

Total	611	0.280	0.008
-------	-----	-------	-------

886578

→ Prosperity  
PR - Dec. 18/06

There are also oxide reserves (see Taseko Annual Information Form for fiscal 2005), unchanged from previous estimates.

With the promising results encountered in the 2006 drilling program, Hunter Dickinson Inc. exploration specialists were called in to re-evaluate the property for exploration potential and to assist in devising and managing a focused program to further expand the Gibraltar mineral reserves. Two diamond drills are currently on the property continuing to work outwards from existing pits with the objective of expanding the reserves again in 2007.

### *2007 Production Forecast*

Forecasted metal production for 2007 is 60-70 million pounds of copper and one million pounds of molybdenum. Total copper production is expected to increase from that achieved in 2006 through a combination of improved ore grade, increased mill throughput from improved mill mechanical availability, and the additional production of cathode copper from the rehabilitated SX/EW plant. With the expected higher grade and improved mill throughput, molybdenum production will also increase from 2006.

### **Prosperity Project**

Taseko holds a 100% interest in the Prosperity property, which encompasses 196 mineral claims covering approximately 85 square kilometres. The property, located 125 kilometres southwest of the City of Williams Lake in south-central British Columbia, hosts a large porphyry gold-copper deposit amenable to large-scale open pit mining.

An update of the feasibility study for the Prosperity Gold-Copper Project, being performed by Hatch consultants, is progressing and is scheduled for completion in May 2007. Updating of optimum mine plans and input parameters to a pre-feasibility level with a 43-101 reserve statement is nearing completion. Results are scheduled for release early in January 2007. The Prosperity Project Environmental Impact Assessment Report will be completed in the spring of 2007.

### **Harmony Project**

In 2006, the Company was focused on the Gibraltar mine and the Prosperity project; therefore only maintenance activities were performed on the Harmony project. These activities will continue and assessments will be undertaken as new opportunities arise for the Harmony project. Taseko anticipates continuing to focus its resources and its efforts on the Gibraltar mine and the Prosperity project in 2007.

### **Other Corporate Initiatives**

#### *Investment in Continental Minerals Corporation*

Also in September, the Company completed a \$11.5 million convertible note strategic investment into Continental Minerals Corporation. Continental, a company with certain directors in common with Taseko, holds a 100% interest in the Xietongmen copper-gold project in Tibet, China.

The Xietongmen property hosts a significant porphyry copper-gold deposit. Feasibility-level studies