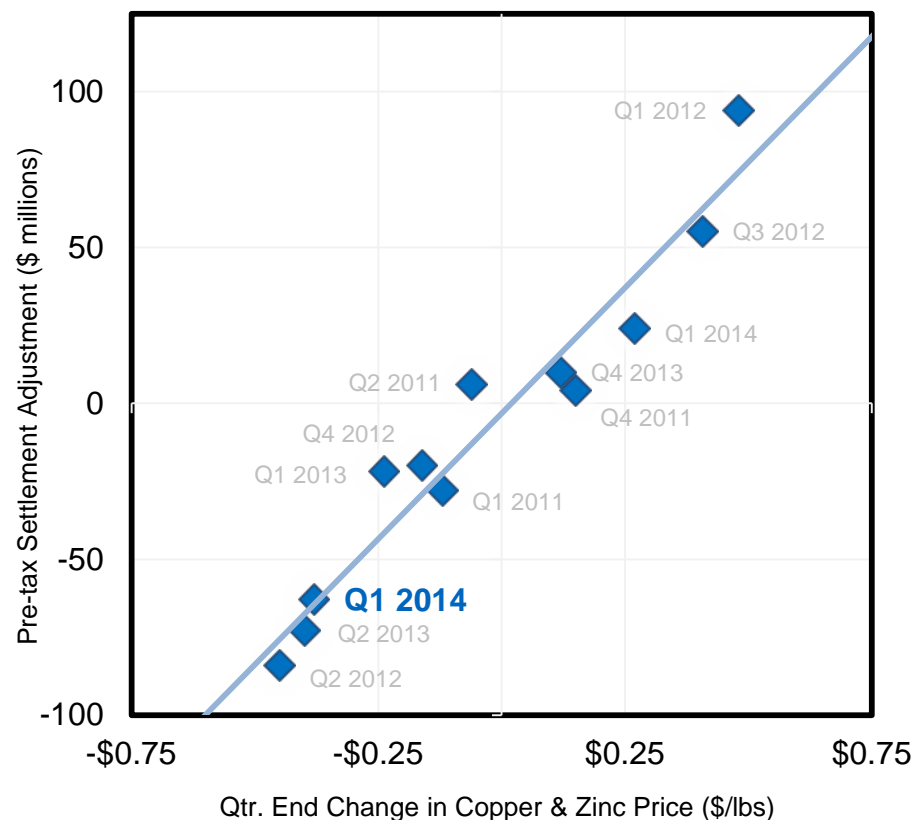
Pricing Adjustment



- Negative pricing adjustment of (\$63M) in Q1 2014
- Driven by quarterly change in commodity prices
 - Copper: down $-\$0.34$
 - Zinc: down $-\$0.04$

	Outstanding at December 31, 2013		Outstanding at March 31, 2014		
	(pounds in millions)	Pounds	US\$/lb	Pounds	US\$/lb
Copper		135	3.35	158	3.01
Zinc		109	0.94	133	0.90

Simplified Pricing Adjustment Model



Operating Cost & Capex Reductions



- **Exceeded initial goals of our cost reduction program**
 - Realized \$345M in ongoing annual operating cost savings to date
- **Increasing efforts to reduce operating costs and capex**
 - Targeting \$200M in additional annual operating cost reductions
 - Reducing sustaining and development capex by ~150M
 - Deferring the potential restart of Quintette

Near-Term Priorities



Focusing intensely on further cost reductions

Reducing capital expenditures

Deferring restart of Quintette met coal mine

Executing restart of Pend Oreille zinc-lead mine

Investor Relations Contacts



www.teck.com/investor

investors@teck.com

Telephone: +604-699-4257 or toll-free
(Canada & US) 1-877-759-6226



Best Investor Relations
In Sector: Materials