

Prosperity
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GIANT GOLD-COPPER DEPOSIT ADVANCING TOWARDS PRODUCTION DECISION

January 11, 1999 - Taseko Mines Limited is rapidly advancing its Prosperity Gold-Copper Project in the Cariboo-Chilcotin region of British Columbia towards a production decision. With a \$7.0 million comprehensive feasibility study being completed in conjunction with Concentrated Exploration Limited Partnership, and a mine certification schedule that is expected to facilitate a government decision on the Prosperity Project during 1999, Taseko's world class open pit gold-copper mine development is entering the home stretch.

Based on 143,945 metres (472,265 feet) of large diameter core drilling in 326 holes, Independent Mining Consultants, Inc. has calculated a mineable reserve for the Prosperity Deposit of 633 million tonnes (698 million tons) grading 0.253% copper and 0.466 grams gold per tonne (0.014 oz/ton). The reserve has a very high level of continuity which provides for efficient open pit mining and a low life of mine waste to ore stripping ratio. The mineable reserve contains 9.49 million ounces of gold and 3.53 billion pounds of copper, making Prosperity the largest mineable deposit of gold and copper in Canada. At a planned milling rate of 110,000 tonnes per day, annual metal production is forecast to range over 400,000 ounces of gold and 200 million pounds of copper. Gold production at this level would make Prosperity the most significant producer in Canada. *

"We have some of Canada's best and brightest mine planners working around the clock on the advancement of this exciting project and more than 45,000 professional hours are being dedicated to a detailed Prosperity Project Feasibility Study," said Taseko President and Chief Executive Officer, Robert A. Dickinson. Kilborn-SNC Lavalin, one of North America's oldest and most respected full-service mining and mineral processing consulting firms is spearheading the final feasibility study for the Prosperity Project. Kilborn-SNC Lavalin has earned a strong reputation with financial institutions around the world for excellence in mining feasibility and construction management. Other acknowledged independent experts consulting to the Prosperity Project include: Ian Hayward International Ltd.; Independent Mining Consultants Inc.; Knight Piesold Ltd.; Lakefield Research; Melis Engineering Ltd.; and Triton Environmental Consultants Ltd.

The Prosperity Project will use conventional mining and milling technology and is being designed to utilize the productivities of scale, with attendant low unit operating costs to achieve sustainable, high quality, long life production and profitability. Taseko recently signed a Cooperative Resource Development Protocol with the Government of British Columbia to develop terms and conditions for the potential supply of electrical power at a preferred rate to the Prosperity Project, pursuant to its 'Power for Jobs' initiative to utilize surplus hydroelectric power. The goal of both parties is to conclude an arrangement by March 31, 1999.

Taseko is also reporting significant progress in the harmonized federal-provincial environmental review of the Prosperity Project. Taseko is expected to submit its final Comprehensive Project Study Report to the governments of British Columbia and Canada in mid-1999, paving the way for certification of the Project. At the Company's extensive public meetings in the nearby community of Williams Lake, the vast majority of local stakeholders are expressing their overwhelming support for the mine development proposal.

"Given the significant world-class internal and external resources working on the project, and the public and political support for its development, we fully expect that Prosperity will soon take its place among the most significant mineral resource developments in Canadian history," Dickinson said.
important

The Prosperity Deposit is located in the most efficient and productive open pit mining region in the world, ~~with~~ *in* close proximity to a skilled workforce and excellent highway, railway and energy infrastructure. With the

opportunity for the Project to take advantage of the productivities of scale available at a throughput rate of 110,000 tonnes per day; modern mining/processing technologies; flexible two metal price hedging strategies; and high copper by-product credits, the operating cost per ounce of gold produced at Prosperity is expected to be in the lowest quartile of world gold mine production costs. This competitive operating cost position will ensure sustainable profit margins for the project even during cyclical downturns in gold or copper prices. Although the neighbouring successful Highland Valley Copper Mine (125,000 tonnes per day) contains negligible gold, it serves as a world-class open pit mine example to benchmark the Prosperity Gold-Copper Project's plans and costs.

HIGHLAND VALLEY MINE¹

Statistic	1993	1994	1995	1996	1997
Tonnes Milled Per Day	121,844	119,134	124,715	116,448	123,193
Copper Grade (%)	0.417	0.419	0.394	0.396	0.394
Cost Per Tonne Milled (Cdn \$)	4.86	5.03	5.12	5.72	5.51

¹ Source 1997 Annual Report - Teck Corporation

Other benchmark examples of British Columbia open pit mines are listed below:

**PRINCIPAL OPEN PIT MINES IN BRITISH COLUMBIA
MINEABLE RESOURCES AT START-UP**

Mine Name	Reserve Million Tons	Grade		Contained Metal	
		Cu%	Au Oz/Ton	Billion Lb Cu	Million Oz Au
Bell	128	0.48	0.010	1.2	1.3
Bethlehem	556	0.42	-	4.7	-
Gibraltar	360	0.37	-	2.7	-
Granisle	94	0.43	0.004	0.8	0.4
Huckleberry	100	0.51	0.002	1.0	0.2
Island	280	0.52	0.006	2.9	1.7
Kemess	221	0.22	0.018	1.0	4.0
Lornex	526	0.41	-	4.3	-
Polley	91	0.30	0.012	0.5	1.1
Similco	60	0.43	0.005	0.5	0.3
Valley	872	0.48	-	8.4	-
Median	221	0.43	0.004	1.9	0.9

**PROSPERITY PROJECT
MINEABLE RESOURCES**

Prosperity	698	0.25	0.014	3.5	9.4
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Taseko Mines Limited is a British Columbia public company with 17.2 million common shares issued with shareholders located in Canada, Europe, United States and Australia. Taseko shares are quoted in the United States on the NASDAQ National Market System (TKOCF) and trade in Canada on the Vancouver Stock Exchange (TKO).

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