

TKO

TKO

Taseko Mines Limited

YGS

Prosperity
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**A GOLD-COPPER GIANT
IN THE MAKING**



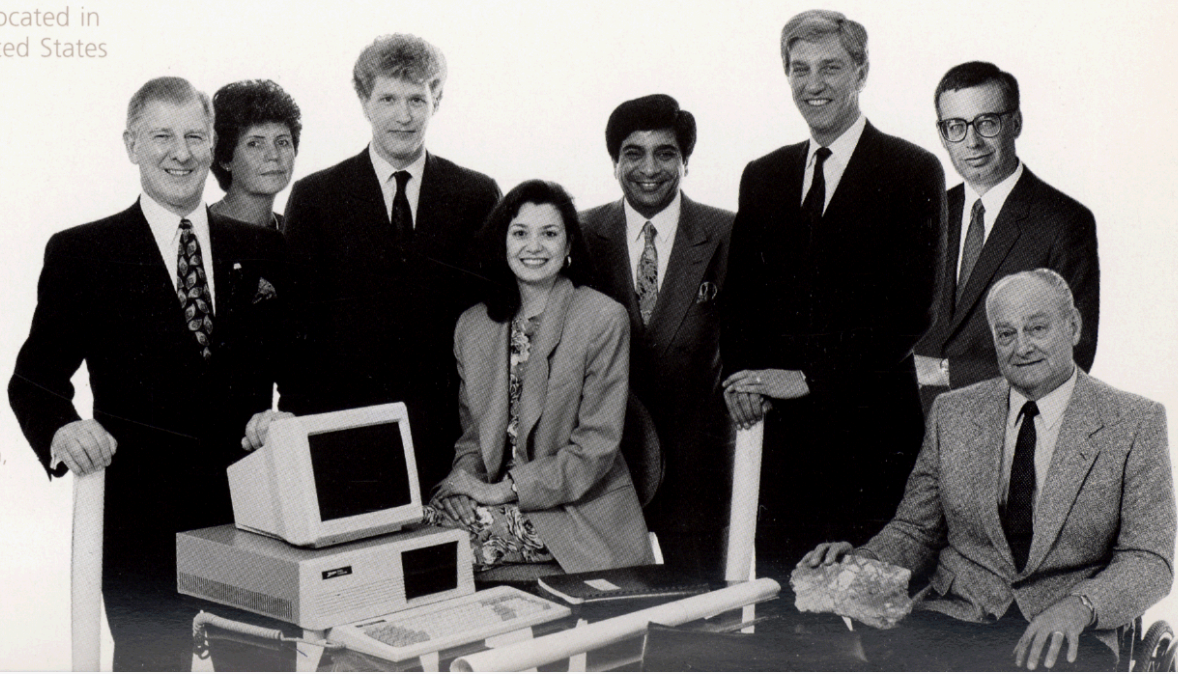
SUMMARY

Taseko Mines Limited has discovered Canada's largest open pit gold-copper deposit at its Fish Lake Project in central British Columbia, Canada. With initial reserves of 600 million tons containing 10 million ounces of gold and 4 billion pounds copper the Fish Lake deposit has world class production potential. Controlling North America's leading development stage mining project makes Taseko Mines Limited a very attractive acquisition target for

TKO:V (trading symbol)

growth oriented senior mining producers. Significant share appreciation is expected as the Fish Lake Project develops and its value is recognized by the investment and mining communities. Common shares of Taseko Mines Limited trade on the Vancouver Stock Exchange (TKO:V) and NASDAQ (TKO:CF). Shareholders are located in Canada, United States and Europe.

The team, from left, Robert Hunter, Shirley Main, Douglas Forster, Kathy Fredericks, Aziz Shariff, Robert Dickinson, Jeff Franzen and Walter Schmid.

**HIGHLIGHTS**

Taseko Mines' Fish Lake gold-copper deposit is ranked as the fifth largest in the world.

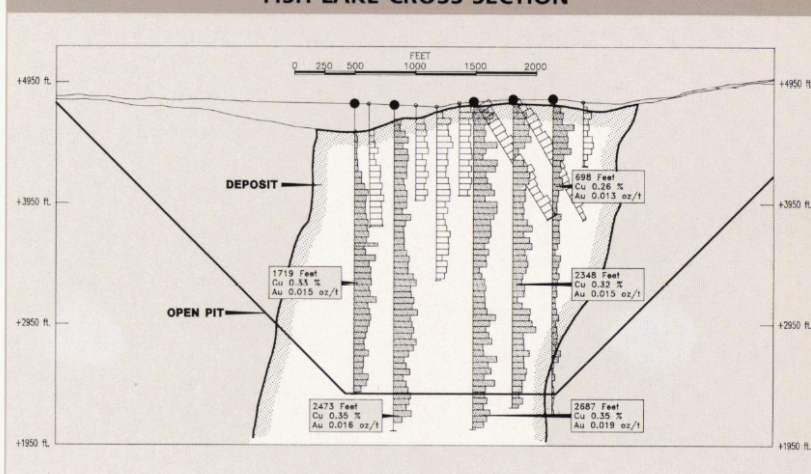
*10 million ounces gold
4 billion pounds copper*

The Fish Lake deposit's average annual production potential is 280,000 ounces gold and 130 million pounds copper each year over a 30 year mine life.

The deposit is strategically located for development in central British Columbia, Canada.

*Excellent infrastructure
Environmentally sound*

Taseko Mines controls a superior, world class mining asset and provides an excellent opportunity for significant share price appreciation.

FISH LAKE CROSS-SECTION

CORPORATE OBJECTIVE

Taseko Mines Limited is committed to the growth of shareholder value through the rapid development of the Fish Lake Project. A well-managed feasibility, engineering and production permitting program is now underway. The Company expects Fish Lake Project development to lead to a takeover of its shares by a senior mining company, capable of developing and operating a world class mine.

MANAGEMENT

Taseko's management team has developed a strategy and established a proven track record for:

- Identifying undervalued mining assets
- Enhancing the value of these mining projects.
- Attracting senior mining company interest.
- Maximizing shareholders' return through corporate takeovers.

This success formula has rewarded shareholders of the team's two previous companies.

- The 1988 takeover of North American Metals Corp. by Homestake Mining Company for \$C40 million.
- The 1990 takeover of Continental Gold Corp. by Placer Dome Inc. for \$C182 million.

By controlling North America's leading feasibility-stage mining project, this management team has positioned Taseko Mines Limited as a desirable takeover target.

PROJECT OVERVIEW

Taseko Mines Limited has confirmed, at Fish Lake in central British Columbia, an initial open pit reserve block of 600 million tons grading 0.32% copper and 0.016 ounces gold per ton. With reserves containing 10 million ounces gold and 4 billion pounds copper, Fish Lake ranks as Canada's largest, and the world's fifth largest, bulk tonnage gold-copper deposit. The initial reserve remains open to expansion. The deposit has all the requirements for high volume, low cost open pit mine development.

PROJECT ECONOMICS

The Fish Lake deposit is centered in mining country, 100 miles southwest of Williams Lake, British Columbia where large scale open pit mines are the norm. Industrial roads connect with railroad

systems leading to deep sea ports for shipping of concentrate to smelters. Hydro-electric power and water resources are readily accessible.

Historical diamond drilling in the deposit area tested only the upper 600 feet of the deposit. Taseko recently completed a pre-feasibility level, large diameter core drilling program to a depth of approximately 2500 feet. These 1/2 mile deep drill holes were continuously mineralized with ore grade gold and copper. Near surface gold-copper grades increased by 20% from historical values and blossomed at depth. The deposit has excellent grade continuity and remains open to lateral extension.

The Fish Lake deposit has an excellent open pit mining configuration and can be processed by conventional methods in an environmentally sound manner. Reduced capital costs and lower than average operating costs can be expected.



**B.C. OPEN PIT MINES
RANKED BY SMELTER RETURN**

DEPOSIT Name	COPPER %	GOLD oz.ton	MOLY %	NSR \$/Ton
Fish Lake	0.32	.016	—	9.50
Bell	0.48	.010	—	8.20
Island	0.45	.006	—	7.20
Similco	0.45	.005	—	6.40
Valley	0.48	—	—	6.00
Lornex	0.41	—	.023	5.60
Gibraltar	0.37	—	.016	4.70
Brenda	0.18	—	.080	4.60

Preliminary economic evaluations indicate that Fish Lake will yield a higher net smelter return per ton of ore than any of British Columbia's presently operating open pit copper mines.

At a projected milling rate of 66,000 tons per day, average annual production will be 280,000 ounces gold and 130 million pounds copper over a 30 year mine life.

PROJECTED ANNUAL OPERATIONS

			Annual Average
Feed Grade	Gold	(oz/ton)	0.016
	Copper	(%)	0.32
Recovery	Gold	(%)	77
	Copper	(%)	88
Production	Gold	(oz)	280,000
	Copper	(lb)	130,000,000
Cash Cost	Gold	(US \$/oz)	223
	Copper	(US \$/lb)	0.56
Cash Cost	Gold	(US \$/oz)	22
Net of Copper Revenue			

Projections of production levels and cash flows clearly show the significant value of Fish Lake.

PROPERTY OWNERSHIP

Under an agreement with Cominco Ltd., Taseko has acquired a 100% interest and control of the Fish Lake Deposit for the next four years. In the event of a third party takeover of Taseko,

TASEKO TAKEOVER EXAMPLES

Purchase Price Buyer's Total Cost		Cominco Receives From Buyer	Taseko Shareholders' Receive From Buyer	
\$ mil	\$ per contained oz. of gold	\$ mil	\$ mil	\$ per share
120	12	48	72	8
150	15	48	102	11
180	18	48	132	14
270	27	48	222	24
360	36	48	312	34

Cominco will receive 40% of the purchase price to a maximum capped sum of \$48 million. Taseko's shareholders will receive the majority.

COMPANY VALUATION

Taseko Mines has discovered a very large, high quality mineable reserve of gold and copper. Senior mining com-

panies are in pursuit of long-life, large scale, low risk metal deposits to significantly impact

RECENT GOLD COMPANY ACQUISITIONS

Target	Acquirer	Purchase Price (\$US Million)	Per Ounce (\$US)
Continental Gold	Placer Dome	163	43
Fairbanks Gold	Amax Gold	80	40
Robinson	Magma Copper	55	23
Stikine	Placer Dome	90	100
Viceroy	MK Associates	18	61

on their growth. Fish Lake is the premiere mine development-stage project in North America.

Gold reserves have recently been acquired in the market at an average of \$40 per ounce of contained gold. Taseko's current market capitalization is only a fraction of this value benchmark.

Substantial corporate growth is expected as the Fish Lake Deposit continues to develop and the calibre of this remarkable deposit is recognized by the investment and mining communities.

FOR FURTHER INFORMATION CONTACT:

Walter J. Schmid
Manager - Investor Relations
Taseko Mines Limited
1020-800 W. Pender Street
Vancouver, B.C.,
Canada, V6C 2V6

Telephone: (604) 684-6365
Facsimile: (604) 684-8092

SHARE INFORMATION:

Common shares trade on:
Vancouver Stock Exchange (TKO:V)
NASDAQ (TKO:CF)

Taseko Mines Limited

YOS → Fish Lake

FISH LAKE DEPOSIT - PRELIMINARY MINERAL RESERVE ESTIMATE ¹							
Cut-Off	Reserve	Grade				Contained Metal	
Cu-Equiv ² %	Million Tons	Cu %	Au oz/ton	Cu.Equiv ² %	NSR ³ C \$/Ton	Copper Billion Pounds	Gold Million Ounces
0.30	1,191	0.23	0.012	0.52	8.86	5.4	14.3
0.40	950	0.26	0.013	0.59	10.01	4.8	12.4
0.50	729	0.28	0.015	0.64	10.78	4.1	10.9

Notes:

1. Reserve calculation parameters: 95 drill holes, 75 metre radii polygons, specific gravity 2.70 gr/cm³, 20 metre bench composites, high gold assays cut.
2. Copper equivalent is the grade of a copper only ore that will return the same amount of cash from a smelter as a co-product copper and gold ore.
3. Net Smelter Return; metal prices: Cu U.S. \$1.15, Au U.S. \$350; Exchange US \$0.81; concentrate grade 23%.

BRITISH COLUMBIA OPEN-PIT MINES REPORTED RESERVES AT START-UP									
Mine	Reserve ¹		Mill Rate	Grade			Recovery		Estimated NSR ²
Name	Million Tons	Cut-off Cu%	Million Tons/Yr.	Cu %	Au oz/ton	Mo %	Copper %	Gold %	C\$/ton
Belf	128	0.30	6.0	0.48	0.010	-	82	45	8.78
Brenda	175	0.30	12.0	0.18	-	0.049	89	-	4.71
Fish Lake	1,191	0.30 ³	Under Study	0.23	0.012	-	88	77	8.86
Gibraltar	360	0.25	14.0	0.37	-	0.008	85	-	6.12
Island	282	0.30	18.0	0.52	0.006	0.017	85	55	10.19
Similco	60	0.30	7.0	0.53	0.005	-	76	40	8.18
Valley	870	0.30	50.0	0.48	-	0.007	86	-	8.33

Notes:

1. Source CIM Special Volume 15.
2. Net Smelter Return; metal prices: Cu US \$1.15; Au US \$350; Mo US \$2.20; Exchange U.S. \$0.81
3. Copper equivalent.

COMPARATIVE OPEN-PIT COPPER MINE STATISTICS										
Owner	Mine	Location	Mill Rate	Reserve	Cut-Off Grade	Strip Ratio	Grade ²	Cu Rec.	Est. NSR	
Name	Name	Name	Million Tons/Yr	Million Tons	Cu%	Waste Ore	Cu%	%	\$C/Ton	
Teck-Rio-Com.	Valley	B.C.	50	760	0.30	0.9:1	0.42	86	7.32	
Phelps Dodge	Morenci	Arizona	43	1,316 ¹	0.30	2.5:1	0.51	79	7.54	
Fomento Mexico	LaCaridad	Mexico	32	1,000	0.30	1:1	0.47	79	7.21	
Asarco	Ray	Arizona	22	1,100	0.30	2:1	0.63	85	10.18	
Asarco	Mission	Arizona	22	585	0.30	2.5:1	0.67	85	10.97	
Phelps Dodge	Chino	New Mexico	18	309 ¹	0.30	3:1	0.55	83	8.38	
Taseko	Fish Lake	B.C.	Under Study	1,191	0.30 ³	low	0.52	88	8.86	

Notes:

1. Combined milling and leaching ores; Source - Yorkton Securities.
2. These copper mines have minor by-product credits varying from 1 to 10 cents per pound of recoverable copper.
3. Copper equivalent is the grade of a copper only ore that will return the same amount of cash from a smelter as a co-product copper and gold ore. Metal Prices: Cu US \$1.15; Au US \$350; Exchange U.S. \$0.81.

A SELECTION OF NORTH AMERICAN GOLD COMPANIES			
Company	Gold Reserves ¹	Shares Issued	Market Capitalization
Name	Million Ounces	Millions	C \$ (000,000)
Homestake	18.6	136.7	2324
Placer Dome	16.8	236.7	3461
Taseko	14.3	10.7	160
Echo Bay	12.5	105.1	775
Lac Minerals	7.6	146.9	1212
Hemlo Gold	5.8	96.6	918

Note:

1. Source - RBC Dominion Securities

Fish Lake Taseko Mines Limited

REPORTED COMPARATIVE STATISTICS ¹			
Mine	Highland Valley	Gibraltar	Fish Lake
Year	1993	1992	Average Life of Mine
Ore Reserve (million tonnes)	595	148	675
Ore Grade			
Copper (%)	0.425	0.301	0.236
Gold (gms/tonne)	-	-	0.434
Molybdenum (%)	0.0073	0.0084	-
Sales Revenue (Cdn\$ million)	274	67	190
Tonnes Mined (million)	95	30	56
Tonnes Milled (million)	44.5	12.7	21.9
Tonnes Milled Per Day	122,000	34,500	60,000
Mill Head Grade			
Copper (%)	0.417	0.34	0.236
Gold (gms/tonne)	-	-	0.434
Molybdenum (%)	0.009	0.008	-
Mill Recovery (%)			
Copper (%)	87.3	73.8	87.3
Gold (%)	-	-	73.2
Molybdenum (%)	41.8	15.2	-
Metal in Concentrate			
Copper (payable pounds)	345,563,000	68,170,000	95,000,000
Copper Cathode (payable pounds)	-	6,900,000	-
Gold (contained ounces)	13,000	-	222,360
Molybdenum (contained pounds)	3,789,000	376,000	-
Silver (contained ounces)	1,912,000	-	530,000
Concentrates Produced (tonnes)	393,003	122,214	185,000
Concentrate Grade			
Copper (%)	41	28	24
Gold (gms/tonne)	-	-	37
Molybdenum (%)	54	53	-
Number of Employees	1,140	279	550

¹Based on publicly reported statistics which have not been independently verified.

ESTIMATED COMPARATIVE STATISTICS ²			
Mine	Valley Copper	Gibraltar	Fish Lake
Tonnes Milled/Day	122,000	34,500	60,000
Net Smelter Return/tonne ore Cdn\$	8.21	5.35	8.74
Operating Cost/tonne ore Cdn\$	5.19	3.89	5.19
Operating Margin/tonne ore Cdn\$	3.02	1.46	3.55
Cost Per Pound of Copper US\$ (net or credits)	0.72	0.75	0.43

²Estimated by Taseko Mines Limited at \$395 Au, \$1.00 Cu, \$2.32 Mo and \$0.73 FXR and based on publicly reported statistics which have not been independently verified.

→ Prosperity
Feb. 18/98
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PART A: INTRODUCTION & BACKGROUND INFORMATION

INTRODUCTION

OVERVIEW OF THE PROSPERITY GOLD-COPPER PROJECT

Taseko Mines Limited of British Columbia (hereafter referred to as "Taseko Mines", "Taseko" or the "proponent") proposes to develop the Prosperity Gold-Copper Project (the "Prosperity Project" or the "project") located 125 km southwest of Williams Lake in South Central British Columbia. The general location of the proposed project is shown in Figure 1.

The project would involve a high volume open pit mine development. Conventional mining methods using large-scale electric shovels and haulage trucks would be used. Preliminary mine planning indicates that an ultimate open pit would be conical in shape, 1700 - 2140 m in diameter at the top, and 825 - 880 m deep. In addition to the mine and associated tailings and waste rock areas, the project includes development of an onsite mill, an approximately 125 km long power transmission line corridor, an access road and BC Rail concentrate transfer station facilities at Williams Lake.

The Prosperity deposit is a gold-copper porphyry ore deposit which lies within a sulphide-impregnated hydrothermal alteration zone, encompassing a diorite porphyry intrusive complex. Estimated mineable reserves are in the order of 675 million tonnes of ore at an average grade of 0.24% copper and 0.43 grams/tonne of gold. At an estimated throughput rate of 60,000 to 90,000 tonnes per day, Taseko forecasts that metal production would be 222,360 to 376,000 ounces of gold and 99 to 156 million pounds of copper per year, depending on the project design and operation selected.

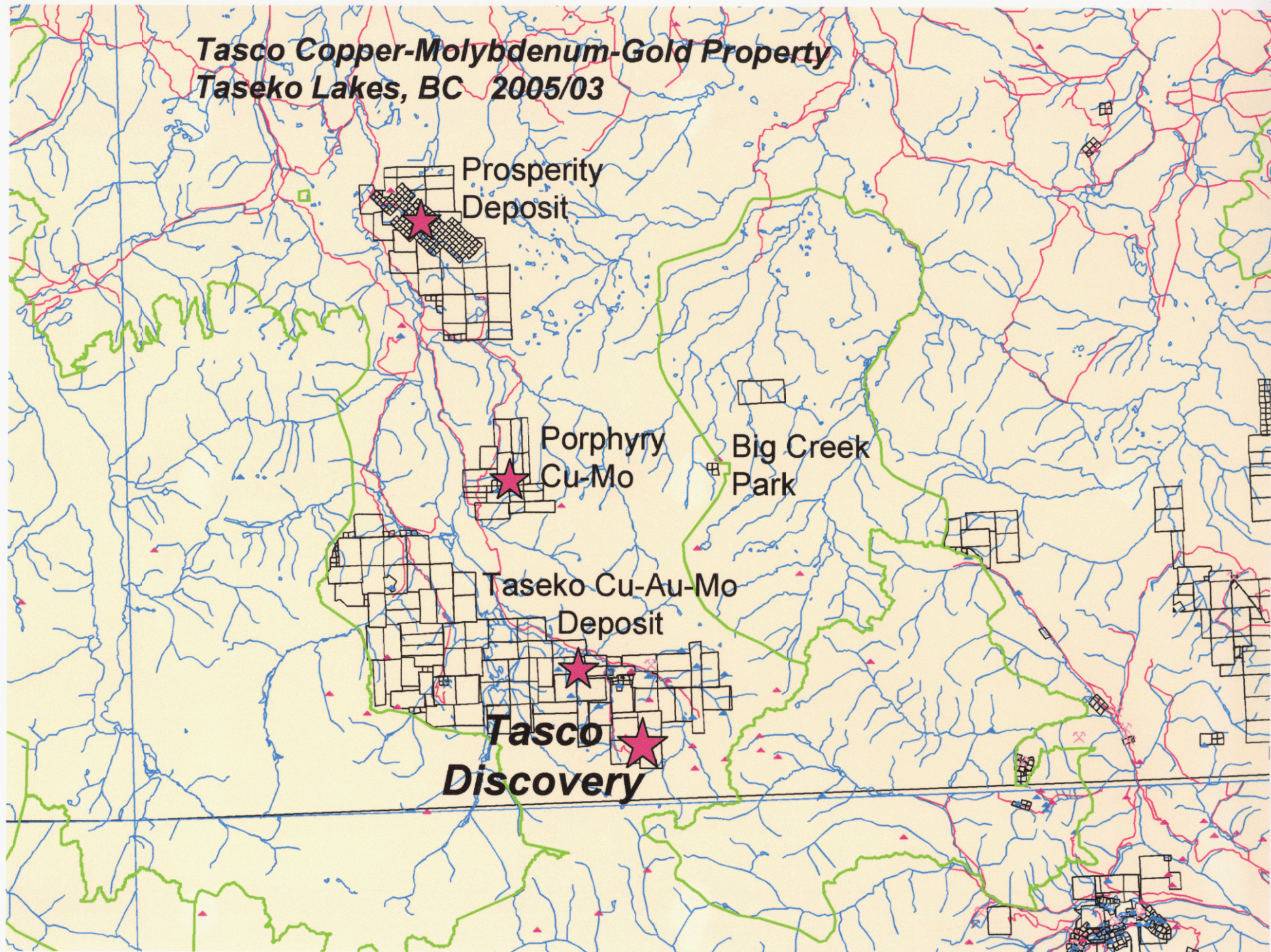
Metallurgical and mill process testing conducted by Taseko indicate that conventional crushing, grinding and staged flotation would recover on average 73.2% of the gold and 87.3% of the copper. The standard flotation process would produce a concentrate averaging 24.2% copper, 37.4 grams per tonne of gold and 89 grams per tonne of silver. After processing at the mill, concentrates would be trucked to the BC Rail mainline at Williams Lake.

Construction of the project is estimated to take 26 months, with a construction labour force averaging 250 persons and peaking at 700 persons. Depending on the project design and operation selected, Taseko estimates that the average number of jobs at the mine site during operations would be 400-700 per year, and that there will be an additional 900-1,500 indirect and induced jobs each year over the 21-24 year life of the project. Taseko now states that the expected investment associated with the project will be \$900 million (\$600 million for start-up construction and \$300 million for capital replacement costs). Annual operating costs estimated at \$150 million would be over and above this.

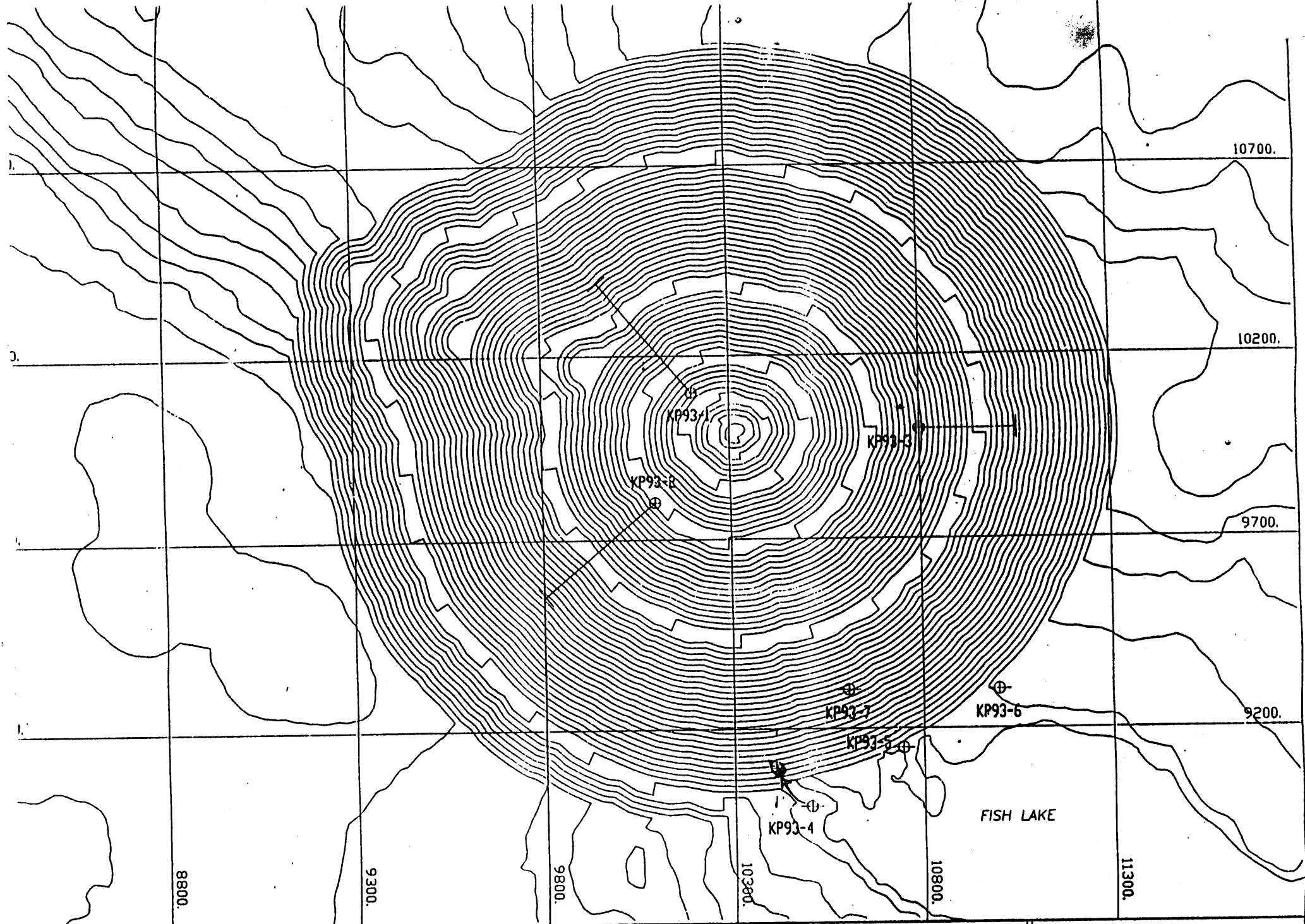
VCS → PAVE

Aug 17/85

**Tasco Copper-Molybdenum-Gold Property
Taseko Lakes, BC 2005/03**



**Tasco
Discovery**



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NO.	DATE	MADE BY	DESCRIPTION																																	

PROSPERITY GOLD-COPPER PROJECT

**DRAFT TIMETABLE FOR DEVELOPMENT OF
PROJECT REPORT SPECIFICATIONS**

(November 6, 1997)

TASK	DATE	COMMENTS
Fisheries subcommittee meeting	Oct20	MELP/DFO/Taseko
- Joint meeting Geotech and Fish a.m. - Geotech p.m.	Oct 28	MELP/DFO/MEI/Taseko
Transmission Corridor	Nov 3	MELP/DFO/Archaeology Branch/CWS/Taseko
Fisheries subcommittee meeting	Nov 7	MELP/DFO/Taseko
Water Quality/ARD subcommittee meeting	Nov 20	MEI/MELP/Taseko
Agencies to submit comments/project report specifications	Nov 14 - 21	Comments to be distributed by EAO to other agencies.
Project Committee meeting	Nov 27	Main purpose to review and refine specifications
Draft project report specifications to agencies for review	Dec 12-24	EAO to issue as early as possible during this period.
Agencies to submit comments or draft specifications	Jan 16, 1998	
Draft specifications finalized	Jan 30	
Notice to public inviting comments	Feb 2	
Public comment period	Feb 9-Mar 11	Comment period must be 15-30 days
Project report specifications finalized	Mar 31	Time for finalizing will depend on input from public comment period