

→ Prosperity

Daily Report – Jan 12 2007

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- Metal prices – Base Metals and Precious Metals Trading Mixed
- Taseko Mines Limited (TKO) - Positive Results For Prosperity Gold-Copper Project
- Zinc Mining Companies Will See Higher Zinc Prices and Lower Treatment Charges in 2007
- Top Picks: Zinc - BWR, BN Copper/Zinc – LUN,HBM Copper - QUA Nickel – MUM, NWI, CRO PGMs – MAR Gold – CGK

Metal	Prices - Daily Change			Inventory (Tonnes)			Change Since Dec 31/06	
	11-Jan-07	10-Jan-07	Change	11-Jan-07	10-Jan-07	Change	Price	Inventory
Aluminum /lb	\$1.302	\$1.245	\$0.057	695,900	696,975	-1,075	\$0.01	-3,425
Copper /lb	\$2.631	\$2.592	\$0.039	195,450	193,825	1,625	-\$0.22	12,650
Lead /lb	\$0.741	\$0.737	\$0.004	41,500	42,400	-900	-\$0.06	375
Nickel /lb	\$15.991	\$14.923	\$1.068	6,300	6,456	-156	\$0.48	-348
Zinc /lb	\$1.764	\$1.665	\$0.100	93,825	94,250	-425	-\$0.20	5,375
Gold /oz	\$613.500	\$608.400	\$5.100				-\$18.50	
Silver /oz	\$12.410	\$12.450	-\$0.040				-\$0.43	
Platinum /oz	\$1,143.000	\$1,143.000	\$0.000				\$25.00	
Palladium /oz	\$331.000	\$329.000	\$2.000				\$7.00	

- In overnight trading metal prices (Kitco) were trading mixed compared to Thursday's morning LME rings. The three month price on a per pound basis - copper was \$2.55, zinc was \$1.78, nickel was \$16.00, lead was \$.74 and aluminum was \$1.24. Gold was trading at \$614 per ounce, silver was trading at \$12.45 per ounce and platinum was trading at \$1140 per ounce.
- Copper restocking in China is expected to be bullish Q1/07. According to a Shanghai-based trader, "restocking will continue as consumers currently have extremely low stock levels, but weak oil prices may be a negative influence on sentiment". China's imports of copper on a cumulative basis for 2006 are still, at 1.93 million tonnes, almost 20% below the total 2005 amount of 2.40 million tonnes. Chinese preliminary trade statistics for copper imports support LME copper, with China importing the most metal on a monthly basis since September 2005

Shares

Advances				Declines				Volume								
Sym.	\$/Share	Delta	%	000	Dec3106	Sym.	\$/Share	Delta	%	000	Dec3106	Sym.	000	Delta	\$/Share	Delta
MPV	\$3.91	\$0.35	10%	43	-1%	CRU	\$2.33	-\$0.12	-5%	89	-9%	EMC	2474	4%	\$9.81	\$0.11
ORL	\$1.12	\$0.09	9%	145	11%	SPM	\$1.45	-\$0.06	-4%	214	-10%	TBR	1700	2%	\$3.60	\$0.02
KRY	\$3.95	\$0.27	7%	4,275	-7%	ELD	\$5.99	-\$0.18	-3%	2,040	-5%	HBM	2434	2%	\$21.64	\$0.23
LBE	\$2.56	\$0.16	7%	146	-8%	OSK	\$11.75	-\$0.35	-3%	275	6%	GAM	1831	2%	\$18.28	\$0.38
RNG	\$2.98	\$0.18	6%	1,504	4%	EET	\$3.40	-\$0.10	-3%	82	-11%	KRY	4275	2%	\$3.95	\$0.27

- Mining shares traded up on Thursday. All stock sectors of the mining were up.

Company

Taseko Mines Limited	Symb	Mkt Price	Volume	52wk L	52wk H	Cap Mills
128453175 Shares	TKO	\$ 2.92	150,300	\$ 1.55	\$ 4.66	\$ 375

Taseko Mines Limited (TKO) - Positive Results for Prosperity Gold-Copper Project

- Taseko announced the positive results of a pre-feasibility level study on its Prosperity gold-copper project. The property hosts proven and probable reserves of 480 million tonnes grading 0.43 grams Au/tonne and 0.22% Cu at a C\$4.00 net smelter return per tonne (NSR/t) cut-off. The Prosperity Project is located 125 km southwest of the City of Williams Lake in the Cariboo-Chilcotin region of British Columbia, Canada. The pre-feasibility study was done using long term metal prices of US\$1.50/lb for copper, US\$500/oz for gold, and an exchange rate of US\$0.80/C\$1.00.
- Project highlights:
 - Pre-tax net present value of C\$300 million at 7.5% discount rate
 - Pre-tax internal rate of return of 14% with a 6 year payback
 - 19 year mine life at a milling rate of 70,000 tonnes per day with a life of mine strip ratio of 0.8:1
 - Total pre-production capital cost of C\$756 million. Operating cost of C\$5.78 per tonne milled over the life of mine. Mine site production costs net of gold credits are US\$0.48/lb Cu
- The Prosperity processing plant has been designed with a nominal capacity of 70,000 tonnes per day. The plant consists of a single 12-meter diameter semi-autogenous grinding (SAG) mill, three 7.3-meter diameter ball mills, followed by processing steps that include bulk rougher flotation, regrinding cleaner flotation, thickening and filtering to produce a copper-gold concentrate. Expected metallurgical recovery is 88% for copper and 69% for gold, with annual production averaging 100 million pounds copper and 235,000 ounces gold over the 19 year mine life.