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MAY 7, 1991

TASEKO/COMINCO DISPUTE SETTLED
CONTROL OF GIANT GOLD-COPPER DEPOSIT RETURNED TO TASEKO

Robert G. Hunter, Chairman of Taseko Mines Limited (TKO:V), is pleased to announce the successful conclusion of negotiations with Cominco Ltd. regarding the Fish Lake gold-copper deposit (the "Property") near Williams Lake, British Columbia. The Taseko/Cominco settlement agreement resolves six years of litigation.

The Agreement gives Taseko the exclusive right to control the Property for the next four years and to sell the Fish Lake Project either through an outright sale of the claims or a successful take-over bid for Taseko. Should either of these two methods of sale occur, Taseko and Cominco will divide the Project's Value. The maximum percentage of the Project's Value that Cominco will receive is 40%. If the Project's Value exceeds \$120 million (\$12 per contained ounce of gold), Cominco will be capped at \$48 million. The Table below shows several examples of how the Project's Value will be allocated between Taseko and Cominco in the event of a successful takeover bid for Taseko Mines Limited (8.83 million shares fully diluted).

BUYER TAKES OVER TASEKO MINES LIMITED						
PROJECT'S VALUE BUYER'S TOTAL COST		COMINCO RECEIVES FROM BUYER	TASEKO SHAREHOLDERS RECEIVE TAKE-OVER BID FROM BUYER		PERCENT OF PROJECT	
\$ MILLIONS	\$ PER CONTAINED OZ OF GOLD	\$ MILLIONS	\$ MILLIONS	\$ PER SHARE	COMINCO %	TASEKO %
120	12	48	72	8	40	60
150	15	48	102	12	32	68
180	18	48	132	15	27	73
270	27	48	222	25	18	82
360	36	48	312	35	13	87

Taseko has also agreed to issue up to 1,000,000 of its common shares to Cominco on the following basis:

- a) 300,000 shares on May 31, 1991;
- b) 300,000 shares on November 31, 1991;
- c) an additional 400,000 shares on July 31, 1992 unless Taseko has either sold the Property or finalized a take-over bid.

Taseko or its nominee has a right of first refusal to purchase any shares issued to and sold by Cominco. Prior to any share issuances to Cominco, Taseko, on a fully diluted basis, will have 8,173,384 shares outstanding and \$2,550,000 in cash. Taseko has no work expenditure obligations on the Project.

In the event that by May 31, 1994 there has been neither a successful take-over of Taseko nor a sale of the Property, the Property will revert to Cominco with Taseko retaining a 20% net profits interest in the Property. In addition, Cominco granted Taseko, for a 2.5 year period following May 31, 1994, the right of first refusal on any proposed sale of the Property by Cominco.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Chairman