

bcMetals Corporation

January 3, 2007

Dear Shareholder:

On November 23, 2006, Taseko Acquisitions Ltd. (“**Taseko Bidco**”), a wholly-owned subsidiary of Taseko Mines Limited (“**Taseko**”), made a non-negotiated offer to purchase all of the outstanding common shares and out-of-the-money warrants of bcMetals Corporation (“**bcMetals**” or the “**Company**”) at a price of \$1.05 per common share and \$0.02 per out-of-the-money warrant (the “**Original Taseko Offer**”). By its terms, the Original Taseko Offer was to expire at 4:30 p.m. (Vancouver time) on December 29, 2006.

On December 22, 2006, bcMetals announced that it had entered into a support agreement (the “**Support Agreement**”) with Cat-Gold Corporation (“**Imperial Bidco**”), a wholly-owned subsidiary of Imperial Metals Corporation (“**Imperial**”), pursuant to which Imperial agreed that Imperial Bidco would make an offer to purchase all of the outstanding common shares and out-of-the-money options and warrants (together, the “out-of-the-money securities”) of bcMetals at a price of \$1.10 per common share and \$0.02 per out-of-the-money security (the “**Imperial Offer**”). The Imperial Offer accompanies this letter and our Directors’ Circular and Notice of Change. By its terms, the Imperial Offer will expire at 4:00 p.m. (Vancouver time) on February 9, 2007, unless extended or withdrawn by Imperial Bidco.

Also on December 22, 2006, Taseko announced that Taseko Bidco would vary the Original Taseko Offer by increasing the price at which it would purchase common shares to \$1.10 per common share, amending certain of the conditions of the Original Taseko Offer and by extending the Original Taseko Offer until 4:30 p.m. (Vancouver time) on January 10, 2007, unless further extended or withdrawn by Taseko Bidco (the “**Revised Taseko Offer**”).

The Board of Directors of bcMetals (the “Board”) UNANIMOUSLY recommends that the holders of common shares and out-of-the-money securities of bcMetals ACCEPT the Imperial Offer and TENDER their common shares and out-of-the-money securities to the Imperial Offer.

The Company announced on January 3, 2007 that it intends to complete a private placement of units to non-strategic accredited investors, subject to a right of first refusal in favour of Imperial Bidco. The units will be issued at a price of \$1.05 per unit to raise aggregate gross proceeds of up to \$2 million. The subscription price of \$1.05 per unit is equal to the closing price of bcMetals’ common shares on the TSX Venture Exchange on January 2, 2007, less a discount within the range permitted by the policies of the TSX Venture Exchange. Each unit will consist of one common share and a one-half of one share purchase warrant. Each whole share purchase warrant will entitle the holder to acquire, during a period of one year from the date of issue, one common share of bcMetals upon payment of additional consideration of \$1.09 per share, being the closing price of bcMetals’ common shares on January 2, 2007.

The Board, assisted by its financial and legal advisors, has carefully considered the Imperial Offer and the Revised Taseko Offer, as well as the factors described in the enclosed Directors’ Circular and Notice of Change, and has determined to recommend that shareholders and out-of-the-money securityholders of bcMetals accept the Imperial Offer. In reaching its conclusion, the Board identified a number of factors as being most relevant, including the following:

- *The Revised Taseko Offer is significantly more conditional than the Imperial Offer.* The Revised Taseko Offer is conditional upon Taseko Bidco obtaining a legal opinion about the merits of the Miningwatch Canada and the Trafigura Beheer B.V. litigation which satisfies Taseko Bidco that such actions constitute an acceptable level of risk relating to bcMetals’ future operations. This condition provides broad discretion in favour of Taseko Bidco to determine, in its sole judgment, whether it is inadvisable to proceed with the Revised Taseko Offer. In contrast, the Imperial Offer is only subject to

there being no materially adverse developments in the Glencore Ltd., Miningwatch Canada or the Trafigura Beheer B.V. litigation since the date of the Support Agreement.

- ***The minimum tender condition of the Revised Taseko Offer is not significantly different from that of the Imperial Offer.*** Imperial owns or controls approximately 17.26% of the common shares of bcMetals, calculated on a fully diluted basis (but assuming that all out-of-the-money securities are cancelled, unexercised) and before giving effect to the proposed private placement, and has indicated that it will not tender to the Revised Taseko Offer. Taseko owns or controls approximately 4.18% of the common shares of bcMetals, calculated on a fully diluted basis (but assuming that all out-of-the-money securities are cancelled, unexercised) and before giving effect to the proposed private placement, and we assume Taseko will not tender to the Imperial Offer. Assuming that all in-the-money securities of bcMetals are exercised and that all out-of-the-money securities are cancelled, and before giving effect to the proposed private placement, Taseko Bidco's minimum tender condition requires that approximately 19,604,296 shares be tendered to the Revised Taseko Offer and Imperial Bidco's minimum tender condition requires that approximately 21,138,166 common shares be tendered to the Imperial Offer.
- ***The Company has received a fairness opinion in respect of the Imperial Offer.*** Capital West Partners has provided the Board with an opinion that the Imperial Offer is fair, from a financial point of view, to the Company's shareholders and out-of-the-money securityholders, other than Imperial, Imperial Bidco and their affiliates.
- ***The terms of the Support Agreement.*** The Support Agreement allows bcMetals to terminate such agreement and enter into an agreement with respect to any superior proposal, subject to Imperial Bidco's right to match the terms of any such superior proposal.

Each of the directors and senior officers of the Company has indicated that as of the date hereof he currently intends to accept the Imperial Offer, both with respect to common shares currently owned, directly or indirectly, and shares issuable upon the exercise of stock options held by such persons.

We urge you to read the enclosed material carefully for a full explanation of the reasons for the Board's recommendation of the Imperial Offer.

Sincerely,
On behalf of the Board of Directors

A handwritten signature in black ink, appearing to be 'I. Smith', written in a cursive style.

Ian Smith
President and Chief Executive Officer