

Teck

Second Quarter 2015 Results

July 23, 2015



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, coal production and sales guidance, annual coal cost guidance and annual capitalized stripping guidance, Quebrada Blanca and copper business unit production guidance, zinc sales guidance, Fort Hills capital cost and construction guidance, the expectation that we should complete 2015 with at least \$1 billion in cash, cost and production forecasts at our business units and individual operations and expectation that we will meet our production guidance, the level of our liquidity, commitment to an investment grade rating, and demand and market outlook for commodities. These forward-looking statements involve numerous assumptions, risks and uncertainties and actual results may vary materially and these assumptions, risks and uncertainties are described in our public filings available on SEDAR at www.sedar.com and EDGAR at www.sec.gov.

These forward-looking statements are also based on 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. Our expectation that we should complete 2015 with at least \$1 billion in cash assumes current commodity prices, CAD\$/USD\$ exchange rate of 1.25 and that our current guidance for production, costs and capital expenditures are met and assumes no unusual transactions or events. Assumptions regarding liquidity assume that our credit facilities remain available.

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. Our Fort Hills project is not controlled by us and construction and production schedules may be adjusted by our partners. Our credit rating is set by rating agencies.

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 at www.sec.gov. 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.

Strengthening Our Financial Position



- Ongoing focus on cost management and operational performance
 - Announced coal production curtailments for Q3
 - Maintained annual coal cost guidance
- Gross profit¹ improved in all business units in Q2
- Significantly enhanced liquidity to >\$6.5B
- Recognized again for corporate citizenship & social responsibility

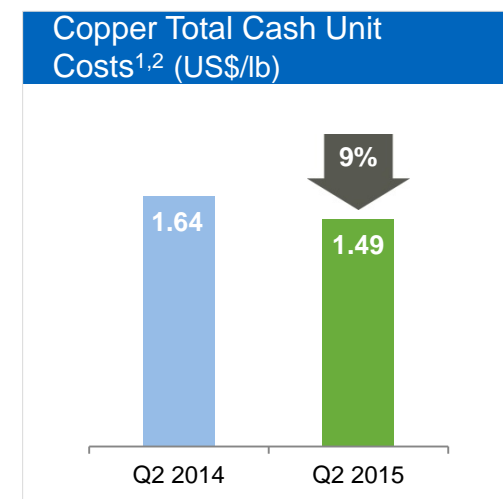
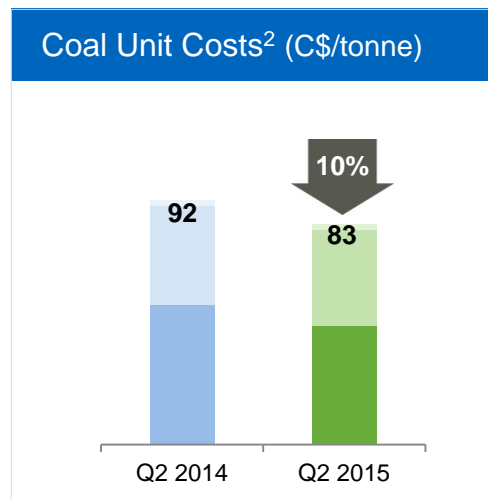
Quarterly Results Q2 2015

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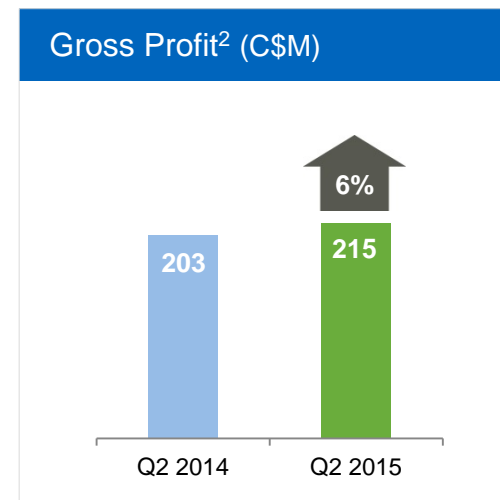
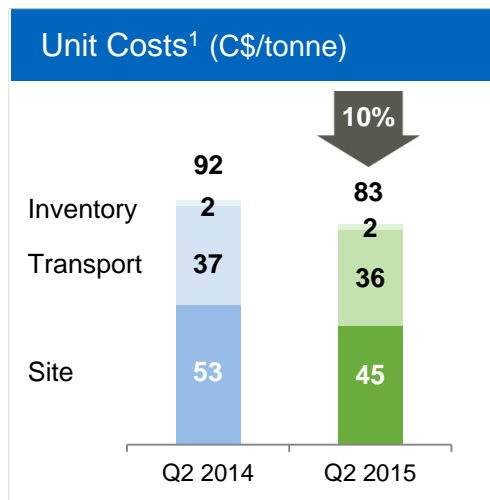
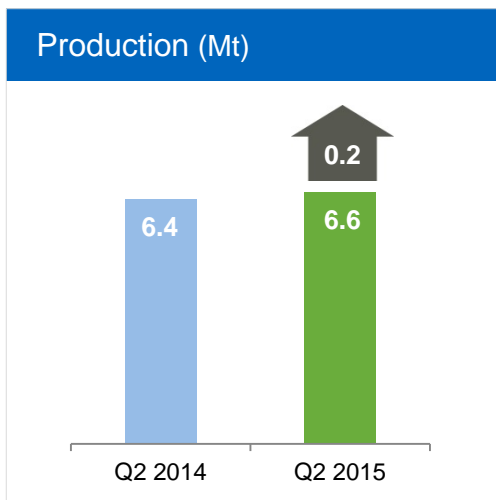
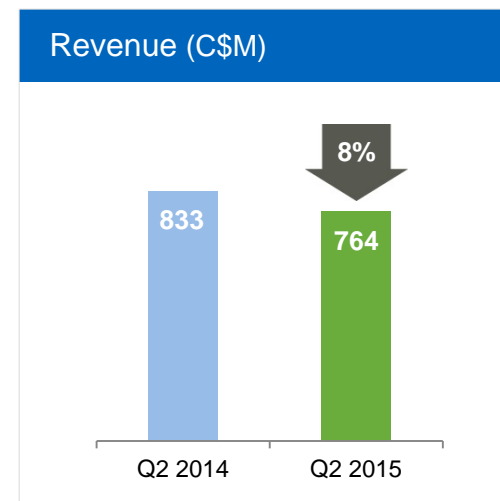
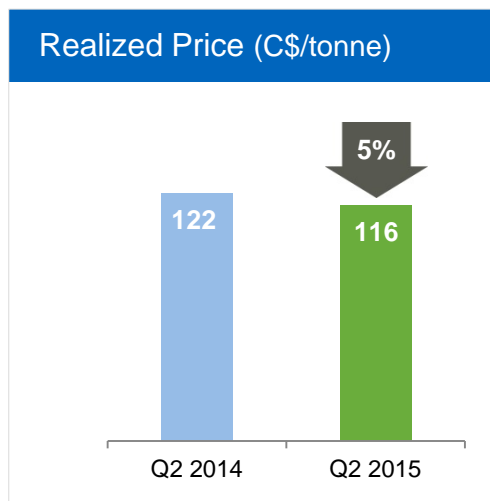
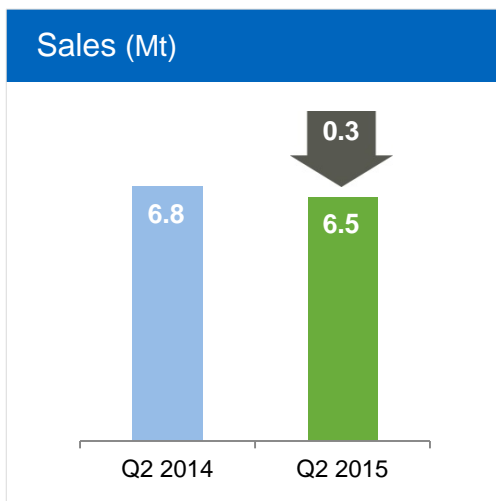
Revenue	\$ 2.0 Billion
Gross profit (before depreciation & amortization)	\$ 676 Million
EBITDA	\$ 596 Million
Profit (attributable to shareholders)	\$ 63 Million
Adjusted profit* (attributable to shareholders)	\$ 79 Million \$0.14/share

- Higher production for all major products
- Pend Oreille restart completed
- Unit costs down 9-10%

Production	Q2 2015	△ To Q2 2014
Coal (Mt)	6.6	▲ 0.2
Copper (kt)	93	▲ 6
Zinc in concentrate ¹ (kt)	179	▲ 22
Zinc – refined (kt)	75	▲ 3

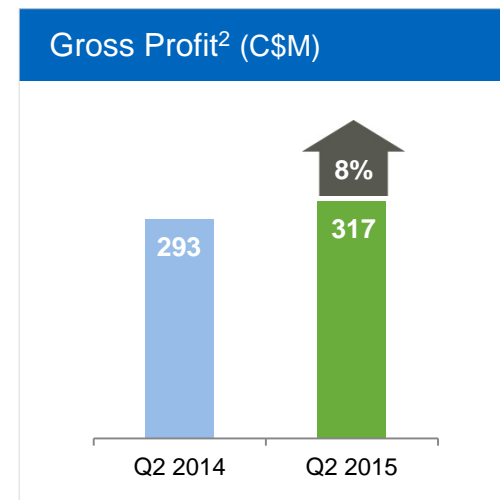
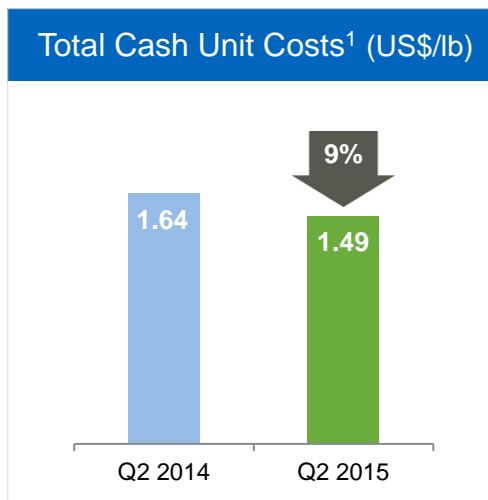
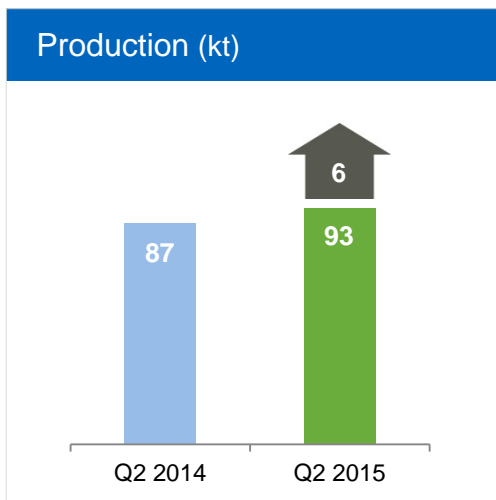
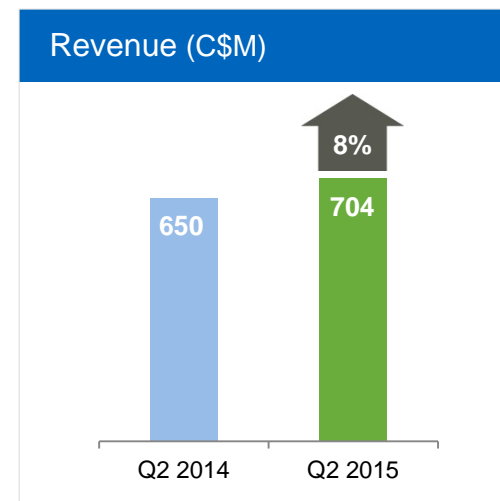
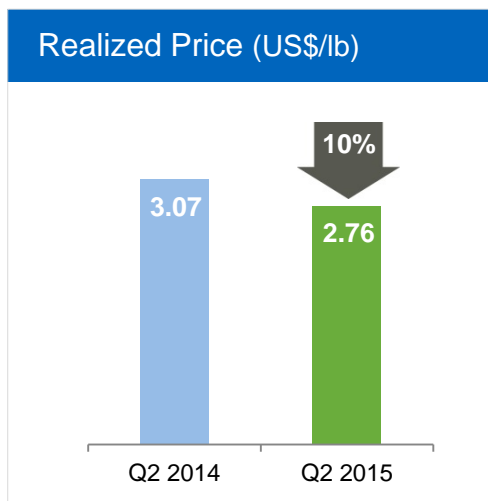
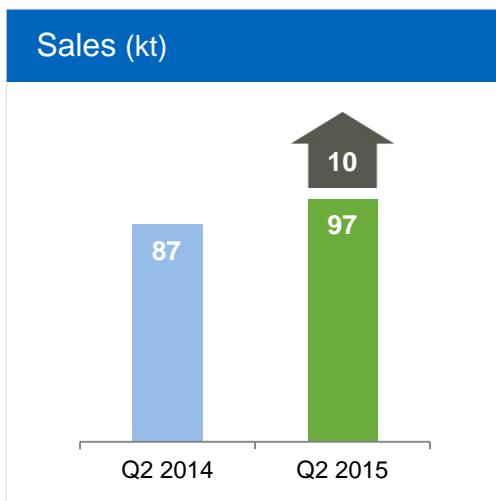


1. Including co-product zinc production from our copper business unit.
 2. Does not include deferred stripping or capital expenditures.
 3. After by-product credits.



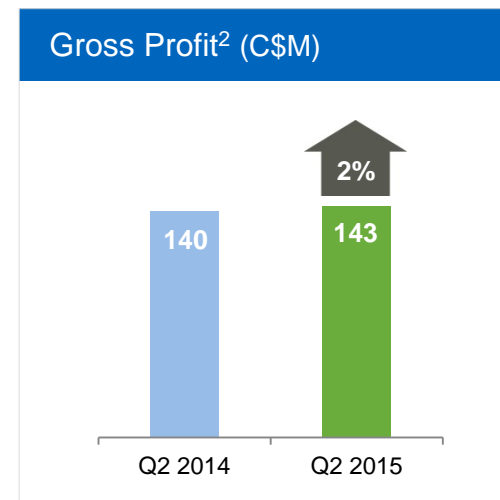
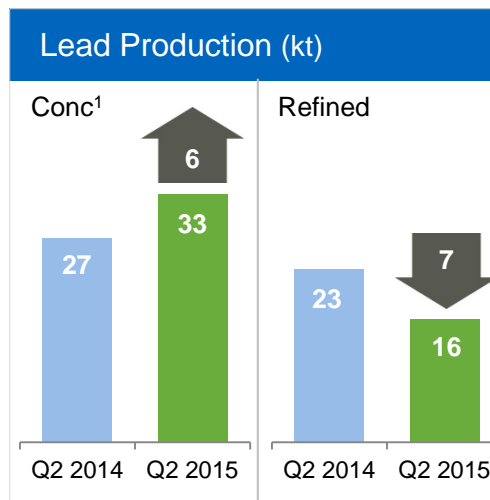
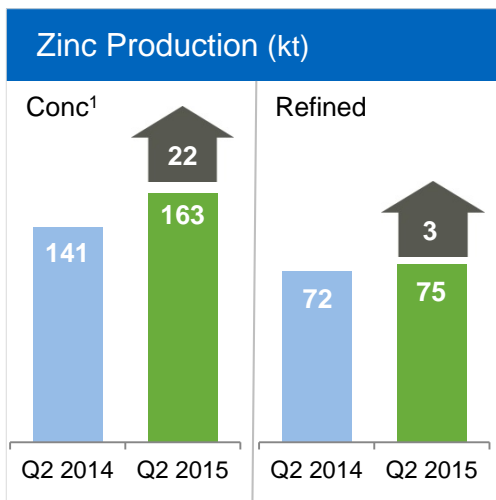
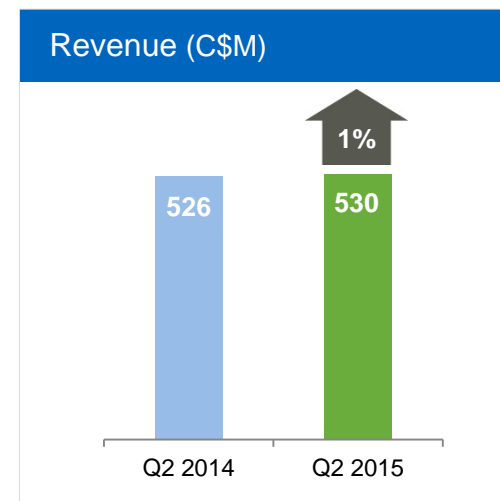
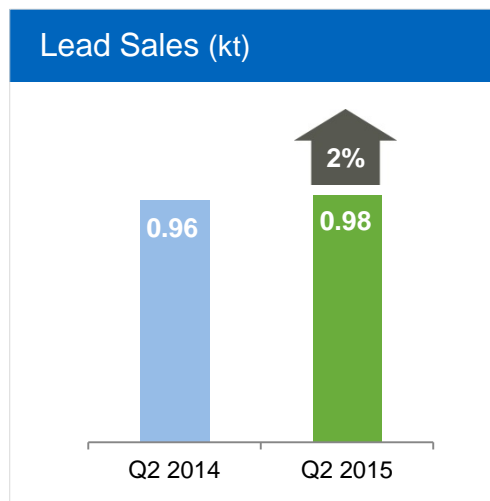
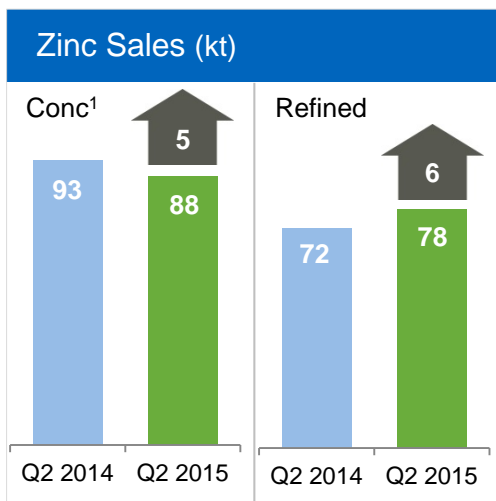
Significant unit cost reductions achieved

1. Does not include deferred stripping or capital expenditures.
 2. Before depreciation and amortization.



Total cash unit cost¹ reduction of US\$0.15/lb or 9%

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 1. After by-product credits. Does not include deferred stripping or capital expenditures.
 2. Before depreciation and amortization.



Pend Oreille restart completed

1. Represents production and sales from Red Dog and Pend Oreille, and excludes co-product zinc production from our copper business unit.
2. Before depreciation and amortization.

Ore Preparation Plant



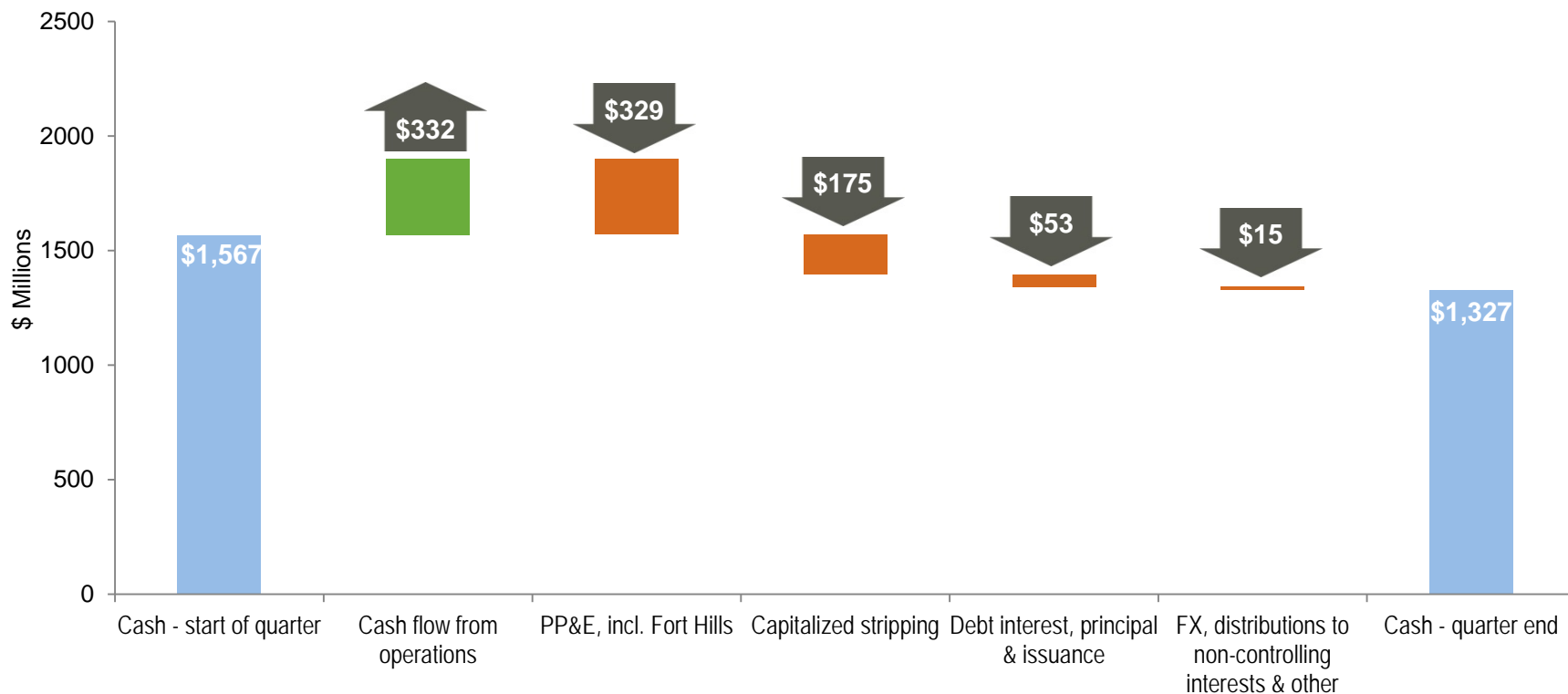
Extractions & Tailings



- All critical milestones being met
- Engineering 85% complete
- Construction 35% complete
- Workforce ~3,500 people

Partners are focused on managing capital costs

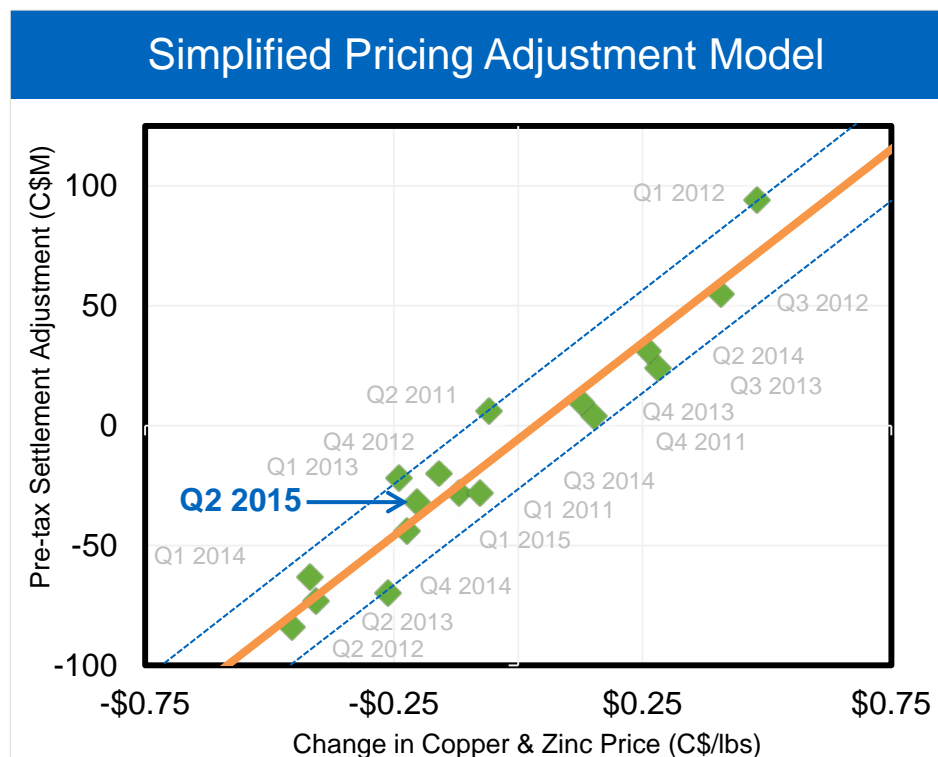
Cash Changes in Q2 2015



Cash balance of C\$1.3B is in line with our expectations

- Negative pricing adjustments of \$32M in Q2 2015
- Driven by quarterly change in key commodity prices, primarily copper
 - Copper: down US\$0.13/lb
 - Zinc: down US\$0.04/lb

	Outstanding at June 30, 2015		Outstanding at March 31, 2015	
	Pounds (M)	US\$/lb	Pounds (M)	US\$/lb
Copper	251	2.60	214	2.73
Zinc	103	0.90	93	0.94



	S&P	Moody's	Fitch	DBRS
Investment Grade	BBB+	Baa1	BBB+	BBB (high)
	BBB	Baa2	BBB	BBB negative
	BBB-negative	Baa3 negative	BBB-stable	BBB (low)
Non-Investment Grade	BB+	Ba1	BB+	BB (high)
	BB	Ba2	BB	BB

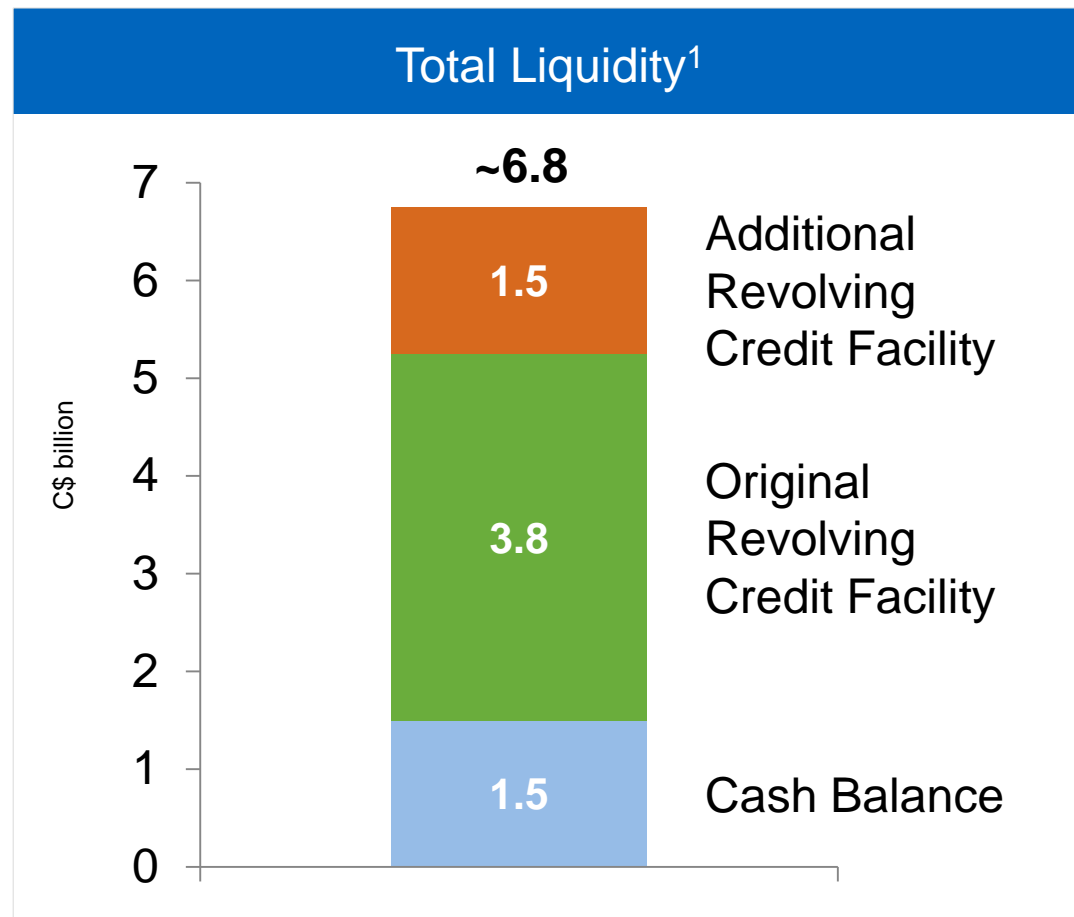
Supported by:

- Significant cost reductions
- Capital discipline
- Dividend cut
- Production curtailments in coal
- Streaming

Ratings reflect the current economic environment

Credit Facilities

- No rating restrictions
- One financial covenant
 - 50% debt to debt+equity
 - 32% currently
- Minimal pricing grid impact
- Equity ~\$10Bn > required for 50% debt to debt+equity



Expect to achieve year-end cash balance of \$1B²

1. As at July 22, 2015.

2. Assumes current commodity prices, CAD\$/USD\$ exchange rate of 1.25 and Teck's 2015 guidance for production, costs and capital expenditures.



- Focused on cost reductions and operating performance
- Maintaining a strong financial position
- Expect to achieve year-end cash balance of at least \$1B¹

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