This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, broker, bank manager, lawyer or other professional advisor.

This Offer has not been approved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is an offence.

December 28, 2006

NOTICE OF VARIATION AND EXTENSION

of

OFFER TO PURCHASE FOR CASH
ALL OF THE COMMON SHARES AND OUT-OF-THE-MONEY WARRANTS
of

bcMETALS CORPORATION

at a price of
Cdn. $1.10 per Common Share
and Cdn. $0.02 per Out-Of-The-Money Warrant
by

TASEKO ACQUISITIONSUB LTD.,
a wholly-owned subsidiary of

TASEKO MINES LIMITED

THE OFFER HAS BEEN VARIED AND EXTENDED AND IS NOW OPEN FOR ACCEPTANCE UNTIL 4:30 P.M. PACIFIC TIME ON WEDNESDAY, JANUARY 10, 2007 UNLESS FURTHER EXTENDED OR WITHDRAWN

Taseko Acquisitionsub Ltd. (the "Offeror"), a wholly-owned subsidiary of Taseko Mines Limited ("Taseko"), hereby gives notice that it has varied its offer dated November 23, 2006 (the "Original Offer") by increasing the price at which it will purchase common shares (the "Common Shares") of bcMetals Corporation ("bcMetals") to $1.10 per Common Share, by amending the "Conditions of the Offer" and by extending the Offer to purchase all of the outstanding Common Shares and Out-Of-The-Money Warrants (the "Out-Of-The-Money Warrants") of bcMetals, **in accordance with the terms and subject to the conditions contained herein,** until 4:30 p.m. (Pacific time) on Wednesday, January 10, 2007, unless the Offer is further extended or withdrawn by the Offeror (the "Expiry Time").

This Notice of Variation and Extension should be read in conjunction with the Original Offer and the circular that accompanied the Original Offer (the "Original Circular" and, together with the Original Offer, the "Offer and Circular") and the Letter of Transmittal and Notice of Guaranteed Delivery that accompanied the Offer and Circular. Except as otherwise set forth herein, the terms and conditions previously set forth in the Offer and Circular and in the Letter of Transmittal and the Notice of Guaranteed Delivery that accompanied the Offer and Circular continue to be applicable in all respects. All references to the "Offer" in the Offer and Circular, the Letter of Transmittal, the Notice of Guaranteed Delivery and this Notice of Variation and Extension mean the Original Offer as amended hereby, and all references in the Offer and Circular, the Letter of Transmittal, the Notice of Guaranteed Delivery and this

Notice of Variation and Extension to the "Circular" mean the Original Circular as amended hereby. Unless the context requires otherwise, capitalized terms used herein but not defined herein have the respective meanings given to them in the Offer and Circular.

Holders of Common Shares and/or Out-Of-The-Money Warrants (the "Holders") who have validly deposited and not withdrawn their Common Shares and/or Out-Of-The-Money Warrants using the Letter of Transmittal and, if applicable, a Notice of Guaranteed Delivery need take no further action to accept the Offer. Holders who wish to accept the Offer must properly complete and duly execute the Letter of Transmittal (printed on yellow paper) or a facsimile thereof and deposit it, together with the certificates representing their Common Shares and/or Out-Of-The-Money Warrants, as the case may be, and any required evidence confirming that the Holder purporting to accept the Offer is eligible to do so, at one of the offices of Computershare Investor Services Inc. (the "Depositary") in accordance with the instructions in the Letter of Transmittal. Alternatively, Holders may follow the procedure for Book-based Transfer set forth in Section 3 of the Offer to Purchase, "Manner of Acceptance - Procedure for Book-based Transfer", or the procedure for guaranteed delivery set forth in Section 3 of the Offer to Purchase, "Manner of Acceptance – Procedure for Guaranteed Delivery" using the accompanying Notice of Guaranteed Delivery (printed on green paper) or a facsimile thereof. **Holders whose Common Shares or Out-Of- The-Money Warrants are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact such registered holder for assistance in depositing their Common Shares and Out-Of-The- Money Warrants in response to the Offer.**

The Offer is made only for Common Shares and Out-Of-The-Money Warrants and is not made for any Options (as defined in the Offer and Circular) or other rights to acquire Common Shares or for other securities convertible into Common Shares. Holders of Options, including warrants that are not Out-Of-The-Money Warrants, who wish to participate in the Offer should exercise such rights to acquire Common Shares and deposit the resulting Common Shares in response to the Offer.

Questions and requests for assistance may be directed to the Depositary. Additional copies of this Notice of Variation and Extension, and the Offer and Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained without charge from the Depositary at its address shown on the last page of this Notice of Variation and Extension.

No person has been authorized to give any information or make any representation other than those contained in the Offer and Circular, the Letter of Transmittal and this Notice of Variation and Extension and, if given or made, that information or representation must not be relied upon as having been authorized by the Offeror.

This Notice of Variation and Extension does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from or on behalf of, Holders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Holders in any such jurisdiction.

NOTICE TO HOLDERS IN THE UNITED STATES

This transaction has not been approved or disapproved by any United States securities regulatory authority, nor has any such authority passed upon the accuracy or adequacy of the Offer to Purchase, this Notice of Variation and Extension and the Original Circular. Any representation to the contrary is unlawful. The Offer is made for the securities of a foreign issuer and while the Offer is subject to applicable disclosure requirements in Canada, holders should be aware that such requirements are different from those in the United States. Financial information regarding bcMetals included or referred to herein or in the Original Circular has been derived from publicly available financial statements which have been prepared in accordance with Canadian generally accepted accounting principles and thus may not be comparable to financial statements of United States companies.

The enforcement by Holders of civil liabilities under United States federal securities laws may be affected adversely by the fact that each of bcMetals and the Offeror is incorporated and located outside the United States, that most if not all of their respective officers and directors are non-residents of the United States, that all of the experts named herein or in the Original Circular are non-residents of the United States and that all of the assets of the Offeror, bcMetals and said persons are located outside the United States. It may be difficult to compel a foreign company and its affiliates to subject themselves to the judgment of a United States court.

Holders should be aware that the Offeror or its affiliates, directly or indirectly, may bid for or make purchases of Common Shares, or of related securities of bcMetals, during the period of the Offer, as permitted by applicable Canadian laws or provincial laws or regulations and defined in Section 12 of the Offer to Purchase, "Market Purchases" of the Original Circular.

This Notice of Variation and Extension and the Original Circular do not address any United States federal income tax consequences of the Offer to Holders in the United States. Holders in the United States should be aware that disposition of Common Shares and Out-Of-The-Money Warrants will almost certainly have tax consequences both in the United States and in Canada, which may not be described, or fully described herein or in the Original Circular. Accordingly, Holders in the United States should consult their own tax advisors with respect to their particular circumstances and tax considerations applicable to them.

FORWARD LOOKING STATEMENTS AND INFORMATION

Certain statements and information contained herein or in the Original Circular under "Background to the Offer", "Reasons to Accept the Offer" and "Purpose of the Offer and Plans for bcMetals", in addition to certain statements and information contained elsewhere in this Notice of Variation and the Original Circular concerning the business, operations and financial performance and condition of the Offeror and bcMetals are forward-looking statements or forward-looking information within the meaning of applicable securities laws. Forward-looking statements and information are subject to risks and uncertainties that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements or information. Forward-looking statements or information include information concerning future financial performance, business strategy, plans, goals and objectives. Statements preceded or followed by, or that otherwise include, the words "believes", "expects", "anticipates", "intends", "estimates", "plans", "forecasts", "is likely to", "projected" and similar expressions or future or conditional verbs such as "will", "should", "would", "may" and "could" are generally forward-looking in nature and not historical facts. Such statements are based upon the current beliefs and expectations of Taseko's management and are subject to significant risks and uncertainties, including those set out in the Annual Information Form of Taseko dated December 14, 2005 which may be viewed at www.sedar.com. Actual results may differ materially from those set forth in the forward-looking statements.

NOTICE OF VARIATION AND EXTENSION

December 28, 2006

TO: THE HOLDERS OF COMMON SHARES AND OUT-OF-THE-MONEY WARRANTS OF bcMETALS

1. Extension and Amendment of the Offer

By the Offeror's news release issued on December 22, 2006 and by its notice to the Depositary given on December 27, 2006, the Offeror increased the price at which it will purchase Common Shares and extended the time for acceptance of the Offer to 4:30 p.m. (Pacific time) on January 10, 2007, unless the Offeror further extends the period during which the Offer is open for acceptance pursuant to Section 5 of the Offer to Purchase, "Extension and Variation of the Offer".

The definition of "Expiry Time" in the Offer and Circular is deleted in its entirety and replaced by the following:

> "**Expiry Time**" means 4:30 p.m. Pacific time, on January 10, 2007, or such later time and date as may be fixed by the Offeror from time to time pursuant to Section 5 of the Offer to Purchase, "Extension and Variation of the Offer."

All other references in the Offer and Circular, Letter of Transmittal and Notice of Guaranteed Delivery to the expiry of the Offer on "December 29, 2006" are deleted and replaced with "January 10, 2007".

All references in the Offer and Circular, Letter of Transmittal and Notice of Guaranteed Delivery to the offer price for the Common Shares of "Cdn. $1.05" are deleted and replaced with "**Cdn. $1.10**".

In addition to the foregoing, the Offeror has revised its conditions of the Offer – See Section 3 below.

Holders of Common Shares may tender to the Offer as hereby amended by using the original Letter of Transmittal and/or Notice of Guaranteed Delivery.

2. Recent Developments

All statements in respect of bcMetals and Imperial Metals Corporation ("Imperial") below are qualified in their entirety by their respective public filings available on www.SEDAR.com.

Imperial Metals Corporation

On December 22, 2006, Imperial announced that it reached an agreement with bcMetals under which Imperial, through its wholly-owned subsidiary, Cat-Gold Corporation, will make an all-cash offer to purchase all of the outstanding Common Shares at the price of $1.10 per Common Share and all of the outstanding Out-Of-The-Money Warrants at the price of $0.02 per Out-Of-The-Money Warrant. bcMetals advised that it supports this offer and has promised that bcMetals will pay, under certain circumstances, a break fee of $1.8 million. It was also announced that the board of bcMetals recommends that its shareholders reject the Original Offer.

Shareholder Rights Plan

On December 19, 2006, bcMetals announced that it had redeemed all rights under a limited purpose shareholder rights plan (the "Rights Plan") and that the Rights Plan has since been terminated.

Shareholders' Meeting

On December 12, 2006 bcMetals announced that it had agreed to postpone its special meeting of shareholders that was scheduled to take place on December 15, 2006. As of December 27, 2006, bcMetals has not announced a new date on which the special meeting will be held.

Market Purchases by Taseko

As of December 7, 2006, Taseko had purchased, through ordinary market transactions on the TSX Venture Exchange, an aggregate of 1,791,600 Common Shares (4.6%) of bcMetals at an average price of $1.007 per Common Share. Taseko may purchase an additional 0.4% of Common Shares prior to the Expiry Time. The Common Shares purchased by Taseko in such transactions will not be voted as part of the minority shareholder approval required to effect a Subsequent Acquisition Transaction.

bcMetals Response to Offer

On December 6, 2006 the directors of bcMetals advised that they would make no recommendations with respect to the Original Offer.

3. Conditions of the Offer

The Offeror has amended the conditions of the Offer set out in Section 4 of the Offer to Purchase, "Conditions of the Offer". The Offeror has waived the conditions regarding the Rights Plan given that the Rights Plan has been terminated by bcMetals. The Offeror has also waived the conditions with respect to the ongoing litigation concerning American Bullion Minerals Ltd. and the Offeror has amended the condition regarding the proposed joint venture between bcMetals and Global International Jiangxi Copper Co. Accordingly, Section 4 of the Offer to Purchase, "Conditions of the Offer" is deleted in its entirety and is replaced with the following:

> **"4. Conditions of the Offer**
>
> Notwithstanding any other provision of the Offer, the Offeror shall have the right to withdraw the Offer and not take up and pay for, and shall have the right to extend, subject to applicable law, the period of time during which the Offer is open for acceptance and postpone taking up and paying for, any Common Shares and Out-Of-The-Money Warrants deposited under the Offer, if any of the following conditions are not satisfied in the Offeror's discretion, or expressly waived by the Offeror, at or prior to the Expiry Time:
>
> (a) there will have been validly deposited and not withdrawn, at the Expiry Time, that number of Common Shares which represent not less than 50% plus one of the Common Shares which are issued and outstanding at the Expiry Time, calculated on a fully-diluted basis, inclusive of the Common Shares previously acquired by the Offeror and its affiliates; provided that all out-of-the-money securities validly tendered to the Offer and not withdrawn shall be excluded from the calculation of the number of fully-diluted Common Shares;
>
> (b) receipt by the Offeror of satisfactory evidence of termination of any stock options, warrants, stock purchase plans and stock option plans with respect to bcMetals or the Common Shares in accordance with the terms thereof, without prejudice to the rights of the participants under such plans and conditional upon the Offeror taking up the Common

Shares and Out-Of-The-Money Warrants deposited to, and not withdrawn from, the Offer;

(c) the Offeror shall not have become aware of any untrue statement of a material fact, or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstance in which it was made and at the date it was made in any document filed by or on behalf of bcMetals with any securities commission or similar securities regulatory authorities in any of the provinces of Canada or in the United States, which the Offeror shall have determined in its sole judgment makes it inadvisable for the Offeror to proceed with the Offer;

(d) the Offeror will have obtained legal opinions about the merits of the Miningwatch Canada and the Trafigura Beheer B.V. litigation which opinions satisfy the Offeror that these two lawsuits constitute an acceptable level of risk relating to bcMetals' future operations;

(e) the Offeror will be able to vote the Common Shares it takes up under the Offer against any resolution of the shareholders of bcMetals to consider approving the master agreement to create a joint venture between bcMetals and Global International Jiangxi Copper Co. Ltd. ("GIJCM") which master agreement is dated October 9, 2006; and

(f) following the date of making of this Offer, there shall not have occurred any change having a Material Adverse Effect, and there shall not have occurred a Restricted Event.

The foregoing conditions are for the sole benefit of the Offeror and may be asserted by the Offeror in its sole discretion at any time, regardless of the circumstances giving rise to any such assertion, including any action or inaction by the Offeror. The Offeror may waive any of the foregoing conditions in whole or in part at any time and from time to time in its sole discretion without prejudice to any other rights, which the Offeror may have. The failure by the Offeror at any time to exercise any of the foregoing rights, will not be deemed a waiver of any such right, the waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver with respect to any other facts and circumstances, and each such right shall be deemed an ongoing right that may be asserted at any time and from time to time by the Offeror. Any determination by the Offeror concerning any event or other matter described in the foregoing conditions will be final and binding upon all parties. For purposes of the foregoing conditions, including the meaning of "Subsequent Acquisition Transaction", "affiliate" means, with respect to any person (as defined in the *Securities Act* (British Columbia)), any other person that directly, or through one or more intermediaries, controls or is controlled by or is under common control with such person or company, and "control" means the possession, direct or indirect, or the power to direct or cause the direction of the management and policies of a person or company, whether through the ownership of voting securities, by contract, or otherwise.

Any waiver of a condition or the withdrawal of the Offer shall be effective upon written notice, or other communication confirmed in writing by the Offeror to that effect, to the Depositary at its principal office in Vancouver, British Columbia or Toronto, Ontario. Forthwith after giving any such notice, the Offeror will make a public announcement of such waiver or withdrawal. If the Offer is withdrawn, the Offeror shall not be obligated

> to take up or pay for any Common Shares or Out-Of-The-Money Warrants deposited under the Offer, and the Depositary will as soon as practicable return all certificates representing deposited Common Shares or Out-Of-The-Money Warrants, Letters of Transmittal, Notices of Guaranteed Delivery and related documents to the parties by whom they were deposited at the Offeror's expense. See Section 8 of the Offer to Purchase, "Return of Deposited Common Shares and Out-Of-The-Money Warrants"."

All other references in the Offer and Circular, Letter of Transmittal and Notice of Guaranteed Delivery to the "Conditions of Offer" shall refer to the conditions as amended above.

4. Time and Manner for Acceptance

The Offer is extended and is now open for acceptance until 4:30 p.m. Pacific time on January 10, 2007 unless extended or withdrawn and Common Shares and Out-Of-The-Money Warrants may be deposited to the Offer in accordance with the provisions of Section 2 of the Offer to Purchase, "Time for Acceptance" and Section 3 of the Offer to Purchase, "Manner of Acceptance".

5. Withdrawal of Deposited Shares

Holders have the right to withdraw Common Shares and Out-Of-The-Money Warrants deposited pursuant to the Offer under the circumstances and in the manner described in Section 6 of the Offer to Purchase, "Withdrawal of Deposited Common Shares and Out-Of-The-Money Warrants".

6. Take Up of and Payment for Deposited Common Shares and Out-Of-The-Money Warrants

Upon the terms and subject to the conditions of the Offer (including, if the Offer is further extended or varied, the terms and conditions of any such extension or variation), the Offeror will take up Common Shares and Out-Of-The- Money Warrants validly deposited under the Offer (and not withdrawn prior to the Expiry Time pursuant to Section 6 of the Offer to Purchase, "Withdrawal of Deposited Common Shares and Out-Of-The-Money Warrants") as set forth in Section 7 of the Offer to Purchase, "Payment for Deposited Common Shares and Out-Of-The-Money Warrants".

7. Consequential Amendments to the Offer and Other Documents

The Offer and Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery are amended to the extent necessary to give effect to the specified amendments set forth in this Notice of Variation and Extension.

8. Offerees' Statutory Rights

Securities legislation in certain of the provinces and territories of Canada provides securityholders of bcMetals with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, if there is a misrepresentation in a circular or notice that is required to be delivered to such securityholders. However, such rights must be exercised within prescribed time limits. Holders should refer to the applicable provisions of the securities legislation of their province or territory for the particulars of those rights or consult with a lawyer.

DIRECTORS' APPROVAL

The contents of this Notice of Variation and Extension has been approved and the sending thereof to the Holders, has been authorized by the board of directors of the Offeror and the board of directors of Taseko.

CERTIFICATE OF THE OFFEROR

DATED: December 28, 2006

The contents of this Notice of Variation and Extension have been approved, and the sending thereof to Holders has been authorized, by the board of directors of the Offeror.

The foregoing, together with the Offer and Circular dated November 23, 2006, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. In addition, the foregoing, together with the Offer and Circular dated November 23, 2006, does not contain any misrepresentation likely to affect the value or the market price of the Common Shares or Out-Of-The-Money Warrants which are the subject of the Offer.

(signed) Russell Hallbauer
Chief Executive Officer and Director of
Taseko Acquisitionsub Ltd.

(signed) Jeffrey R. Mason
Chief Financial Officer and Director of
Taseko Acquisitionsub Ltd.

On behalf of the board of Directors of Taseko Acquisitionsub Ltd.

(signed) Ronald Thiessen
Director

(signed) Barry Coughlan
Director

CERTIFICATE OF TASEKO MINES LIMITED

DATED: December 28, 2006

The contents of this Notice of Variation and Extension have been approved, and the sending thereof to Holders has been authorized, by the board of directors of Taseko.

The foregoing, together with the Offer and Circular dated November 23, 2006, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. In addition, the foregoing, together with the Offer and Circular dated November 23, 2006, does not contain any misrepresentation likely to affect the value or the market price of the Common Shares or Out-Of-The-Money Warrants which are the subject of the Offer.

(signed) Russell Hallbauer
Chief Executive Officer of
Taseko Mines Limited

(signed) Jeffrey R. Mason
Chief Financial Officer of
Taseko Mines Limited

On behalf of the board of Directors of Taseko Mines Limited

(signed) Ronald Thiessen
Director

(signed) Barry Coughlan
Director

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The Depositary for the Offer is:

Computershare Investor Services Inc.

By Registered Mail, Hand or by Courier:

Vancouver: 510 Burrard Street, 2nd Floor, Vancouver, British Columbia V6C 3B9

Toronto: 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1

For Information contact:

Toll Free: 1-800-564-6253

E-Mail: corporateactions@computershare.com

By Ordinary (non-registered) Mail (Do not hand deliver to this office):

P.O. Box 7021

31 Adelaide Street East

Toronto, Ontario, M5C 3H2

Attention: Corporation Actions