

Taseko Announces 2020 Financial & Operational Update

VANCOUVER, BC, Jan. 11, 2021 /CNW/ – Taseko Mines Limited (TSX: TKO) (NYSE American: TGB) (LSE: TKO) (“Taseko” or the “Company”) is pleased to provide an update on 2020 financial and operational performance.

Stuart McDonald, President of Taseko, commented, “Given the volatility and challenges brought about by COVID-19 over the past year and the state of the global economy just nine months ago, we are very pleased with our 2020 financial results and optimistic about the year ahead. Adjusted EBITDA* for 2020 is expected to be in the range of \$105-110 million, up from \$51 million in 2019. Gibraltar produced 123 million pounds of copper for the year and 2.3 million pounds of molybdenum. Looking ahead to 2021, we expect copper production of approximately 125 million pounds from Gibraltar.”

Mr. McDonald continued, “Copper prices have continued to strengthen and many analysts are forecasting higher prices going forward, based on the strong demand environment, expected government stimulus programs and investments in renewable energy infrastructure, combined with ongoing mine supply challenges. The current copper price of approximately US\$3.65 per pound is roughly US\$0.80 per pound higher than the average price in 2020, and at current prices we would have generated around \$200 million of Adjusted EBITDA* in 2020, so we are very optimistic about our financial outlook this year.

The improved market conditions are timely as we continue to advance all financing options for the Florence copper project. We ended the year with a cash balance of \$85 million, up from \$53 million at the end of 2019.”

Mined ore grades in October and November impacted production in the fourth quarter, but we finished with a strong December with concentrator throughput above design capacity along with increased copper grades. Additionally, increased oxide ore and ore hardness in the initial Pollyanna Pit benches affected recoveries and throughput in the fourth quarter, both of which have been rectified,” concluded Mr. McDonald.

Russell Hallbauer
Chief Executive Officer and Director

No regulatory authority has approved or disapproved of the information contained in this news release.

*Non-GAAP performance measure. See end of news release.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains “forward-looking statements” that were based on Taseko’s

expectations, estimates and projections as of the dates as of which those statements were made. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “outlook”, “anticipate”, “project”, “target”, “believe”, “estimate”, “expect”, “intend”, “should” and similar expressions.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. These included but are not limited to:

- uncertainties about the effect of COVID-19 and the response of local, provincial, federal and international governments to the threat of COVID-19 on our operations (including our suppliers, customers, supply chain, employees and contractors) and economic conditions generally and in particular with respect to the demand for copper and other metals we produce;
- uncertainties and costs related to the Company’s exploration and development activities, such as those associated with continuity of mineralization or determining whether mineral resources or reserves exist on a property;
- uncertainties related to the accuracy of our estimates of mineral reserves, mineral resources, production rates and timing of production, future production and future cash and total costs of production and milling;
- uncertainties related to feasibility studies that provide estimates of expected or anticipated costs, expenditures and economic returns from a mining project;
- uncertainties related to the ability to obtain necessary licenses permits for development projects and project delays due to third party opposition;
- uncertainties related to unexpected judicial or regulatory proceedings;
- changes in, and the effects of, the laws, regulations and government policies affecting our exploration and development activities and mining operations, particularly laws, regulations and policies;
- changes in general economic conditions, the financial markets and in the demand and market price for copper, gold and other minerals and commodities, such as diesel fuel, steel, concrete, electricity and other forms of energy, mining equipment, and fluctuations in exchange rates, particularly with respect to the value of the U.S. dollar and Canadian dollar, and the continued availability of capital and financing;
- the effects of forward selling instruments to protect against fluctuations in copper prices and exchange rate movements and the risks of counterparty defaults, and mark to market risk;
- the risk of inadequate insurance or inability to obtain insurance to cover mining risks;
- the risk of loss of key employees; the risk of changes in accounting policies and methods we use to report our financial condition, including uncertainties associated with critical accounting assumptions and estimates;
- environmental issues and liabilities associated with mining including processing and

- stock piling ore; and
- labour strikes, work stoppages, or other interruptions to, or difficulties in, the employment of labour in markets in which we operate mines, or environmental hazards, industrial accidents or other events or occurrences, including third party interference that interrupt the production of minerals in our mines.

For further information on Taseko, investors should review the Company's annual Form 40-F filing with the United States Securities and Exchange Commission www.sec.gov and home jurisdiction filings that are available at www.sedar.com, including the "Risk Factors" included in our Annual Information Form.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP performance measure and represents net income before interest, income taxes, and depreciation and also eliminates the impact of a number of items that are not considered indicative of ongoing operating performance.

Adjusted EBITDA is presented as a supplemental measure of the Company's performance and ability to service debt. Adjusted EBITDA is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the industry. Adjusted EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other companies.

Adjusted EBITDA is determined and presented on a consistent basis from period to period and a preliminary estimated range of Adjusted EBITDA for the year ended December 31, 2020 is presented above. We have not yet finalized our operating or financial results for this period, and our actual financing results for the year ended December 31, 2020 remain subject to the completion of our quarter-end and year-end closing process, which includes review by management and our audit committee. While carrying out such procedures, we may identify items that would require us to make adjustments to this preliminary estimated range of Adjusted EBITDA set forth above. As a result, our actual Adjusted EBITDA could be outside of the ranges set forth above and such differences could be material. Additionally, our estimate of Adjusted EBITDA is a forward-looking statement based solely on information available to us as of the date of this press release and may differ materially from our actual operating and financial results as a result of developments that occur after the date of this press release. Therefore, you should not place undue reliance on the preliminary estimate of our Adjusted EBITDA. See "Caution Regarding Forward-Looking Information."

The preliminary estimates of our Adjusted EBITDA have been prepared by, and are the responsibility of, our management. Our independent registered public accountants have not audited, reviewed or performed any procedures with respect to such preliminary estimates of our operating results. Accordingly, KPMG LLP expresses no opinion or any other form of

assurance with respect thereto. The information presented herein should not be considered a substitute for the financial information to be filed with the SEC in our Annual Report on Form 40-F for the year ended December 31, 2020 once it becomes available. We have no intention or obligation to update the preliminary estimates of our operating and financial results set forth below prior to filing that Annual Report.

A reconciliation of Adjusted EBITDA for the nine months ended September 30, 2020 can be found on page 23 of Taseko's Third Quarter MD&A.

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