

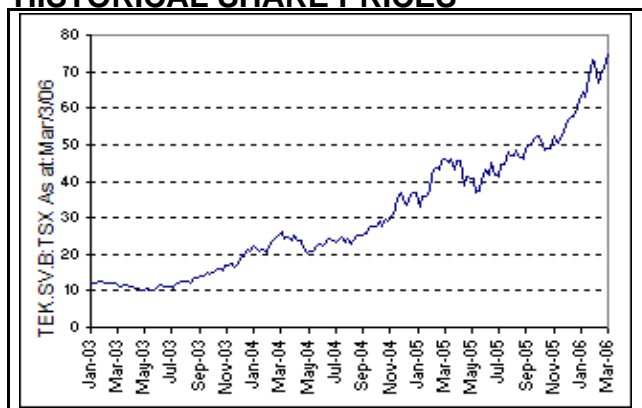
THE COMPANY

Teck Cominco, a diversified base metals and mining company, has interests in 12 operating mines that produce gold, copper, zinc and coal in North and South America and Australia. The Company has refining complexes in British Columbia and Peru as well as power generation facilities in Trail, British Columbia. Teck Cominco is the third largest North American company in the sector, based on the value of its public float and has assets of just under \$6 billion. Windfall power sales have provided the financial flexibility needed to fund the development of several significant projects, to pursue growth prospects and to build shareholder value.

FINANCIAL DATA

	2002	2003	2004
Earnings per Share (\$)	0.15	0.57	2.99
Price to Earnings (times)	293.3	77.2	14.7
Dividend (\$)	0.20	0.20	0.40
Dividend Yield (%)	0.45	0.45	0.91
Book Value (\$)	13.63	13.43	15.99
Price to Book (times)	3.23	3.28	2.75

HISTORICAL SHARE PRICES



WHY ABC FUNDS BOUGHT TECK COMINCO

On April 30, 2001 Teck Corporation made an offer to purchase the balance of Cominco Limited that it did not already own or approximately 50% of the Company. Over 84% of Cominco's minority shareholders voted in favour of receiving 1.8 Class B subordinate voting shares of Teck and \$6 in cash for each share of Cominco. A special shareholder meeting has been set for September 10th to consider renaming the Company "Teck Cominco Limited". Also, the Company is expected to adopt "coattail provisions" to protect the rights of the Class B shareholders in the event of a takeover of the Class A multiple voting shares. Cominco was originally one of our Value Favourites and because we still see value in the combined Company, we have exchanged our shares under the terms of the offer.

In the second quarter of 2001, Teck reported net earnings of \$0.22 per share including the consolidated results of Cominco. Unfortunately, declining gold, copper and zinc prices had a detrimental impact on the results when compared year over year. Even so, earnings were more than double than the \$0.10 earned in the second quarter of 2000 mainly as a result of power sales by Cominco's Trail division. Trail received significantly higher power prices from the second quarter of last year as prices averaged US\$232 per MW.h (megawatt hour) compared to US\$90 per MW.h. Because of these windfall gains, management has been able to minimize the debt load of the consolidated company. Currently, Teck Cominco's net debt is only \$513 million or 12% of total capitalization, which is well below many of its peers.

Obviously, the sale of electricity from Trail accounted for a significant portion of revenue and earnings in the quarter. As we have described previously, management has even curtailed zinc production to free up additional power, which was then sold to the United States. In the first half of 2001, Trail has generated \$180 million in operating profit, an increase of 227% from the \$55 million in operating profit earned in the first half of 2000. Year to date, 462,000 MW.h of power has been sold, up from 324,000 MW.h sold in the first half of 2000, and another 350,000 MW.h is expected to be sold in the third quarter of this year. Though electricity prices have declined dramatically from levels attained at the height of the California power crisis, Teck Cominco is expected to continue to sell power as long as the economics make sense. This cash flow will allow the development of several key projects and the pursuit of strategic acquisitions, which are essential for long-term growth.

Going forward, the following assets are expected to make the most significant contribution to the operating and financial performance of Teck Cominco. The Red Dog mine, in northwestern Alaska, is the world's largest zinc mine in terms of both annual concentrate production and the size of the ore deposit. Production in 2001 is projected to reach 980,000 tonnes of zinc concentrate and 149,000 tonnes of lead concentrate. Further, in 2000 a mill optimization program was initiated and should increase zinc production to 1.1 million tonnes per year by 2001. The Antamina Project, in Peru, is expected to be the world's 3rd largest zinc producer and 7th largest copper producer once full capacity is reached in early 2002. Annual production estimates are pegged at 673 million pounds of copper and 640 million pounds of zinc in concentrate during the first ten years of operation. The Elkview mine, in southeastern British Columbia, is the world's 5th largest open pit coal mine. In 2000, Elkview produced over 4 million tonnes of metallurgical coal. Due to stronger demand, annual coal production capacity has been expanded to over 5 million tonnes. Key zinc and lead refining operations include the Trail Metallurgical Operations, in British Columbia, and Cajamarquilla Zinc Operations, in Peru. Finally, the Carosue Dam gold mine, in Australia, is essentially in its first full year of operations. It is expected that the mine will produce 120,000 ounces in 2001, compared to the 9,400 ounces produced during the commissioning phase in 2000.

WHY ABC FUNDS BOUGHT TECK COMINCO (cont'd)

The merger of Teck and Cominco has created the third largest metals and mining company in North America, based on the value of the publicly traded float. Teck Cominco has diversified its commodity and geographic exposure, which should smooth the financial results despite the cyclical nature of the industry. Management has also made the shrewd decision to sell surplus power to electricity-starved regions of the United States and generate a tremendous amount of cash flow. This cash has provided the financial flexibility needed to fund the development of Teck Cominco's portfolio of world-class assets and could potentially be used to make strategic acquisitions without leveraging the balance sheet. Once the economy, and especially industrial demand, recovers, commodity prices are expected to improve and earnings growth should accelerate. Cominco has been a long-time Value Favourite of ours and we believe that Teck Cominco remains a fundamentally attractive value play.

UPDATES

In an extremely difficult economic environment, Teck Cominco released its third quarter operating and financial results. Unfortunately, with the manufacturing sector mired in a downturn, weak demand for base metals led to depressed selling prices. The decline in zinc prices to US\$0.37 from US\$0.53 per pound and the decline in copper prices to US\$0.68 from US\$0.81 had a particularly significant impact throughout the quarter. Net earnings before unusual items were \$17 million or \$0.10 per share, excluding a \$122 million (after-tax) charge in the quarter, which was related to non-operating properties in Mexico, Chile and Turkey. On a more positive note, Teck Cominco continued to benefit from the sale of surplus power at the Trail facility. Further, coal operations were particularly strong as both price and volume increases were realized in the quarter. These two segments contributed approximately 90% of total operating profit for the period.

Despite a difficult quarter, Teck Cominco generated \$75 million of cash from operations compared to \$21 million a year ago. Even with a \$315 million expense related to the merger of Teck and Cominco, net debt remained well below most industry peers at 27% of net debt plus equity. Going forward, Teck Cominco has a balanced portfolio of high quality assets that should ensure an above average growth profile. Eventually, a rebound in the manufacturing sector will stimulate base metals to advance from current price levels and earnings will return to more normalized levels.

ABC Funds
October 26, 2001

Teck Cominco has participated in a cyclical rally since early in the fourth quarter of 2001, concurrent with an improving outlook for the North American and global economies. Generally, base metal prices have stabilized on the back of production curtailments and better-than-expected economic data. However, zinc markets have remained weak and prices are barely at breakeven levels for most producers. Although the supply and demand balance has yet to show signs of real improvement, Teck's management is expecting China, one of the world's strongest economies in 2001, to soon become a net importer of zinc concentrate. This would obviously have a positive impact on metal prices and Teck's earnings going forward.

In the meantime, the importance of Teck's diversified portfolio of assets was demonstrated when the Company reported fiscal 2001 and fourth quarter results that were slightly better than expectations. Essentially, weakness from the zinc and copper operations was offset by better profitability from the gold and coal divisions. Earnings for fiscal 2001 were \$0.69 compared to \$0.77 in 2000 and fourth quarter 2001 earnings were \$0.03 versus \$0.39 in the comparable period. The results declined on a year over year basis due to lower realized metal prices and the lack of significant power sales to the United States. Despite the difficult year, Teck Cominco's balance sheet remains one of the strongest in the industry, with a net debt to net debt plus equity ratio of 25%. We believe that Teck Cominco remains undervalued and will continue to perform well as the fundamentals for zinc and other base metals recover along with the global economy.

ABC Funds
March 22, 2002

Teck Cominco has fluctuated along with the tumultuous capital markets in recent weeks, despite the Company's solid fundamentals. However, we are optimistic that an economic recovery is still in the cards, which should support base metal prices and producers alike. Unfortunately, zinc prices will remain depressed until the inevitable global recovery becomes more readily apparent.

On July 23, 2002 Teck Cominco reported second quarter results for 2002. Year over year comparisons are difficult because the previous year's quarterly results benefited from power sales at exceptional price levels. On the conference call, management suggested that comparisons with first quarter 2002 results would provide a more meaningful indication of the Company's operating and financial performance.

Net earnings were \$8 million (\$0.04 per share) up from \$2 million (\$0.01 per share) in the first quarter and \$23 million (\$0.22 per share) in the second quarter of 2001. Reduced power sales and lower zinc prices were offset by strong results from the coal division, which experienced both volume and price increases. Cash flow from operations (before changes in non-cash working capital) was \$46 million in the second quarter of 2002 compared with \$39 million in the first quarter of 2002. The company also repaid a US\$125

UPDATES (cont'd)

million debenture in the quarter, which reduced net debt to \$861 million, or 26% of net debt plus equity. Essentially, Teck Cominco continues to successfully navigate the trough of the base metals cycle and is well positioned for any upturn.

ABC Funds
July 26, 2002

Teck Cominco has just reported financial and operating results for the fourth quarter and the 2002 fiscal year. Fourth quarter 2002 earnings were \$15 million or \$0.08 per share, compared to \$6 million or \$0.15 per share in the comparable period. For the full year, Teck earned \$30 million or \$0.15 per share, compared to a loss of \$21 million or \$0.17 per share in 2001. Earnings were quite clean in fiscal 2002, while earnings in 2001 were positively impacted by exceptional power sales but negatively impacted by a large asset writedown. As at December 31, 2002, net debt had been reduced by \$126 million to \$868 million or 26% of net debt plus equity. Improving operating results at Trail, Highland Valley, Hemlo and Antamina seem to indicate that the Company is past the trough in the base metals cycle.

In other news, Teck Cominco has entered into an important strategic relationship with Fording Coal, Westshore Terminals Income Fund and the Sherritt Coal Partnership II (owned by Sherritt International and the Ontario Teachers' Pension Plan). The aforementioned company's various operations will be combined to create a Fording Income Trust and a Coal Partnership. Teck Cominco will contribute its Elkview Coal Mine and \$275 million in cash in exchange for Income Trust and Coal Partnership units for a total economic interest of approximately 40%. Teck will also manage the Coal Partnership on behalf of the others.

The consolidation of these Canadian coal assets will create the scale needed to produce, market and distribute coal effectively in the international marketplace. In fact, the new entity will be the second largest metallurgical coal producer in the world. The transaction, although complex, makes strategic sense for all parties involved. We believe that the estimated synergies of almost \$75 million, premised on the ability to optimize production, enhance marketing efforts, minimize operating costs, reduce capital costs and improve transportation and logistics, are realistic and will eventually be achieved.

ABC Funds
January 31, 2003

On July 23, Teck Cominco reported mixed results for the second quarter of fiscal 2003. Net earnings were \$12 million or \$0.06 per share compared to \$8 million or \$0.04 per share in the comparable period last year. Excluding a \$5 million tax benefit related to changes in Canadian tax legislation, earnings were closer to \$0.04 per share. Cash from operations, before changes in working capital, increased to \$51 million from \$46 million a year ago due to investment gains and lower cash taxes. The cash flow was used to reduce debt by \$155 million and net debt now stands at 28% of net debt plus equity.

In spite of these mediocre results, Teck Cominco's share price has strengthened significantly since the beginning of July. Positive economic data from the United States, including a 2.1% increase in durable goods orders and lower than expected initial jobless claims have supported the notation of a second half economic recovery. On the Company's conference call, management suggested that the combination of strong Chinese demand, stemming from the production of galvanized steel, and supply curtailments have been working to balance the zinc market. Consequently, the price of zinc has recovered from a low of \$0.34 per pound to almost \$0.40 per pound, a 52-week high. Finally, we believe that Teck Cominco has benefited from a sector rotation into deeper cyclical stocks, which could continue as long as the economic data remains firm.

ABC Funds
August 1, 2003

In its latest earnings release, Teck Cominco echoed the refrain of the metals and mining sector in Canada: stronger metal prices offset by a weaker U.S. dollar. In the third quarter of 2003, Teck Cominco earned \$19 million or \$0.10 per share, compared to \$5 million or \$0.02 per share last year. All of the Company's divisions, including Red Dog and Trail, contributed to the operating profit in the quarter, which totaled \$70 million. Cash flow from operations before changes to non-cash working capital items was \$85 million, well above capital expenditures of \$57 million, compared to cash flow of \$46 million in 2002.

Examining realized prices in U.S. and Canadian dollars illustrates the challenges facing Canadian base metal producers. In the third quarter, zinc prices averaged \$0.37 per pound in U.S. dollar terms, an increase of 9% from the \$0.34 per pound a year ago. However, in Canadian dollar terms, the price of zinc actually declined in the quarter by 4%, to \$0.51 per pound from \$0.53 per pound. Similarly, the price of copper increased 24% to \$0.83 per pound from \$0.67 per pound in U.S. dollars but only 10% in Canadian dollars. Simply put, the Company's U.S. dollar denominated revenue is converted back into a smaller number of Canadian dollars on the Company's financial statements.

UPDATES (cont'd)

Currency issues aside, commodity prices are trading at or near multi-year highs, with zinc at approximately \$0.42 per pound and copper at approximately \$0.90 per pound. Although these prices are partially anticipating a global economic recovery, enormous demand from China has been the main driver behind the strength in the metal markets. Should Europe and North America pick up, we could see additional gains for both commodities and metals and mining stocks.

ABC Funds
October 24, 2003

The base metals sector powered ahead through 2003 and early 2004 but has recently pulled back during the seasonally slow spring/summer months. The softness can also be attributed to investors, speculators and traders gauging the Chinese authorities' ability to manage a "soft-landing" for their red-hot economy. However we believe that the sector is poised for the next leg of the rally that will be supported by double digit industrial production growth in China, above trend earnings growth and merger and acquisitions activity.

With coal, zinc, copper and gold exposure, Teck Cominco has benefited from the rising commodity prices. In 2003, cash operating profit increased 37% to \$523 million from \$382 million and cash flow from operations increased 68% to \$338 from \$201 million on a year over year basis. On a segmented basis, cash operating profit increased 100% to \$108 million for the zinc division, 80% to \$148 million for the copper division and 36% to \$49 million for the gold division. Net earnings before unusual items reached \$108 million or \$0.57 per share compared to \$30 million or \$0.15 per share a year ago.

We are looking for impressive earnings growth throughout 2004. In the first quarter of the year, Teck Cominco earned \$0.51 per share compared to \$0.03 per share in 2003. The year over year improvement may not be this impressive for the balance of the year but we think the full year will certainly be better than last. Based on history, look for the seasonal strength in the sector starting late summer as investors return to the sector.

ABC Funds
July 16, 2004

Shares of Teck Cominco have been on a tear since the mid-May correction back to the \$20 level. The stock price has been driven higher by three distinct factors. First, copper has shown a dramatic price improvement, with spot prices moving from \$1.07 to \$1.45 per pound, an increase of 36% year to date. The copper price has strengthened as inventories held in London Metal Exchange warehouses dropped from 430,525 tonnes to just 52,650 tonnes, a precipitous decline of 88%. Second, China continues to be a net importer of zinc due to tremendous industrial production. Recent trade figures indicate that China imported 17,700 net tonnes of zinc in November and 166,000 tonnes of zinc during 2004. In response, the spot zinc price has moved from \$0.46 to \$0.55 per pound today, an increase of 20% percent. Finally, coal prices and coal contracts have spiked this year as steel production, which uses metallurgical coal, hit record levels. It was recently speculated that Teck Cominco had entered into coal contracts at a price of US\$125 per tonne, more than double the price received in 2004. Although it is difficult to forecast notoriously volatile commodity prices, but we believe that demand for base metals and coal should remain robust.

We would like to briefly mention three other corporate developments. First, Teck has sold its 83% interest in the Cajamarquilla zinc refinery to Votorantim Metais Limitada. Teck received cash proceeds of approximately US\$136 million after repaying US\$47 million of related debt. Because treatment and refining charges are expected to remain relatively low, we like the fact that Teck monetized this asset. Second, the Elk Valley Coal Partnership (Teck is the managing partner and owner of a 41% economic interest) entered into a ten-year agreement with Nippon Steel and POSCO. They will receive a total of 4.85 million tonnes of coal per year for 2005 and 2006. In 2007, sales will increase to 6.25 million tonnes for the balance of the contract. They will also each receive a direct investment in the Elkview mine for US\$25 million with proceeds going to expand production capacity. We believe that this demonstrates just how tight the coal market is and the lengths to which steel producers are willing to go to ensure secure supply. Finally, on the back of strong commodity prices and huge cash flow, Teck Cominco doubled its semi-annual dividend from \$0.10 to \$0.20 per share. On an annual basis the \$0.40 dividend yields just over 1 percent.

ABC Funds
December 24, 2004

Copper inventories have hit 30-year lows and prices have hit 16-year highs of US\$1.62 per pound. The zinc market is also tightening up, with treatment charges dropping as smelters scramble for concentrate. In consequence, the zinc price has remained firm around US\$0.59 per pound. Therefore it is no surprise that shares of Teck Cominco have rebounded sharply since mid-May. In the first quarter of 2005, Teck's cash balance grew \$240 million to \$1.15 billion. The Company now has \$524 million of net cash after deducting all debt. In fact, Teck recently doubled its annual dividend to \$0.80 per share.

With the net cash position forecasted to grow to \$1 billion by yearend, it now becomes a question of what to do with the money. Interestingly, Teck Cominco has just filed a shelf prospectus for up to US\$1 billion of debt securities or Class B subordinate voting

UPDATES (cont'd)

shares. We recently attended a presentation by the Company where they expressed interest in leveraging their open-pit mining expertise and diversifying their asset base. These comments have opened up the possibility of purchasing an interest in an oil sands project, such as the Fort Hills venture in Alberta owned jointly by UTS Energy and Petro-Canada. Other possible uses of the huge war chest include a copper or zinc acquisition, a debt refinancing or even a special one-time payout to shareholders. In any event, we will update our readers once the decision has been made public.

ABC Funds
June 17, 2005

Teck Comino has continued to report record financial results on the back of higher copper, zinc and coal prices. In the third quarter of 2005, Teck Cominco earned \$405 million or \$2.00 per share compared to \$120 million or \$0.62 per share in the third quarter of 2004. Excluding a gain on sale of assets and favourable tax adjustments, earnings were \$1.70 per share, implying 174% quarter over quarter growth. Cash flow from operations grew to \$476 million in the quarter from \$329 million last year, an increase of 45%.

An ebullient commodity price environment has allowed the Company to build an enviable balance sheet. In addition to cash from operations, a debt issue of US\$700 million of thirty-year notes at 6.125% and US\$300 million of ten-year notes at 5.375% has bulked up the Company's war chest. Currently, Teck has \$2.5 billion of cash on hand with a net cash position of \$800 million or approximately \$4 per share. Carrying a debt to capital ratio of only 28%, the question had become one of "what to do with the money".

As we surmised in our previous update, Teck Cominco has parlayed its open-pit mining expertise into an investment in the Fort Hills Oil Sands project. Teck will earn a 15% interest in the project by funding 34% (\$850 million) of project expenditures until project spending reaches \$2.5 billion and 15% of any additional capital costs thereafter. Closing of the transaction is expected in the fourth quarter and will further diversify the Company's asset base.

We maintain our positive outlook on the stock for several key reasons. First, the fourth quarter is traditionally a strong one for the Company due to seasonally peak zinc shipments from the Red Dog mine. Second, we are generally positive on both zinc and copper pricing into early 2006 due to low inventories, decent US GDP growth and firm demand out of Asia. Finally, we believe that, even factoring in the investment in Fort Hills, Teck's cash flow would be sufficient to allow a small, but not insignificant, special dividend in the first half of 2006.

ABC Funds
November 4, 2005

The bull market in base metals and related metal and mining stocks has been prolonged and powerful over the past few years. Under investment in new projects, combined with insatiable demand out of China and India have driven inventories to record lows and prices to record highs. One of our favourite stocks, and one of our largest holdings, has been Teck Cominco because of its top notch management, diversified asset base and high quality properties. However, as disciplined stock pickers, there is a time and price to sell even this exceptional Company.

We have been diligently running numbers trying to determine the fair value for Teck Cominco. We believe that Teck Cominco is currently trading at approximately 13 times trailing earnings and 10 times forward earnings, which are historically peak multiples for the stock. However, commodity price forecasts are almost always guaranteed to be incorrect. As value investors, trying to determine whether there is 10% or 15% upside left in a stock is simply not our game, especially after seeing our investment increase over 8 fold. Because we are seeing opportunities with 40% to 50% upside, we believe that it is time to sell our entire position and redeploy the capital into other investments.

ABC Funds
March 3, 2006