

Natural Resources Reporting: Views from a Major

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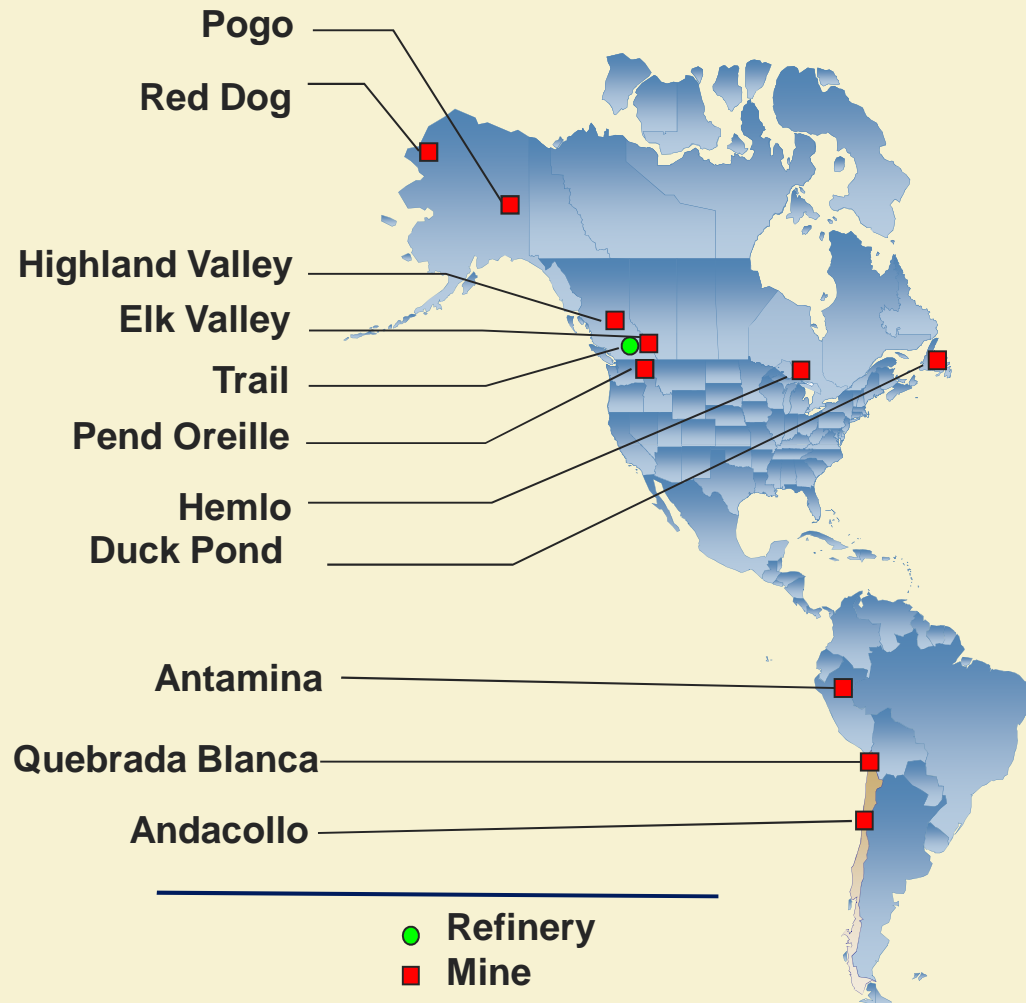
Natural Resources Reporting Workshop
Dublin Castle,
May 15, 2009

Presentation Outline

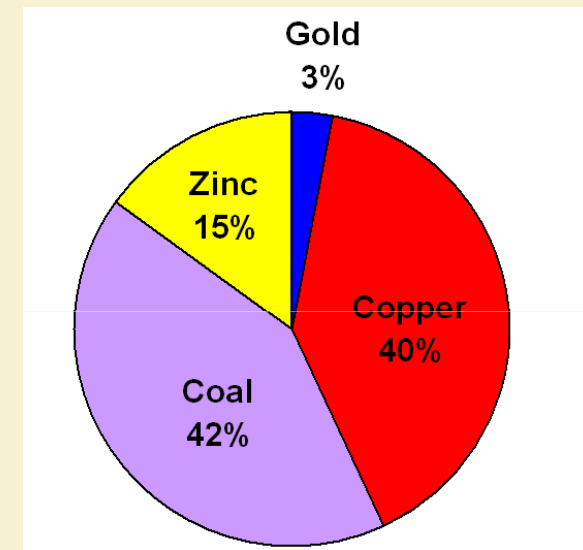


- Background on Teck
- Teck's Resource and Reserve reporting procedures – how we ensure NI 43-101 compliance
- Summary and Conclusions

A Diversified Mining Company



2008 Operating Profit by Business Unit



Revenue : C\$ 6.9 Billion

Market Cap : C\$ ~8 billion

Net Earnings: C\$ 659 million

+ Exploration offices in Canada, Mexico, Chile, Peru, Ireland, Turkey and Australia

Teck

Red Dog, Alaska



World's largest zinc mine

- by production & reserves
- Reserves/ Resources life >30 years



Production

	<u>2007</u>	<u>2008</u>
– Zn Production (t)	575,000	515,000
– Pb Production (t)	124,000	112,000
– Operating Profit (C\$ million)	885	240

Highland Valley, Canada



One of World's largest tonnage copper mining / milling complexes



• Production	<u>2007</u>	<u>2008</u>
– Cu Production (t)	136,000	116,000
– Mo Production (mlbs)	4.0	4.2
– Operating Profit (C\$million)	776	426

Elk Valley Coal, Canada



World's second largest exporter of seaborne hard coking coal



- | Production | <u>2007</u> | <u>2008</u> |
|----------------------------------|-------------|-------------|
| – Coal Production (t) | 22,561,000 | 23,009,000 |
| – Operating Profit (C\$ Million) | 249 | 1,226 |

Teck's Approach



- Teck's Approach to R&R Reporting
- How we ensure consistency across multiple mines, commodities, and jurisdictions

Standard – NI 43101



Proven and Probable Mineral Reserves and Measured, Indicated and Inferred Mineral Resources are estimated in accordance with the definitions of these terms adopted by the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) in November 2005 and incorporated in **National Instrument 43-101**, “Standards of Disclosure for Mineral Projects” (“**NI 43-101**”), by Canadian securities regulatory authorities.

NI 43-101 - History



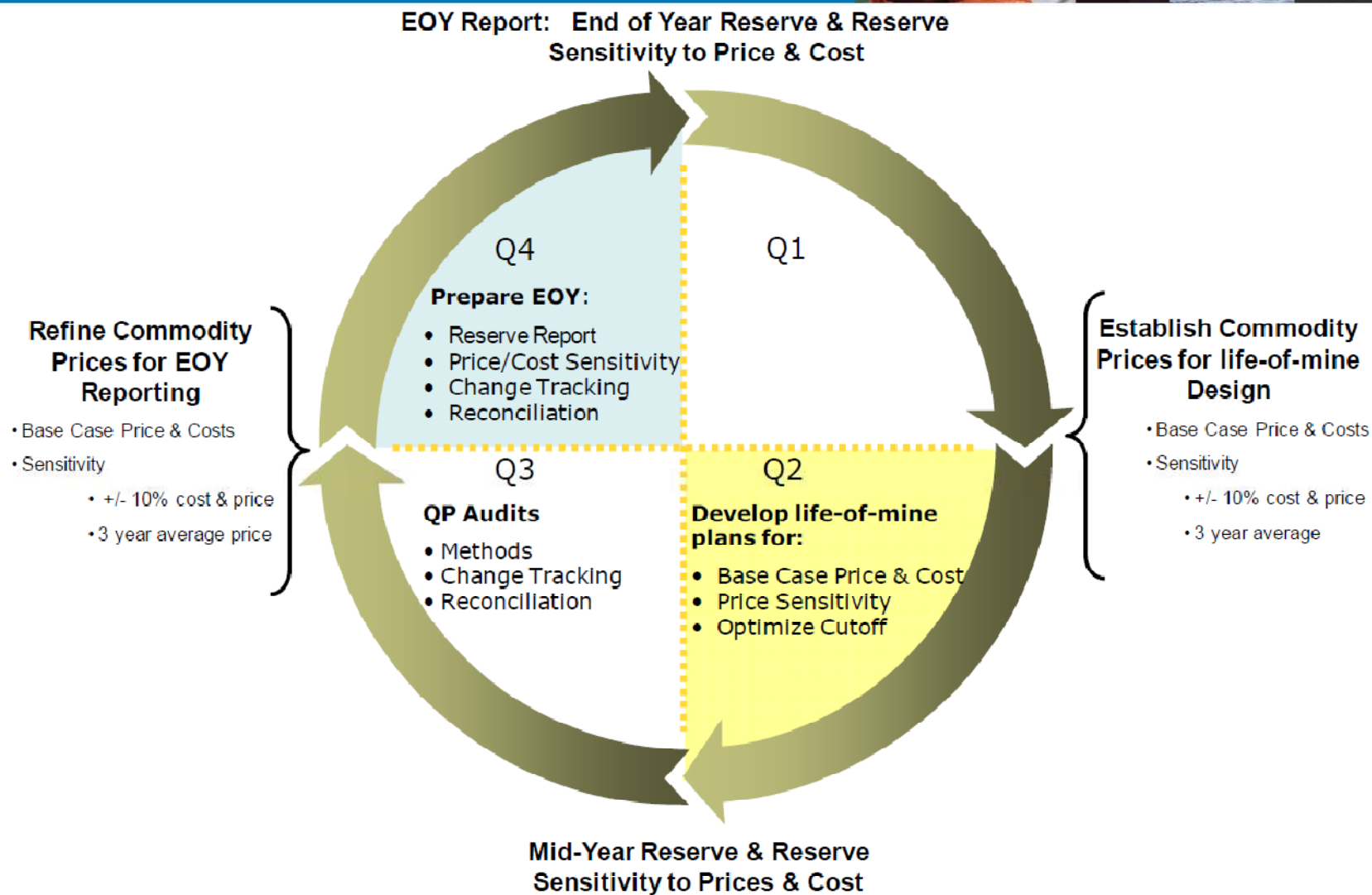
- NI 43-101 was created after the Bre-X scandal to protect investors from unsubstantiated mineral project disclosures
- It is now the cornerstone of R&R reporting in Canada
- Teck personnel were involved in the formulation of the original CIM guidelines that underpin NI 43-101

R&R Team



- Paul Bankes, Director Reserve Estimation
- 4 people on his team with extensive R&R modelling/estimation experience
- Reports to Reserve Committee of Management (includes division heads)
- Which in turn reports to the Reserve Committee of the Board of Directors

Reporting Timetable



The image consists of three vertical panels. The left panel shows a close-up of a woman with glasses smiling and holding a small brown frog in her hands. The middle panel shows a person in a dark swimsuit diving into a body of water. The right panel shows a large, multi-story building with a dark roof and many windows, set against a backdrop of large, snow-capped mountains under a clear blue sky.



Standardised Reporting From Each Operation



1. Summary
2. Ownership
3. Location
4. Land Tenure
5. Geology
6. Drilling & Sampling
7. QA/QC

Standardised Reporting From Each Operation



- 8. Production Reconciliation
- 9. Modelling Method & Parameters
- 10. Mine Design Parameters
- 11. Resource & Reserve Statement
- 12. R&R Change Tracking
- 13. Economic Test
- 14. Sensitivity Analysis

Signed Reports



- R&R reports must be signed and dated by the site QP(s) and General Manager of Mine
- ~16 mines with up to 4 section QPs at each

CONSENT OF QUALIFIED PERSON

Name _____, P. Geo
Company: _____
Address: _____
Telephone: _____

I, _____, P. Geo., consent to the public filing by Teck Cominco Limited of information contained within sections __, __, __ and __ of report entitled "2007 Year End Reserves - _____ Mine".

"signed and sealed"

CERTIFICATE OF QUALIFIED PERSON

Name _____, P. Geo
Company: _____
Address: _____
Telephone: _____

_____, P. Geo
Date: _____

I, _____, P. Geo., am employed as a Chief Geologist at the _____ Mine. This certificate applies to the report entitled "2007 Year-end Reserves - _____ Mine", with an effective date of ____ 2007.

I graduated from the University of _____ with a Bachelor of Science degree in Geology in _____. I am a member of the Association of Professional Engineers and Geoscientists of B.C. (#____). Since ____ I have been involved in various mining projects for _____ and _____ metals in Canada and the United States.

As a result of my experience and qualifications I am a Qualified Person as defined in National Instrument 43-101 Standards of Disclosure for mineral Projects (NI 43-101). I am responsible for sections __, __, __ and __ of report entitled "2007 Year End Reserves - _____ Mine".

"signed and sealed"

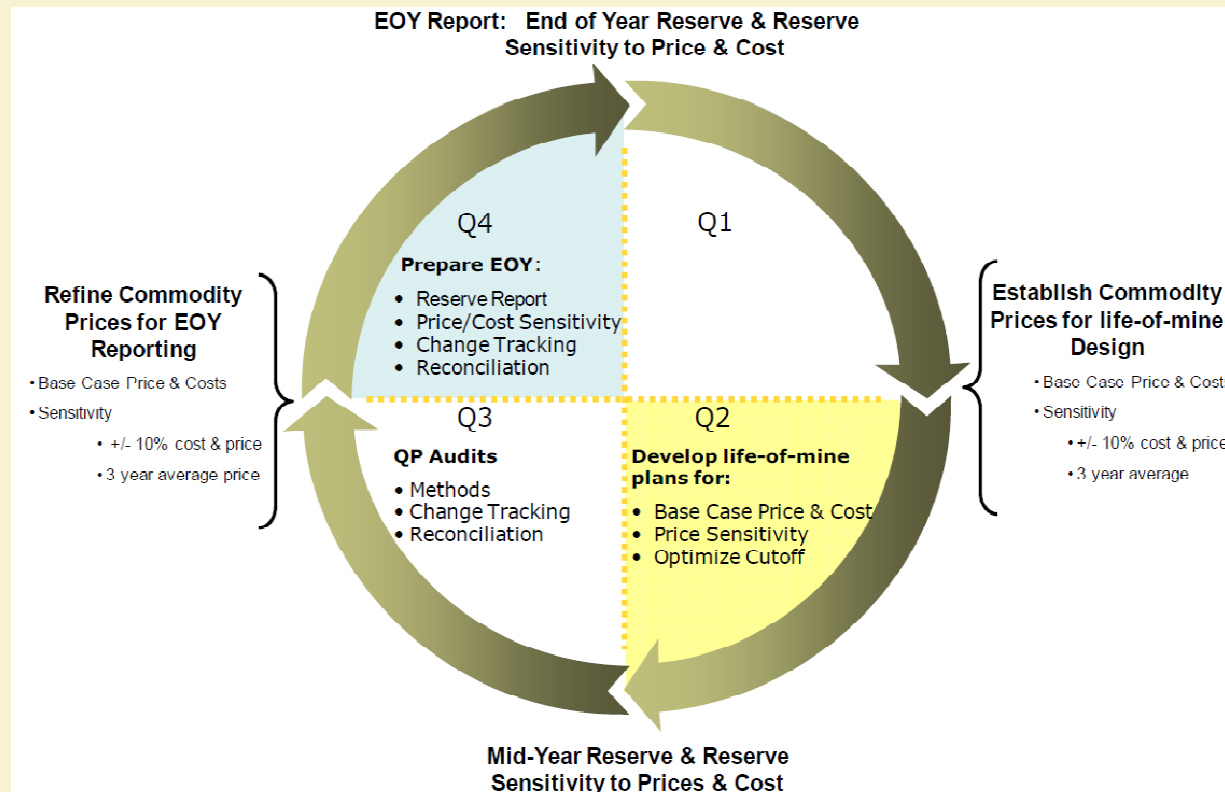
_____, P. Geo

Teck

In-house Audits



- Regular audits of each mine site by Director Reserve Estimation or a member of his team
- Reserve audit template in place



Summary and Conclusions



1. We have a strict definition of a Resource – must have “reasonable prospect for extraction”
2. Qualified Persons (QPs) are key – personally liable, must document results, efficient tracking of certification and consent
3. We have a Resource and Reserve committee of the board. Officers of the company take on significant responsibility