

## TECK SIGNS AGREEMENT TO ACQUIRE AQM COPPER

Teck Resources Ltd. (TCK.T) has entered into a definitive agreement to acquire all of the issued and outstanding common shares of AQM Copper Inc. (**AQM.V**) not already owned by Teck and its affiliates by way of a statutory plan of arrangement under the Business Corporations Act (British Columbia). Teck holds 42,258,545 shares of AQM, representing approximately 30% of AQM's issued and outstanding common shares.

AQM's principal asset is a 30% indirect interest in the Zafranal copper-gold project located in southern Peru, approximately 70 kilometers north of Arequipa. Teck holds a 50% indirect interest in the Zafranal project.

Under the arrangement, AQM shareholders will receive CAD\$0.23 in cash per AQM common share. The total cash consideration payable to AQM security holders (other than Teck, and including option holders and deferred share unitholders) is approximately CAD\$25 million, implying a total equity value for AQM of CAD\$35 million on a 100% fully-diluted basis.

The agreement provides for, among other things, a non-solicitation covenant on the part of AQM, subject to customary "fiduciary out" provisions that entitle AQM to consider and accept a superior proposal, a right in favour of Teck to amend its proposal to match any superior proposal and, in certain circumstances, the payment to Teck of a termination payment of CAD\$1 million. Holders of approximately 18% of outstanding AQM shares, including all of AQM's directors and officers, have agreed to vote in favour of the transaction. The AQM board is unanimously recommending that AQM security holders vote in favour of the transaction.

Closing of the transaction is subject to customary conditions, including approval by holders of AQM shares, options and deferred share units, and court and regulatory approvals. The transaction is expected to close in January 2017.

### About The Zafranal Project

The Zafranal copper-gold project is owned by Compania Minera Zafranal S.A.C. ("CMZ"), a joint venture company. Teck holds a 50% direct interest in CMZ and the remaining 50% direct interest is held by Minera AQM Copper Peru S.A.C. ("MAQM"), a Peruvian company. AQM holds a 60% direct interest in MAQM and Mitsubishi Materials Corporation ("MMC") holds the remaining 40% interest in MAQM. AQM released the results of a prefeasibility report on the Zafranal copper-gold project on May 24, 2016.

On completion of the transaction Teck will hold an 80% interest in CMZ and MMC will hold the remaining 20% interest with an option to increase its interest up to 30%. Teck and MMC have agreed to restructure ownership of the Zafranal copper-gold project following the closing of the arrangement so that each party will hold its interest in CMZ directly or through wholly owned subsidiaries.

We seek Safe Harbor.