

TASEKO MINES LIMITED
AMEX Corporate Governance

The Company's common shares are listed on the American Stock Exchange ("AMEX"). The Company is considered a "foreign issuer" under the Amex Company Guide as it is incorporated under the laws of the Province of British Columbia. Section 110 of the AMEX Company Guide permits AMEX to consider the laws, customs and practices of foreign issuers in relaxing certain AMEX listing criteria, and to grant exemptions from AMEX listing criteria based on these considerations. A company seeking relief under these provisions is required to provide written certification from independent local counsel that the non-complying practice is not prohibited by home country law. We have sought or intend to seek relief from AMEX for the corporate practices described below.

The Company's governance practices differ from those followed by U.S. domestic companies pursuant to AMEX listing standards in the following manner:

- **Board Composition**

Section 802 (a) of the Amex Company Guide requires that a listed company have a Board of Directors consisting of at least a majority of members who satisfy applicable independence standards under Sections 121 and 802 of the Amex Company Guide. The Company's Board is currently composed of ten members. The Company presently has four independent directors, namely William P. Armstrong, T. Barry Coughlan, David Elliott and Wayne Kirk. The Company presently has six non-independent directors, namely David J. Copeland, Scott D. Cousens, Robert A. Dickinson, Russell Hallbauer, Jeffrey R. Mason and Ronald W. Thiessen. The Company is not in compliance with Section 802 of the Amex Company Guide which requires that at least a majority of the directors on the Company's Board be independent.

- **Board Nominations Committee**

Section 804 of the Amex Company Guide requires that a listed company have a nominating committee of the directors that is responsible for recommending nominations to the company's board of directors, or that these recommendations are undertaken by a majority of the independent directors on its board of directors. Section 804 of the Amex Company Guide further requires that each member of a nominating committee be independent.

The Company has a Nominating and Governance Committee that is responsible for recommending nominations to the Company's Board of Directors, as contemplated by Section 804 of the Amex Company Guide. The Company presently has three independent directors on its Nominating and Governance Committee, namely William P. Armstrong, T. Barry Coughlan, and Wayne Kirk. The Company has one non-independent director on its Nominating and Governance Committee, namely Russell Hallbauer. While the Company has a majority of independent directors on its Nominating and Governance Committee, it is not in compliance with Section 804 of the Amex Company Guide which requires that all members be independent.

- **Solicitation of Proxies**

AMEX requires the solicitation of proxies and delivery of proxy statements for all shareholder meetings, and requires that these proxies shall be solicited pursuant to a proxy statement that conforms to applicable SEC proxy rules. The Company is a foreign private issuer as defined in Rule 3b-4 under the 1934 Act, and the equity securities of the Company are accordingly exempt

from the proxy rules set forth in Sections 14(a), 14(b), 14(c) and 14(f) of the Securities Exchange Act of 1934, as amended. The Company solicits proxies in accordance with applicable rules and regulations in Canada.

- **Shareholders Approval for Dilutive Private Placement Financings**

Section 713 of the AMEX Company Guide requires that the Company obtain the approval of its shareholders for share issuances equal to 20 percent or more of presently outstanding shares for a price which is less than the greater of book or market value of the shares. There is no such requirement under British Columbia law or under the Company's home stock exchange rules (Toronto Stock Exchange or TSX Venture Exchange) unless the dilutive financing results in a change of control. The Company will seek a waiver from AMEX's section 713 requirements should a dilutive private placement financing trigger the AMEX shareholders' approval requirement in circumstances where the same financing does not trigger such a requirement under British Columbia law or under the Company's home country stock exchange rules.

- **Quorum Requirements**

Section 123 of the AMEX Company Guide requires that the quorum for meetings of shareholders of a listed company be not less than 33-1/3% of the issued and outstanding shares entitled to vote at a meeting of shareholders.

The Company's quorum requirement is specified in its Articles as two persons who are, or who represent by proxy, shareholders who in the aggregate hold at least 5% of the the issued shares entitled to vote at a meeting of shareholders.