



**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
AND  
INFORMATION CIRCULAR  
TO BE HELD ON JUNE 7, 2018**

**DATED APRIL 20, 2018**

**These materials are important and require your immediate attention. If you have questions or require assistance with voting your shares, you may contact Taseko's proxy solicitation agent:**

**Laurel Hill Advisory Group**

**North American Toll-Free Number: 1-877-452-7184**

**Collect Calls Outside North America: 1-416-304-0211**

**Email: [assistance@laurelhill.com](mailto:assistance@laurelhill.com)**

**YOUR VOTE IS IMPORTANT. PLEASE VOTE YOUR PROXY TODAY.**



1040 West Georgia Street, Suite 1500  
Vancouver, British Columbia, V6E 4H1

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**Take notice** that the annual general meeting (the “**Meeting**”) of shareholders of **Taseko Mines Limited** (the “**Company**”) will be held at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia on June 7, 2018 at 2:00 p.m., local time, for the following purposes:

1. to receive the consolidated financial statements of the Company for the financial year ended December 31, 2017 and the related report of the auditor;
2. to fix the number of directors of the Company at seven, see *Election of Directors* in the Information Circular;
3. to elect directors of the Company for the ensuing year, see *Election of Directors* in the Information Circular;
4. to appoint the auditor of the Company for the ensuing year, see *Appointment of Auditor* in the Information Circular;
5. to consider, and if thought advisable, to approve an ordinary resolution to ratify and approve the Company’s Share Option Plan, as amended, for continuation for a three year period, such Option Plan, and the amendments made thereto, being described in the accompanying Information Circular;
6. to consider, and if thought advisable, to approve an ordinary resolution to ratify and approve the Performance Share Unit Plan for continuation for a three year period, such PSU Plan being described in the accompanying Information Circular;
7. to consider an advisory (non-binding) resolution on the Company’s approach to executive compensation, as more particularly set out in the section of the Information Circular entitled “Advisory Resolution on the Company’s Approach to Executive Compensation (Say on Pay),” as more particularly set out in the section entitled *Particulars of Matters to be Acted upon* in the Information Circular; and
8. to consider an advisory (non-binding) resolution on the Company’s approach to the payment of fees for services to a related service provider, as more particularly set out in the section of the Information Circular entitled “Advisory Resolution on the Company’s Approach to Related Service Providers (Say on Services),” as more particularly set out in the section entitled *Particulars of Matters to be Acted upon* in the Information Circular.

No other matters are contemplated for consideration at the Meeting, however any permitted amendment to or variation of any matter identified in this Notice of Meeting (the “Notice”) may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

An Information Circular accompanies this Notice. The Information Circular contains further particulars of matters to be considered at the Meeting. The Meeting will also consider any permitted amendment to or variations of any matter identified in this Notice, and transact such other business as may properly come before the Meeting or any adjournment thereof. Copies of the audited financial statements for the year ended December 31, 2017, report of the auditor and related management discussion and analysis, as well as the Annual Information Form (the “annual financials”), will be made available at the Meeting and are available on SEDAR at [www.sedar.com](http://www.sedar.com).

You are receiving this notification because Taseko Mines Limited has elected to use the notice-and-access model as such provisions are set out under National Instrument 51-102 and National Instrument 54-101 (“**Notice-and-Access Provisions**”) for the delivery of meeting materials relating to this Meeting. Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allow a Company to reduce the volume of materials to be physically mailed to Shareholders by posting the Information Circular and any additional annual meeting materials (the “**Proxy Materials**”) online. Under Notice-and-Access, instead of receiving paper copies of the Company’s Information Circular, Shareholders will receive this Notice and a form of proxy. In the case of beneficial (non-registered) shareholders, they will receive this Notice and a voting instruction form (“VIF”). The form of proxy/VIF enables Shareholders to vote. **Before voting, Shareholders are reminded to review the Information Circular online by logging onto the website access page provided and following the instructions set out below.** Shareholders may also choose to receive a printed copy of the Information Circular by following the procedures set out below.

Copies of the Proxy Materials and the annual financials are posted on the Company’s website at <https://www.tasekomines.com/investors>.

#### **How to Obtain Paper Copies of the Information Circular**

Any Shareholder may request a paper copy of the Information Circular be mailed to them at no cost by contacting the Company at 1040 West Georgia Street, Suite 1500, Vancouver, British Columbia V6E 4H1; by telephone: 778-373-4533; by telephone toll-free: 1-877-441-4533 or by fax: 778-373-4534. A Shareholder may also use the toll-free number noted above to obtain additional information about Notice-and-Access Provisions.

To allow adequate time for a Shareholder to receive and review a paper copy of the Information Circular and then to submit their vote by **2 p.m. (Pacific Time) on Tuesday, June 5, 2018** (the “**Proxy Deadline**”), a Shareholder requesting a paper copy of the Information Circular as described above, should ensure such request is received by the Company no later than **May 22, 2018**. Under Notice-and-Access Provisions, Proxy Materials must be available for viewing for up to 1 year from the date of posting and a paper copy of the materials can be requested at any time during this period. To obtain a paper copy of the Information Circular after the Meeting date, please contact the Company.

The Company will **not** use a procedure known as ‘**stratification**’ in relation to its use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer while using Notice-and-Access Provisions also provides a paper copy of the Circular to some of its shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under Notice-and-Access Provisions, and will **not** include a paper copy of the Information Circular.

The Information Circular contains details of matters to be considered at the Meeting. **Please review the Information Circular before voting.**

**All Registered Shareholders unable to attend the Meeting in person and who wish to ensure their Common Shares will be voted at the Meeting are asked to complete, date and sign the enclosed form of Proxy, and deliver it in accordance with the instructions set out in the form of Proxy and in the Information Circular.** To be effective, the Proxy must be duly completed and signed and then deposited with the Company’s registrar and transfer agent, Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J

2Y1, or voted via telephone, fax or via the internet (online) as specified in the Proxy, no later than 2:00 p.m., Pacific Time, on June 5, 2018.

**If you hold your Common Shares in a brokerage account you are a non-registered shareholder (“Beneficial Shareholder”). Beneficial Shareholders who hold their Common Shares through a bank, broker or other financial intermediary should carefully follow the instructions found on the form of Proxy or Voting Instruction Form (“VIF”) provided to them by their intermediary, in order to cast their vote, or in order to notify the Company if they plan to attend the Meeting**

**Shareholders who are unable to attend the Meeting in person and who wish to ensure that their Common Shares will be voted at the Meeting are asked to complete, date and sign the enclosed form of Proxy or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of Proxy and in the Information Circular.**

**Non-registered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form provided to them by their intermediary, and in the Information Circular, to ensure their Common Shares will be voted at the Meeting. If you hold your Common Shares in a brokerage account you are a non-registered shareholder.**

**DATED** at Vancouver, British Columbia, April 26, 2018.

**BY ORDER OF THE BOARD**

***“Russell E. Hallbauer”***

**Russell E. Hallbauer  
President and Chief Executive Officer**

**If you have any questions or need assistance with voting your proxy, please contact Laurel Hill Advisory Group, the proxy solicitation agent, by telephone at: 1-877-452-7184 (North American Toll Free) or 1-416-304-0211 (Collect Outside North America); or by email at: [assistance@laurelhill.com](mailto:assistance@laurelhill.com)**



1040 West Georgia Street, Suite 1500  
Vancouver, British Columbia, V6E 4H1

## INFORMATION CIRCULAR

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1040 West Georgia Street, Suite 1500  
Vancouver, British Columbia, V6E 4H1

## INFORMATION CIRCULAR

as at April 20, 2018 *except as otherwise indicated*

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Taseko Mines Limited (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on June 7, 2018 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.** In this Information Circular, references to “the Company”, “Taseko”, “we” and “our” refer to Taseko Mines Limited. The “board of directors” or the “Board” means the board of directors of the Company. “Common Shares” means common shares without par value in the capital of the Company. “Taseko Shareholders” and “Shareholders” refer to shareholders of the Company. “Registered Shareholders” means Shareholders of the Company who hold Common Shares in their own name. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “Intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. “HDI” means Hunter Dickinson Inc., a private mining services company, providing technical, financial, administrative, and management services to Taseko and to several other publicly-traded companies. “HDSI” means Hunter Dickinson Services Inc., a wholly-owned subsidiary of HDI. For additional information on HDI and HDSI see “Interest of Informed Persons in Material Transactions – About Hunter Dickinson Inc. and Hunter Dickinson Services Inc.”

The Board has approved the contents and distribution of this Information Circular. All dollar amounts referred to herein are in Canadian currency unless otherwise indicated.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company has also retained Laurel Hill Advisory Group (“**Laurel Hill**”) to assist it in connection with the Company’s communications with shareholders. In connection with these services, Laurel Hill is expected to receive a fee of approximately \$35,000 plus out-of-pocket expenses. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

### Notice-and-Access

The Company has chosen to deliver the Notice of Meeting of its Shareholders, the information circular (the “**Information Circular**”) and form of Proxy forming the proxy-related materials (the “**Proxy Materials**”) using Notice-and-Access provisions, which govern the delivery of proxy-related materials to Shareholders utilizing the internet. Notice-and-Access provisions are found in section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), for delivery to registered Shareholders, and in section 2.7.1 of National Instrument 54-101 – *Communication with Beneficial*

*Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), for delivery to beneficial Shareholders (together “**Notice-and-Access Provisions**”).

Notice-and-Access Provisions allow the Company to choose to deliver Proxy Materials to Shareholders by posting them on a non-SEDAR website (usually the reporting issuer’s website or the website of their transfer agent), provided that the conditions of NI 51-102 and NI 54-101 are met, rather than by printing and mailing the Proxy Materials. Notice-and-Access Provisions can be used to deliver materials for both general and special meetings. The Company may still choose to continue to deliver Proxy Materials by mail, and shareholders are entitled to request a paper copy of the Proxy Materials, and more particularly, the Information Circular, be mailed to them at the Company’s expense.

Use of Notice-and-Access Provisions reduces paper waste and the Company’s printing and mailing costs. Under Notice-and-Access Provisions the Company must send a notice and form of proxy (the “notice package”) to each Shareholder, including Registered and Beneficial Shareholders, indicating that the Proxy Materials have been posted and explaining how a Shareholder can access them or obtain a paper copy of the Proxy Materials, including the Information Circular, from the Company. This Information Circular has been posted in full, together with the Notice of Annual General Meeting and the form of Proxy, on the Company’s website at <https://www.tasekomines.com/investors> and under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

**The Information Circular contains details of matters to be considered at the Meeting.  
Please review the Information Circular before voting.**

#### **How to Obtain Paper Copies of the Information Circular**

Any Shareholder may request a paper copy of the Information Circular be mailed to them at no cost by contacting the Company at 1040 West Georgia Street, Suite 1500, Vancouver, British Columbia V6E 4H1; by telephone: 778-373-4533; by telephone toll-free: 1-877-441-4533 or by fax: 778-373-4534. A Shareholder may also use the toll-free number noted above to obtain additional information about Notice-and-Access Provisions.

To allow adequate time for a Shareholder to receive and review a paper copy of the Information Circular and then to submit their vote by **2 p.m. (Pacific Time) on Tuesday, June 5, 2018** (the “**Proxy Deadline**”), a Shareholder requesting a paper copy of the Information Circular as described above, should ensure such request is received by the Company no later than **May 22, 2018**. Under Notice-and-Access Provisions Proxy Materials must be available for viewing for up to one year from the date of posting and a paper copy of the Proxy Materials can be requested at any time during this period. To obtain a paper copy of the Information Circular after the Meeting date, please contact the Company.

Pursuant to Notice-and-Access Provisions, the Company has set the record date for the Meeting to be at least 40 days prior to the shareholder meeting in order to ensure there is sufficient time for the Proxy Materials to be posted on the applicable website and for them to be delivered to Shareholders. The requirements of the Notice of Meeting included with the Company’s notice package, and in which the Company must (i) provide basic information about the Meeting and the matters to be voted on, (ii) explain how a Shareholder can obtain a paper copy of the Information Circular and any related financial statements and related management discussion and analysis, and (iii) explain the Notice-and-Access Provisions process; have been built into the Notice of Meeting. The Notice of Meeting has been delivered to Shareholders by the Company, along with the applicable voting document: a form of Proxy in the case of registered Shareholders; or a Voting Instruction Form in the case of Non-Registered (Beneficial) Holders.

The Company will not rely upon the use of 'stratification'. Stratification occurs when a reporting issuer using Notice-and-Access Provisions provides a paper copy of its information circular with the notice to be provided to its shareholders as described above. In relation to the Meeting, all Shareholders will have received the required documentation under Notice-and-Access Provisions and all documents required to vote in respect of all matters to be voted on at the Meeting. Shareholders will **not** receive a paper copy of the Information Circular from the Company, or from any intermediary, unless such Shareholder specifically requests one.

All Shareholders may call 1-877-441-4533 (toll-free) in order to obtain additional information relating to Notice-and-Access Provisions or to obtain a paper copy of the Information Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the "**Proxy**") are directors or officers of the Company. If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy. If your Common Shares are held in physical (i.e. paper) form and actually registered in your name, then you are a Registered Shareholder. However, if like most shareholders you keep your Common Shares in a brokerage account, then you are a Beneficial Shareholder and the manner for voting is different for Registered and Beneficial Shareholders, so you need to carefully read the instructions below.

### **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy as recommended by management of the Company. However, under NYSE American Exchange ("**NYSE American**") rules, a broker who has not received specific voting instructions from the Beneficial Owner may not vote the shares in its discretion on behalf of such Beneficial Owner on "non-routine" proposals, although such shares will be included in determining the presence of a quorum at the Meeting. Thus, such broker "non-votes" will not be considered votes "cast" for purposes of voting on the election of Directors. The ratification of the appointment of the Company's auditors, qualifies as a "routine" proposal that brokers may vote upon without having received specific voting instruction from the Beneficial Owner; any broker "non-votes" with respect to this matter will not be considered votes "cast" and therefore will have no effect on the vote with respect to the appointment of the auditors.

### **Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders who choose to submit a proxy may do so using one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) use the internet through Computershare's website at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions on Computershare's website and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In any case the Registered Shareholder must ensure the Proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof.

### **Beneficial Shareholders**

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Many shareholders are "beneficial" shareholders because the Common Shares of the Company they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a registered shareholder in respect of Common Shares which are held on behalf of that person but which are registered either: (a) in the name of an Intermediary that the Beneficial Shareholder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered in the name of the shareholder's broker or an Intermediary. The vast majority of such Common Shares are registered, in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and, in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks). In accordance with the requirements of National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer ("**NI 54-101**"), the Company distributes copies of the Notice of Meeting, this Information Circular and the form of proxy (collectively, the "**Meeting Materials**") to the appropriate depository and intermediaries for onward distribution to Beneficial Shareholders. The Company does not send Meeting Materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to all Beneficial Shareholders for whom they hold Shares unless such Beneficial Shareholders have waived the right to receive them. The Company has elected to pay for the delivery of Meeting Materials to objecting beneficial shareholders. Intermediaries often use service companies to forward the Meeting Materials to Beneficial Shareholders.

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy or voting instruction form (“**VIF**”) supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and in the United States.

Broadridge typically mails a scannable VIF instead of the form of proxy. Beneficial Shareholders are asked to complete the VIF and return it to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders may call a toll-free number or go online to [www.proxyvote.com](http://www.proxyvote.com) to vote. Taseko may utilize the Broadridge QuickVote™ service to assist Shareholders with voting their shares. Certain Beneficial Shareholders who have not objected to Taseko knowing who they are (non-objecting beneficial owners) may be contacted by Laurel Hill Advisory Group to conveniently obtain a vote directly over the phone.

The VIF will name the same persons as the Company’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), different from those persons designated in the VIF, to represent you at the Meeting. To exercise this right, insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with the instructions set out in the VIF and this Information Circular. Once it has received all VIFs sent in, Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge’s instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted as per your instructions, or (b) to have any alternate representative chosen by you duly appointed to attend and vote your Common Shares at the Meeting.

These security holder materials are sent to both registered and beneficial owners of the securities of the Company.

### **Notice to Shareholders in the United States**

The solicitation of proxies and the transactions contemplated in this Information Circular involve securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (the “**BCA**”), as amended, all but one of its directors and its executive officers are residents of Canada, and substantially all of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

## Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare by fax within North America at 1-866-249-7775, outside North America at 1-416-263-9524, or by mail or by hand delivery at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

Beneficial Shareholders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with revocation procedures set out above.

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed in this Information Circular, no director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any binding matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Common Shares of the Company are listed for trading on the Toronto Stock Exchange (the "TSX") and on the NYSE American. The Board has fixed April 20, 2018 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of the Record Date, there were 227,160,584 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor is there cumulative or similar voting rights attached to the Common Shares.

The directors and executive officers of the Company do not know of any person or corporation beneficially owning, directly or indirectly, or exercising control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common of the Company as of the Record Date.

## FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the fiscal year ended December 31, 2017, the related report of the auditor, and the annual management discussion and analysis and annual information form will be placed before the Meeting. The Company's Annual Information Form is specifically incorporated by reference into, and forms an integral part of, this Information Circular. These documents have all been filed with the securities commissions or similar regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador. Copies of the documents may be obtained by a Shareholder upon request without charge from Investor Relations, Taseko Mines Limited, Suite 1500 – 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, telephone: 778-373-4533 or 1-800-667-2114. These documents have been filed and are available for review under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

## VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. With respect to the election of directors, there are seven director positions to be filled. If there are more nominees for election as directors, pursuant to the Advance Notice Provisions (see "*Advance Notice Provisions*" below), than there are vacancies to fill, the seven nominees receiving the greatest number of votes will be elected. If the number of nominees for election is equal to the number of vacancies to be filled, all such nominees will be declared elected by acclamation. Subject to the majority vote policy described below, the seven nominees receiving the highest number of votes are elected, even if a director gets fewer "for" votes than "withhold" votes. Similarly, unless there is a nomination from the floor for an alternative auditor, the auditor proposed by management will be elected.

## ELECTION OF DIRECTORS

The size of the Board is currently set at eight as that was the number fixed at the 2017 annual shareholders meeting. It is intended that the number of directors to be elected by the shareholders be set at seven. Therefore the Shareholders will be asked at the Meeting to approve an ordinary resolution to set the number of persons to be elected to the Board at seven. The Board currently consists of nine directors.

All of the seven director nominees are currently directors of Taseko, and all have agreed to stand for election. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company or, if no director is then elected, until a successor is elected or appointed.

### **Majority Vote Policy**

The Board has adopted a policy that if the votes "for" the election of a director nominee at a meeting of shareholders are fewer than the number voted "withhold", the nominee will submit his or her resignation promptly after the meeting for the consideration of the Nominating and Governance Committee. The Committee will make a recommendation to the Board after reviewing the matter, and the Board will then decide within 90 days after the date of the meeting of shareholders whether to accept or reject the resignation. The Board will accept the resignation absent exceptional circumstances. The Board's decision to accept or reject the resignation will be disclosed by way of a press release, a copy of which will be sent to the TSX. If the Board does not accept the resignation, the press release will fully state the reasons for the decision. The nominee will not participate in any Committee or Board deliberations

whether to accept or reject the resignation. This policy does not apply in circumstances involving contested director elections.

The following table sets out the names of management's seven nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercises control or direction. The share ownership information was supplied to the Company by insider reports available at [www.sedi.ca](http://www.sedi.ca) as of the Record Date.

### Advance Notice Provisions

As announced in the Company's Information Circular dated May 6, 2013, which was SEDAR filed on May 10, 2013, the Board submitted amendments to the Articles of the Company to include advance notice provisions (the "**Advance Notice Provisions**") for approval by the shareholders. A copy of the Advance Notice Provisions was included as Schedule "A" to the same Information Circular dated May 6, 2013. The amended Articles were ratified and approved by the Company's shareholders at the Company's annual general and special meeting held on June 6, 2013 and are available for review on the Company's website ([www.tasekomines.com](http://www.tasekomines.com)).

The Advance Notice Provisions provide shareholders, directors and management of the Company with a clear framework for nominating directors. Among other things, the Advance Notice Provisions fix a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Company has not received notice of a nomination in compliance with the Company's Articles, and, as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

The following table sets out the names of the nominees for election to the Board, all major offices and positions with the Company and any of its significant affiliates each now holds, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercises control or direction.

<b>Nominee Position with the Company and Province or State and Country of Residence</b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
Geoffrey A. Burns Director British Columbia, Canada	Since May 16, 2016	Nil <sup>(2)</sup>
Anu Dhir Director Ontario, Canada	Since September 2018	8,500 <sup>(3)</sup>
Robert A. Dickinson Director British Columbia, Canada	Since January 1991	3,572,268 <sup>(4)</sup>
Russell E. Hallbauer President, Chief Executive Officer and Director British Columbia, Canada	Since July 2005	3,637,466 <sup>(5)</sup>
Alexander G. Morrison Lead Director Colorado, USA	Since April 2011	33,800 <sup>(6)</sup>

Nominee Position with the Company and Province or State and Country of Residence	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
Richard A. Mundie Director British Columbia, Canada	Since January 2010	100,000 <sup>(7)</sup>
Ronald W. Thiessen Chairman of the Board and Director British Columbia, Canada	Since October 1993	1,300,795 <sup>(8)</sup>

**Notes:**

- (1) The information as to Common Shares beneficially owned or controlled is not within the knowledge of management of the Company. The share ownership information was supplied to the Company by insider reports available at www.sedi.ca as of April 20, 2018
- (2) Mr. Burns holds options to purchase 172,000 Common Shares and he holds 124,000 deferred share units, details of which are disclosed in the Incentive Plan Awards table under Director Compensation, see "Statement of Executive Compensation."
- (3) Ms. Dhir also holds options to purchase 122,000 Common Shares and 44,000 deferred share units, details of which are disclosed in the Incentive Plan Awards table under Directors Compensation, see "Statement of Executive Compensation"
- (4) Of these Common Shares, 2,934,400 Common Shares are held indirectly by Mr. Dickinson in an RRSP. Mr. Dickinson also holds options to purchase an aggregate of 436,000 Common Shares and he holds 328,000 deferred share units, details of which are disclosed in the Incentive Plan Awards table under Director Compensation, see "Statement of Executive Compensation."
- (5) Of these Common Shares 1,050,218 are held indirectly by Mr. Hallbauer, as an aggregate of 259,494 Common Shares are held by affiliates of Mr. Hallbauer and an aggregate of 790,724 Common Shares are held by companies over which Mr. Hallbauer exercises control. Mr. Hallbauer also holds, in aggregate, options to purchase 1,872,000 Common Shares and he holds 560,000 performance share units, details of which are disclosed in the Incentive Plan Awards table under NEO Compensation, see "Statement of Executive Compensation."
- (6) Mr. Morrison holds options to purchase 266,000 Common Shares and 392,962 deferred share units, details of which are disclosed in the Incentive Plan Awards table under Director Compensation, see "Statement of Executive Compensation."
- (7) Mr. Mundie holds options to purchase 436,000 Common Shares and he holds 359,447 deferred share units, details of which are disclosed in the Incentive Plan Awards table under Director Compensation, see "Statement of Executive Compensation."
- (8) Of these Common Shares, 163,600 Common Shares are held indirectly by Mr. Thiessen in an RRSP and 229,500 Common Shares are held by Mr. Thiessen, in trust, for an affiliate. Mr. Thiessen also holds options to purchase 563,000 Common Shares and he holds 423,962 deferred share units, details of which are disclosed in the Incentive Plan Awards table under Director Compensation, see "Statement of Executive Compensation."

**Penalties, Sanctions and Orders**

Except as disclosed below, within the last 10 years before the date of this Information Circular, no director of the Company was a director or executive officer of any company (including the Company in respect of which this Information Circular is prepared) or acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

As publicly disclosed at [www.sedar.com](http://www.sedar.com), in September, 2012, Great Basin Gold Ltd. (“**GBG**”), a company for which Mr. Ronald W. Thiessen and Ms. Anu Dhir were at the time directors, became bankrupt due to heavy indebtedness, mine production issues and falling gold prices.

### **Biographical Information**

The following information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.

#### *Geoffrey A. Burns, B.Sc., M.B.A. – Director*

Geoffrey Burns brings over thirty years of senior management experience in the mining industry to Taseko. He is currently the Chairman of Maverix Metals Inc. and until December 2015 was the President, CEO and a Director at Pan American Silver Corp. (“**PASC**”). During his 12 year tenure at PASC, the company increased its annual silver production from 7.5 million ounces to over 26 million ounces to become the second largest primary silver producer in the world. He has extensive experience throughout North and South America in mine operations and project development having participated in numerous mine construction projects from feasibility study into continuous operation. He has also led numerous capital market transactions including placements of equity, debt and convertible debt, and was instrumental in completing several cornerstone acquisitions for PASC. Mr. Burns holds a B.Sc. Major in Geology from McMaster University, and an MBA from York University.

Mr. Burns also served a two year term as President of the Silver Institute, a non-profit international association of producers, refiners, silversmiths and bullion suppliers dedicated to the development and uses of silver and silver products in the global marketplace.

Mr. Burns is, or within the past five years was, an officer and/or a director of the following public companies:

<b>Company</b>	<b>Positions Held</b>	<b>From</b>	<b>To</b>
Maverix Metals Inc.	Director and Chairman	January 2016	Present
Pan American Silver Corp.	Director	July 2003	December 2015
	President and CEO	May 2004	December 2015
Taseko Mines Limited	Director	May 2016	Present

#### *Anu Dhir – Director*

Anu Dhir is a co-founder and executive of ZinQ Mining, a private base metals and precious metals royalty company that focuses on the Latin America region. Ms. Dhir is also the Managing Director of Miniqs Limited, a private group primarily interested in developing resource projects. Prior to Miniqs and ZinQ Mining, Ms. Dhir was Vice President, Corporate Development and Company Secretary at Katanga Mining Limited. Previously, Ms. Dhir was lead non-executive director of Frontier Rare Earths from July 2008 until January 2016 where she also served as chair of the Audit Committee. She also previously served as non-executive director of Energulf Resources from August 2013 until September 2015. She also previously served as lead non-executive director of Atlatsa Resources Corporation from July 2008 until December 2014, where she also served as the chair of the Compensation Committee and of the Investment Committee, and as a member of the Audit & Risk Committee and the Health, Safety and

Sustainability Committee. She has also previously served as non-executive director of Great Basin Gold Limited from 2011 to 2013, where she also served as chair of the Corporate Governance Committee and as a member of the Compensation Committee.

Ms. Dhir is also non-executive director of Trillium Health Partners since 2017, where she also serves as a member of the Finance & Audit Committee and the Quality & Program Effectiveness Committee. Ms. Dhir holds a BA from the University of Toronto and a law degree (Juris Doctor) from Quinnipiac University, Connecticut, United States.

Ms. Dhir is, or within the past five years was, an officer and/or a director of the following public companies:

<b>Company</b>	<b>Positions Held</b>	<b>From</b>	<b>To</b>
Atlatsa Resources Corporation	Director	July 2008	December 2014
EnerGulf Resources Ltd.	Director	August 2013	September 2015
Frontier Rare Earths Limited	Director	July 2008	January 2016
Golden Star Resources Ltd.	Director	February 2014	Present
Great Basin Gold Limited	Director	May 2011	June 2013

*Robert A. Dickinson, B.Sc., M.Sc. – Director*

Robert Dickinson is an economic geologist who has been actively involved in mineral exploration and mine development for over 45 years and who was inducted into the Canadian Mining Hall of Fame in 2012. He is Chairman of HDI and HDSI as well as a director and member of the management team of a number of public companies associated with HDSI. HDI, through HDSI, provides technical, financial, administrative, and management services to Taseko and to several other publicly-traded companies. He is also President and Director of United Mineral Services Ltd., a private resources company. He also serves as a Director of Britannia Mine Museum and Trustee of the BC Mineral Resources Education Program.

Mr. Dickinson is, or was within the past five years, an officer and/or director of the following public companies:

<b>Company</b>	<b>Positions Held</b>	<b>From</b>	<b>To</b>
Amarc Resources Ltd.	Director	April 1993	Present
	Chairman	April 2004	Present
Heatherdale Resources Ltd.	Director	November 2009	Present
Northcliff Resources Ltd.	Director	June 2011	Present
Northern Dynasty Minerals Ltd.	Director	June 1994	Present
	Chairman	April 2004	Present
Quartz Mountain Resources Ltd.	Director	December 2003	Present
	Chairman	June 1, 2018	Present
Taseko Mines Limited	Director	January 1991	Present

*Russell E. Hallbauer, P. Eng. – Director, President and CEO*

Mr. Hallbauer graduated from the Colorado School of Mines with a B.Sc. in Mining Engineering in 1979. He is a Registered Professional Engineer with the Association of Professional Engineers of British Columbia. He has been a member of the Canadian Institute of Mining and Metallurgy since 1975 and is a director and former chairman of the Mining Association of B.C.

In 1983, he joined Teck Corporation's Bullmoose mine, advancing through Engineering and Supervisory positions to become Mine Superintendent in 1987, and in 1992, became General Manager of Quintette. In 1995, he assumed new responsibilities in Vancouver when he was appointed General Manager, Coal Operations, overseeing Teck's three operating coal mines in the Province. In 2002, he was appointed General Manager, Base Metal Joint Ventures, responsible for Teck Cominco's interests in Highland Valley Copper, Antamina in Peru, and Louvicourt in Quebec. Mr. Hallbauer is a director of HDSI (and HDI), a company providing management and administrative services to several publicly-traded companies (including Taseko), and focuses on directing corporate development and financing activities. HDI, through HDSI, provides technical, financial, administrative, and management services to Taseko and to several other publicly-traded companies.

Mr. Hallbauer is, or was within the past five years, an officer and/or director of the following public companies:

<b>Company</b>	<b>Positions Held</b>	<b>From</b>	<b>To</b>
Curis Resources Ltd.	Co-Chairman	September 2012	November 2014
	Director	November 2010	November 2014
Northern Dynasty Minerals Ltd.	Director	April 2008	February 2016
Taseko Mines Limited	President/CEO/Director	July 2005	Present

*Alexander G. Morrison, CPA, CA – Lead Director*

Mr. Morrison is a mining executive and Chartered Professional Accountant with over 25 years of experience in the mining industry.

Mr. Morrison is a citizen of the United States and is a resident of the State of Colorado.

Mr. Morrison has held senior executive positions at a number of mining companies, most recently serving as Vice President and Chief Financial Officer of Franco-Nevada Corporation from 2007 to 2010. From 2002 to 2007, Mr. Morrison held increasingly senior positions at Newmont Mining Corporation, including Vice President, Operations Services and Vice President, Information Technology. Prior to that, Mr. Morrison was Vice President and Chief Financial Officer of NovaGold Resources Inc., Vice President and Controller of Homestake Mining Company and held senior financial positions at Phelps Dodge Corporation and Stillwater Mining Company. Mr. Morrison began his career with PricewaterhouseCoopers LLP after obtaining his Bachelor of Arts in Business Administration from Trinity Western University.

Mr. Morrison is, or within the past five years was, an officer and/or director of the following public companies:

<b>Company</b>	<b>Positions Held</b>	<b>From</b>	<b>To</b>
Detour Gold Corporation	Director	May 2010	Present
Pershing Gold Corporation	Director	November 2012	February, 2018
Gold Resource Corporation	Director	March 2016	Present
Taseko Mines Limited	Lead Director	April 2011	Present
Gold Standard Ventures Corp.	Director	August 2017	Present

*Richard A. Mundie, CPA, CA – Director*

Mr. Mundie is a Chartered Professional Accountant with a Bachelor of Commerce degree from the University of British Columbia. Mr. Mundie has held a number of senior leadership positions in the mining sector for over 40 years in key organizations in British Columbia and overseas. From 2005 to 2007, he was Vice President, Asia Affairs and Chief Representative (China), for Teck Cominco Limited.

In this role, he was active in the international mining community and participated in several joint programs to build stronger relationships with the Chinese Government.

Mr. Mundie also held the position of Vice President – Commercial for a period of ten years with Teck Cominco. In this role, he was responsible for marketing the company’s commercial mineral products, gaining invaluable experience in Europe, South America, United States, Japan, Korea, and Taiwan.

Between 1983 and 1995, he held a number of financial and leadership positions with Cominco and in 1992, he assumed the role of Director of Business Development with wide responsibilities for mergers, acquisitions and divestitures. Earlier career positions included a number of finance related roles in the resources sector, transport and public accounting with PricewaterhouseCoopers LLP.

Mr. Mundie is, or within the past five years was, an officer and/or director of the following public companies:

<b>Company</b>	<b>Positions Held</b>	<b>From</b>	<b>To</b>
Panoro Minerals Ltd.	Director	March 2010	September 2016
Taseko Mines Limited	Director	January 2010	Present

*Ronald W. Thiessen, CPA, CA – Chairman of the Board and Director*

Mr. Thiessen is a Chartered Professional Accountant with professional experience in finance, taxation, mergers, acquisitions and re-organizations. Since 1986, Mr. Thiessen has been involved in the acquisition and financing of mining and mineral exploration companies. Mr. Thiessen is a director of HDSI (and HDI), and focuses on directing corporate development and financing activities. HDI, through HDSI, provides technical, financial, administrative, and management services to Taseko and to several other publicly-traded companies.

Mr. Thiessen is, or was within the past five years, an officer and/or director of the following public companies:

<b>Company</b>	<b>Positions Held</b>	<b>From</b>	<b>To</b>
Amarc Resources Ltd.	Director	September 1995	Present
	President and Chief Executive Officer	September 2000	Present
Great Basin Gold Ltd.	Director	October 1993	June 2013
	Chairman	November 2006	June 2013
Northern Dynasty Minerals Ltd.	Director	November 1995	Present
	President and Chief Executive Officer	November 2001	Present
Quartz Mountain Resources Ltd.	Director	December 2011	December 2017
	President and Chief Executive Officer	December 2011	December 2017
Taseko Mines Limited	Director	October 1993	Present
	Chairman	May 2006	Present

### APPOINTMENT OF AUDITOR

KPMG LLP, Chartered Accountants, of P.O. Box 10426, 777 Dunsmuir Street, Vancouver, British Columbia, V7Y 1K3 will be nominated at the Meeting for reappointment as auditor of the Company. KPMG LLP has been auditor of the Company since November 19, 1999.

## CORPORATE GOVERNANCE

### **Mandate of the Board of Directors**

The Board has adopted a formal mandate as outlined in the Corporate Governance Policies and Procedures Manual (the “**Governance Manual**”), most recently amended by the Board on October 27, 2016 and available on the Company’s website. The Governance Manual mandates the Board to: (i) assume responsibility for the overall stewardship and development of the Company and monitor its business decisions, (ii) identify the principal risks and opportunities of the Company’s business and ensure the implementation of appropriate systems to manage these risks, (iii) oversee ethical management and succession planning, including appointing, training and monitoring senior management and directors, and (iv) oversee the integrity of the Company’s internal financial controls and management information systems. In addition, the Governance Manual has written charters for each of its four standing committees. Further, the Governance Manual encourages but does not require continuing education for its directors and it contains a code of ethics and policies dealing with issuance of news releases and disclosure documents, as well as share trading black-outs. The Governance Manual also provides director share ownership guidelines whereby an appropriate level of share ownership for each director represents a value which is equal to three times the base annual fees to be acquired over a period of not more than five years. A copy of the Governance Manual is available for review at the Company’s website ([www.tasekomines.com](http://www.tasekomines.com)).

### **Composition of the Board of Directors**

The applicable corporate governance policies require that the Board determine the status of each director as independent or not, based on each director’s interest in, or other relationship with, the Company. The policies recommend that an exchange listed company’s board of directors have a majority of directors who qualify as independent directors (as defined below). The Board should also examine its size with a view to determining the impact of the number of directors upon the effectiveness of the Board, and the Board should implement a system which enables an individual director to engage an outside advisor at the expense of the Company in appropriate circumstances. The Company’s policies allow for retention of independent advisors for Board members when they consider it advisable.

Under the Company’s policies, an “independent” director is one who “has no direct or indirect material relationship” with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. Generally speaking, a director is considered independent if he or she is free from any employment, business or other relationship. Other possible material relationships include, for example, having been (or having a family member who has been) within the last three years an employee or executive of the Company or having been employed by the Company’s external auditor. An individual who, or whose family member, is or has been within the last three years, an executive officer of an entity, where any of the Company’s current executive officers served at the same time on that entity’s compensation committee, is deemed to have a material relationship, as is any individual who (or whose family members or partners) received directly or indirectly, any consulting, advisory, accounting or legal fee or investment banking compensation from the Company (other than compensation for acting as a director or as a part time chairman or vice-chairman).

The Board currently consists of nine directors of whom six have been determined by the Board to be “independent” directors. The current “independent” members of the Board are Richard A. Mundie, Alexander G. Morrison, William P. Armstrong, Linda E. Thorstad, Geoffrey A. Burns and Anu Dhir. The non-independent directors (and the reasons for that status) are Robert A. Dickinson (former Chairman of the Board and compensated advisor), Russell E. Hallbauer (President and Chief Executive Officer), and Ronald W. Thiessen (compensated Chairman of the Board). Mr. Armstrong and Ms. Thorstad have elected to retire from the Board and will not stand for re-election at the Meeting. The Company intends to

actively seek one or more new directors with complementary experience and skill sets to replace these retiring directors.

Messrs. Dickinson and Thiessen serve on boards of directors of other publicly traded companies associated with a private management company, HDI. Messrs. Hallbauer, Dickinson and Thiessen are also principals of HDI. HDI invoices Taseko for their executive services as well as other services, including geological, accounting and administrative services which do not exceed the fair market value of such services. Other than Mr. Hallbauer, none of the other directors of the Company is a full time employee.

The Articles of the Company and Section 122(3) of the BCA permit the Board to appoint additional directors between annual meetings, to a maximum of 1/3 of the number of directors elected at the last annual meeting.

The Board has established a Nominating and Governance Committee to formalize the process of ensuring the retention and recruitment of high caliber directors and proper director succession planning. The Committee currently consists of three independent directors: Linda E. Thorstad (Chair), Richard A. Mundie and Alexander G. Morrison. Ms. Thorstad has elected to retire from the Board and will not stand for re-election as a director at the Meeting. This Committee recommends to the Board the nominees for election as directors at the Meeting.

The Board meetings regularly include reviews of the effectiveness of senior management. The Board is of the view that its communication policy among senior management, Board members and shareholders who make enquiries is good. The Board has also established a practice of holding private meetings of the independent directors without non-independent directors and management present following regularly scheduled Board meetings. The number of these meetings has not been recorded but it would be less than five in the financial year that commenced on January 1, 2017. The Board expects and encourages independent directors to bring up issues and concerns that they may have. The Board has appointed Alexander G. Morrison, an independent director, as Lead Director, and as such Mr. Morrison's mandate includes ensuring that the Board carries out its responsibilities effectively and independently from management.

The Board believes that adequate structures and processes are in place to facilitate the functioning of the Board with a sufficient level of independence from the Company's management. The Board is satisfied with the integrity of the Company's internal control and financial management information systems.

### **Committees of the Board of Directors**

Corporate governance policies require that (i) the audit and risk committee of every board of directors must be composed only of independent directors, and the role of the audit and risk committee must be specifically defined and include the responsibility for overseeing management's system of internal controls, (ii) the audit and risk committee have direct access to the company's external auditor, and suggest that (iii) the compensation and nominating and governance committees of the board of directors of a listed company should be composed of all independent directors, and that other committees, generally be composed of at least a majority of independent directors, and (iv) every board of directors expressly assume responsibility, or assign to a committee of directors responsibility, for development of the company's approach to governance issues.

As well as an Audit and Risk Committee, the Board also has a Compensation Committee, a Nominating and Governance Committee and an Environmental, Health and Safety Committee. For information concerning the Audit and Risk Committee please see pages 87-89, and Appendix A, of the Company's Annual Information Form filed under the Company's SEDAR profile on March 29, 2018.

### *Compensation Committee*

The Board has established a Compensation Committee to assist the Board in carrying out its responsibilities relating to executive and director compensation, as well as the fiduciary oversight of the Company's non-executive employee compensation plans. The Compensation Committee performs all duties relating to this mandate, including the annual review and recommendation to the Board on various forms of compensation and related program considerations, including director's pay for service on the Board and on other committees. The Compensation Committee is also responsible for the granting of stock options and other equity based compensation, evaluation of the performance of Officers and the review of succession plans with the Chairman and Chief Executive Officer. The Compensation Committee also recommends to the Nominating and Governance Committee the qualifications and criteria for membership on the Committee.

The Compensation Committee is currently composed of Alexander G. Morrison (Chair), William P. Armstrong, Richard A. Mundie and Anu Dhir, all of whom are independent directors. Mr. Armstrong has elected to retire from the Board and not to stand for re-election as a director at the Meeting. During 2017, the committee met four times. As a result of their education and experience, each member of the Compensation Committee has familiarity with, an understanding of, or experience in compensation-related matters for Officer and non-Officer personnel as well as the administration of equity-based compensation. Specifically:

- Mr. Morrison (Chair of the Compensation Committee) is a Chartered Professional Accountant with over 25 years of experience in the mining sector where he has held numerous senior executive positions with public companies, and is currently on the Compensation Committee for Detour Gold Corporation, Gold Standard Ventures Corp. and Gold Resource Corporation.
- Mr. Armstrong has more than 45 years of mining operations experience.
- Mr. Mundie has held a number of senior leadership positions in the mining sector for over 25 years.
- Ms. Dhir has a unique combination of business, operations and legal experience in the mining, oil and gas and technology sectors and has held a number of directorships with public companies and currently sits on the Compensation Committee for Golden Star Resources Ltd.

See disclosure under "Election of Directors – Biographical Information" for relevant education and experience of members of the Compensation Committee.

The Compensation Committee charter is included in the Governance Manual, and is available for viewing at the Company's website at [www.tasekomines.com](http://www.tasekomines.com).

### *Nominating and Governance Committee*

The Board has established a Nominating and Governance Committee ("**NGC**") which consists of Linda E. Thorstad (Chair), Richard A. Mundie and Alexander G. Morrison. Ms. Thorstad has elected to retire from the Board and not to stand for re-election as a director at the Meeting. The NGC charter is included in the Governance Manual and is available for viewing at the Company's website at [www.tasekomines.com](http://www.tasekomines.com).

The NGC is given the responsibility of developing and making recommendations to the Board concerning the Company's approach to corporate governance. The NGC also assists members of the

Board in carrying out their duties, and reviews with the Board the rules and policies applicable to governance of the Company to ensure the Company remains in full compliance with proper governance practices and that the Governance Manual is routinely updated.

The nominating function of the NGC is to evaluate and recommend to the Board the size of the Board and certain persons as nominees for the position of director of the Company. However, the NGC does not set specific minimum qualifications for director positions. Instead, the NGC believes that nominations for election or re-election to the Board should be based on a particular candidate's merits, skills and the Company's needs after taking into account the current composition of the Board. When evaluating candidates annually for nomination for election, the NGC considers each individual's skills, the overall diversity needs of the Board (skills mix, age profiles, gender, and work and life experience) and independence and time availability. The NGC seeks to achieve for the Board a balance of industry and business knowledge and experience, including expertise in the mining industry, in regulatory and public policy issues, in management and operations and in transactional situations as well as independence, financial expertise, public company experience, sound judgment and reputation.

### Board Diversity

The NGC believes that a diverse Board offers depth of perspective and enhances Board operations. The NGC strives to identify the candidates with the ability to strengthen the Board. The NGC does not specifically define diversity, but considers diversity of experience, education, gender, and ethnicity as part of its overall annual evaluation of director nominees.

The Board appreciates that women have been under-represented on Canadian boards, and the Company believes that enhancing gender diversity will strengthen the Board. The Board does not establish specific quotas for any selection criteria, as the composition of the Board is based on numerous factors and selection is often a function of the "best available" candidate. The Company is committed to a merit based system for Board composition with a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Company will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board. Currently, the Board includes two female directors, but Ms. Thorstadt will not be standing for re-election at the Meeting.

The Company has not adopted an express policy specifically addressing gender diversity, nor has the Company set any numerical or timeline objectives for increasing gender diversity.

Due to the relatively smaller size of the Company amongst producing companies, the Board does not consider it necessary to implement a specific gender diversity policy at this time but the matter remains under review. Should a specific gender diversity policy be considered to be of increasing importance in the future, any policy adopted will be explained to shareholders and their input will be welcomed.

### Director Term Limits

The Company has not set mandatory age or term limits for its directors or senior officers as it focuses on measurable performance rather than employing arbitrary age thresholds which are of dubious legality in light of discrimination laws.

The Company's code of ethics as set out in the Governance Manual, provides a framework for undertaking ethical conduct in employment. Under its code of ethics the Company will not tolerate any form of discrimination or harassment in the workplace. The Company also has whistleblower policies to monitor these issues.

The Company also has formal procedures and whistleblower policies for assessing the effectiveness of Board committees as well as the Board as a whole. This function is carried out annually by/or under supervision of the NGC, and those evaluations and assessments are then provided to the Board.

#### *Environmental, Health and Safety Committee*

The Board has established an Environmental, Health and Safety Committee consisting of William P. Armstrong (Chair), Linda E. Thorstad, Robert A. Dickinson and Geoffrey A. Burns. Mr. Armstrong has elected to retire from the Board and not to stand for re-election as a director at the Meeting. The Environmental, Health and Safety Committee charter is included in the Governance Manual and is available for viewing at the Company's website at [www.tasekomines.com](http://www.tasekomines.com). The Environmental, Health and Safety Committee reviews and monitors environmental, health and safety issues relevant to the Company.

#### *Committee Reconstitution*

As a result of the fact that Ms. Thorstad and Mr. Armstrong have elected to retire from the Board and not to stand for re-election as directors at the Meeting, the Board intends to appoint a new Nominating and Governance Committee, Compensation Committee and Environmental, Health and Safety Committee following the Meeting.

#### **Board Decisions**

Good governance policies require the board of directors of a listed company, together with its chief executive officer, to develop position descriptions for the chair of each Board committee, for the Chairman of the Board, and for the chief executive officer, including the definition of limits to management's responsibilities. Any responsibility which is not delegated to senior management or to a Committee of the Board remains with the full Board. The Board has approved written position descriptions for the Chairman of the Board and the Chairpersons of Board Committees.

The Board generally requires that all material transactions (including those in excess of \$5 million) receive prior Board approval. In this regard, virtually all financing transactions are considered material to the Company. Any property acquisitions and significant exploration programs in excess of \$5 million must also receive approval of the plenary Board. The Governance Manual includes provisions that deal with these and other related items.

#### **Governance Policies for Board of Directors and Directors' Attendance at Meetings**

Good governance policies require that (i) the board of directors of every listed company implement a process for assessing the effectiveness of the board of directors and the committees of the board and the contribution of individual directors, (ii) every company provide an orientation and education program for new directors, and (iii) the board of every listed company review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director.

As noted above, the NGC has developed a formal procedure for assessing and evaluating effectiveness of committees as well as the Board as a whole and is of the view that the Board operates in an effective and legally compliant manner. This function is carried out annually.

The following table sets forth the record of attendance of Board and committee meetings by the Directors for the fiscal year ended December 31, 2017:

Director	Board Meetings	Audit and Risk Committee	Nominating and Governance Committee	Compensation Committee	Environmental Health and Safety Committee
William P. Armstrong	7 of 7	N/A	N/A	4 of 4	1 of 1
Geoffrey A. Burns	7 of 7	4 of 4	N/A	N/A	1 of 1
Robert A. Dickinson	6 of 7	N/A	N/A	N/A	1 of 1
Russell E. Hallbauer	6 of 7	N/A	N/A	N/A	N/A
Alexander G. Morrison	7 of 7	4 of 4	4 of 4	4 of 4	N/A
Richard A. Mundie	7 of 7	4 of 4	4 of 4	4 of 4	N/A
Ronald W. Thiessen	7 of 7	N/A	N/A	N/A	N/A
Linda E. Thorstad	7 of 7	N/A	4 of 4	N/A	1 of 1
Anu Dhir <sup>(1)(2)</sup>	1 of 1	N/A	N/A	Nil	N/A

**Notes:**

- <sup>(1)</sup> Ms. Dhir joined the Board on September 29, 2017, and only one Board meeting was held thereafter.
- <sup>(2)</sup> Ms. Dhir became a member of the Compensation Committee on September 29, 2017 and no Compensation Committee meetings were held thereafter.

**Other Directorships**

See “Biographical Information” under “Election of Directors” above in this Information Circular for details of other reporting issuers of which each director is a director or officer.

**Orientation and Continuing Education**

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company’s properties, business, technology and industry and on the responsibilities of directors. Board meetings also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

**Ethical Business Conduct**

The Board has adopted what it considers a “best practices” ethical conduct policy which is included in the Governance Manual and is available on the Company’s website. The Board has implemented an annual procedure whereby directors, senior officers and department heads within the Company sign off on, and certify that they have read and understand the Company’s code of ethics and that they are unaware of any violations thereof. Each department head would ensure that the code of ethics is complied with within his or her department.

**Shareholder Engagement**

The Board of Directors believes that regular and constructive engagement between the Board and the Company’s shareholders on governance matters is of primary importance. Accordingly, the Board has adopted a *Policy on Engagement with Shareholders on Governance Matters* reflecting the foregoing, a copy of which is attached as Appendix 12 to the Manual and is available for viewing at the Company’s website at [www.tasekomines.com](http://www.tasekomines.com).

**Amendments to the Governance Manual**

As part of its shareholder engagement efforts, the Company has included provisions in its Governance Manual, a copy of which is available on the Company’s website, that provide for:

- A “Say on Pay” advisory vote at each annual meeting. See “Particulars of Matters to be Acted Upon – Advisory Resolution on the Company’s Approach to Executive Compensation (Say on Pay)”;
- “Say on Services” advisory vote at each annual meeting, on HDI Fees (as defined below). See “Particulars of Matters to be Acted Upon – Advisory Resolution on the Company’s Approach to Related Service Providers (Say on Services)”;
- A vote on acquisitions or dispositions by disinterested shareholders involving HDI and HDI related parties.

#### *“Say on Pay” and “Say on Services” Policies*

The Board believes that Shareholders should have the opportunity to not only fully understand the objectives, philosophies and principles the Board has used in its approach to executive compensation decisions but to also have an annual advisory vote on such approach to executive compensation. The Board also believes that a similar advisory vote should extend to the Company’s approach to the payment of fees for services by HDI and a related service provider under any services agreement or equivalent. For purposes of this vote, HDI Service Providers (as defined below) includes HDI, and any director, officer, employee or affiliate of HDI, including HDSI, but excludes, to avoid double counting, any person whose remuneration is otherwise disclosed to shareholders as required under securities law policies relating to executive compensation. As noted above, HDI provides Taseko services through HDI’s wholly-owned subsidiary, HDSI.

The purpose of the Say on Pay advisory vote is to provide appropriate director accountability to the Shareholders for the Board’s compensation decisions. The purpose of the Say on Services advisory vote is to provide similar accountability in respect of Board decisions with respect to the fees paid to a HDI Service Providers. Both votes will be advisory votes and the directors will remain fully responsible for their compensation decisions as well as their decisions in respect of the HDI Fees, and will not be relieved of those responsibilities by a positive advisory vote.

A full copy of the Company’s Say on Pay Policy and Say on Services Policy is included in Appendix 11 to the Governance Manual, on the Company’s website at [www.tasekomines.com](http://www.tasekomines.com).

See “Particulars of Matters to be Acted Upon” for more information on the Say on Pay and Say on Services Policies.

#### *HDI Acquisition and Disposition Policy*

In addition to the Company’s already robust procedures for the approval of any related party investments, the Board adopted further amendments to require a disinterested shareholder vote on any material acquisition or disposition of assets, rights or property by the Company from any HDI related person (including HDI, HDSI, and any director, officer, shareholder, employee or affiliate thereof, and including certain entities which currently have relationships with HDI). For the purposes of the policy, a transaction is considered material if the transaction, or any series of transaction, exceeds \$500,000 in value or in which HDI related persons have a financial interest of greater than \$500,000 in value.

#### *Compensation Clawback*

The Board has approved a compensation clawback policy. The Compensation Committee will require employees, officers and directors to reimburse, in all appropriate cases, any bonus, short-term incentive award or amount, or long-term incentive award or amount awarded to the employee, officer or director and any non-vested equity based awards previously granted to the employee, officer or director (collectively “Incentive Compensation”) if:

- (a) the amount of the Incentive Compensation was calculated based upon the achievement of certain financial results that were subsequently during the previous three year period the subject of a material restatement or the correction of a material error;
- (b) the employee, officer or director engaged in intentional misconduct that caused or partially caused the need for the material restatement or caused or partially caused the material error; and
- (c) the amount of the Incentive Compensation that would have been awarded to the employee, officer or director, if the financial results had been properly reported and amount actually awarded would have been lower.

### *Executive Share Ownership Policy*

The Board has approved share ownership targets for the Company's executive officers as follows:

Participant	Target Ownership Level
CEO	3 times base salary
Other Named Executive Officers upon recommendation by the CEO, as approved by the Compensation Committee	1 times base salary
Other Executives, as determined by the CEO	0.5 times base salary.

Common Shares, and any other fully vested share awards (excluding options, share appreciation rights and similar leveraged awards) and 50% of PSUs are counted towards share ownership requirements. For purposes of this policy, common shares, vested share awards and PSUs held by executives are valued at the higher of value at the time of award or acquisition and current market value.

Executives must retain their Common Shares, and invest 50% of the after-tax value of PSU redemptions and option exercises in Common Shares until the target ownership level is met.

Executive officers are expected to fulfill their ownership requirements within five years of becoming subject to the share ownership policy.

## STATEMENT OF EXECUTIVE COMPENSATION

### Highlights

- Taseko's compensation program is structured to be competitive within a peer group of similarly-sized mining companies but is also reflective of both the achievement of operational and financial objectives of the Company and the actual returns to Shareholders. Our compensation philosophy and compensation program elements deliver total compensation to our NEOs (as defined below) at a level commensurate with relative performance versus our peers.
- Our Performance Share Unit Plan only fully pays out if Taseko's share price performance meets, or exceeds, that of our peer group and the inclusion of Total Shareholder Return as a Key Performance Indicator in the Annual Performance Incentive Plan ("**APIP**") is designed to more closely align NEO compensation with Shareholder returns.
- Annual Performance Incentive ("**API**") results reflect performance against pre-established operational and financial targets, but the Board has discretion to claw back earned bonus amounts.

- The Compensation Committee exercised its discretion and chose to deliver a portion of earned 2015 API amounts in Performance Share Units (“**PSUs**”) to further align NEO compensation with Shareholder fortunes. In early 2016, the Compensation Committee determined that 30% of earned API payments for 2015 performance, would be delivered by way of an equivalent value of PSUs, further aligning NEO pay with shareholder experience by tying this pay to share price performance and also helping to protect the financial condition of the Company by eliminating the cash otherwise payable under the APIP.

## **Compensation Discussion and Analysis**

This Compensation Discussion and Analysis describes the executive compensation program and the compensation received under the program by the Named Executive Officers (“**NEOs**”) employed by the Company as of December 31, 2017:

- Mr. Russell E. Hallbauer – President and Chief Executive Officer (“**CEO**”)
- Mr. Stuart McDonald – Chief Financial Officer (“**CFO**”)
- Mr. John W. McManus – Chief Operating Officer (“**COO**”)
- Mr. Scott Jones – Vice President of Engineering (“**VP Engineering**”)
- Mr. Brian Battison - Vice President of Corporate Affairs (“**VP Corporate Affairs**”)

The Compensation Committee provides oversight of the executive compensation program on behalf of the Board. The Compensation Committee is responsible to review, on an annual basis, the compensation paid to the Company’s executive officers and directors; to review performance of the Company’s executive officers; to make recommendations on officer and director compensation to the Board; and to administer the Stock Option Plan and Performance Share Unit Plan. See “Committees of the Board of Directors – Compensation Committee” for more information about the role of the Compensation Committee.

The Compensation Committee follows a process where consideration is given to various inputs including current market data, performance results achieved against individual objectives for each executive officer and overall company performance. In recent years, the Compensation Committee has placed considerable emphasis on ensuring that total compensation and total shareholder returns are aligned within the context of a carefully selected peer group. If it is deemed appropriate, the Compensation Committee may also seek advice from independent consultants.

Based on these assessments and within the context of the Company’s compensation philosophy, the Compensation Committee will make its recommendation for compensation changes and awards for the executive officers to the Board for approval. These compensation recommendations reflect industry data and trends, the general economic outlook as well as the outlook for mining companies and will include input from the Company’s independent compensation advisor (see “External Advice” below).

## **Philosophy and Objectives**

Our executive compensation program is designed to achieve the following objectives:

- (a) attract and retain talented, qualified and effective executives;
- (b) motivate short and long-term corporate and individual performance to enhance the sustainable profitability and growth; and
- (c) align the interests of executives with those of Shareholders.

As Taseko’s compensation philosophy is to ‘pay for performance’, the compensation program is structured to be competitive within a peer group of similarly-sized mining companies, with similar scope

and complexity, to ensure that total compensation opportunity is sufficient to attract and retain qualified executives. While compensation opportunity is competitive, the Compensation Committee strives to ensure that the actual compensation paid (versus the compensation opportunity provided) is reflective of both the achievement of pre-determined operational and financial objectives of the Company and the actual returns to Shareholders, relative to similar investment opportunities in the market. Due to the large percentage of each NEO's compensation package that is variable (or 'at risk') and contingent upon the achievement of various milestones that are linked to Shareholder value, actual compensation has generally reflected relative performance; however, the Compensation Committee (and the Board as a whole) has exercised its judgment and discretion in the past, to override payout formulas based on strong operational and financial performance, when the resulting NEO compensation was not reflective of Shareholder experience.

### External Advice

In each of fiscal 2016 and 2017, the Compensation Committee engaged Lane Caputo Compensation Inc. ("**Lane Caputo**") to provide independent, third party compensation advice regarding appropriate compensation levels and practices for the company's senior executive team (including the NEOs) and directors, the review and redesign of the API and the design of the Company's Performance Share Unit Plan (described below). The following table discloses fees paid to Lane Caputo for such services:

Activity	2017	2016
Executive & Board Compensation Consulting Fees	\$26,538	\$91,459
All Other Fees	Nil	Nil
<b>TOTAL FEES</b>	<b>\$26,538</b>	<b>\$91,459</b>

### Benchmarking

In order to benchmark the compensation arrangements of Taseko's executive team, Lane Caputo develops a peer group of publicly-traded mining companies with similar operations and in similar stages of development (i.e. all with at least one producing mine and other projects in various stages of development). Special attention was paid to those companies mining base metals and who had their common shares listed on both the TSX and an American stock exchange. This peer group, (the "**Compensation Peer Group**"), is revisited from time to time by both Lane Caputo and the Compensation Committee, to ensure continued comparability to Taseko.

For the review of executive and director compensation completed for the Company by Lane Caputo in 2016, the Compensation Peer Group comprised the following 15 companies:

- Alamos Gold Inc.
- Argonaut Gold Inc.
- Capstone Mining Corp.
- Copper Mountain Mining Corp.
- Detour Gold Corp.
- Endeavour Silver Corp.
- Hudbay Minerals Inc.
- Imperial Metals Corp.
- Kirkland Lake Gold Corp.
- North American Palladium Ltd.
- Primero Mining Corp.
- Sherritt International Corp.
- Silver Standard Resources Inc.
- Thompson Creek Metals Company Inc.
- Timmins Gold Corp.

Taseko believes that these companies are appropriate for benchmarking executive compensation because Taseko competes with these companies for executive talent. However, these peers may not be appropriate for other purposes, such as comparing share price performance, given that Taseko's share price is closely tied to the price of copper while many of these peers are tied to precious metals prices. In order to benchmark share price performance for the purposes of that component of the APIP that relates to Relative Total Shareholder Return ("**RTSR**") and the vesting of the Company's PSUs, the vesting of which is also linked to RTSR, Taseko utilizes a peer group of base metals producers against which the

Company competes for investment dollars (the “**Performance Peer Group**”) - please see “Elements of Compensation” below for more information regarding the Performance Peer Group.

### **Elements of Compensation**

The philosophy and objectives of the compensation program are delivered via the following elements of compensation.

#### *Base Salary*

In the Board’s view, paying base salaries that are competitive in the markets in which the Company competes for executive talent is a first step to attracting and retaining talented, qualified and effective executives. The NEOs are paid salaries commensurate with those offered by other companies in our industry, with base salaries targeted at the median values of the competitive market with consideration also given to internal relativity and individual performance.

#### *Annual Performance Incentive Plan*

The executive officers of the Company have an opportunity to earn annual performance incentive compensation based on corporate and individual performance in the context of the overall performance of the Company. The APIP provides for cash payments when pre-determined corporate and individual objectives are met or exceeded. The following components were used in 2017 in determining the API payments for the Company’s NEOs based on a relative weighting formula as follows:

Executive Officer	2017 Target Incentive Payout (% of Salary)	WEIGHTINGS BY COMPONENT	
		Corporate Goals	Individual Goals
Russell E. Hallbauer	120%	80%	20%
Stuart McDonald	60%	60%	40%
John W. McManus	85%	70%	30%
Scott Jones	40%	50%	50%
Brian Battison	40%	50%	50%

Subsequent to December 31, 2017, the Compensation Committee increased Mr. McDonald’s Target Incentive Payout to 80% of his salary as part of a staged plan to increase his compensation to market-competitive levels over a two-year period.

While the elements that comprise the corporate component are the same for each senior executive officer, the individual component contains elements that are relevant and pertain directly to the specific role and responsibilities of each senior executive officer.

The maximum incentive payouts for each NEO are designed to allow each executive to achieve above market cash compensation when corporate and individual performance achieves maximum performance levels, versus pre-established targets. Payments that are ultimately awarded to the NEOs under the API will, from time to time, involve the Board’s application of discretion. Application of discretion by the Board will consider mitigating factors in the determination of bonuses given some factors evolve and will not have been addressed in the performance goals established near the beginning of the fiscal year. The Board believes that potentially important aspects of executive and Company performance are not always strictly quantifiable. For example, events or conditions may occur or arise after performance goals have been established that require the executives to focus on different strategic objectives.

### *Long-term Incentives*

The Company's long term incentives are comprised of two separate plans: the Share Option Plan (“**Option Plan**”); and the Performance Share Unit Plan (“**PSU Plan**”). The Option Plan is designed to promote the long-term success of the Company by strengthening the ability of the Company to attract and retain highly competent employees and promoting greater alignment of interests between executives and Shareholders in the creation of long-term shareholder value. This alignment of interests is facilitated by the strike price of each option granted; if there is no appreciation in Taseko's share price from the price at the date of grant, no value will accrue to the options held by executives.

The PSU Plan is designed to further strengthen the linkage of NEO compensation to Shareholder value creation. Each PSU awarded conditionally entitles the participant to receive one (1) Common Share (or the cash equivalent) upon attainment of the PSU vesting criteria. For 2018, PSUs vest to executives on the third anniversary of the date of grant according to Taseko's RTSR against a peer group of base metals producers that the Company competes with for investment dollars (the “**Performance Peer Group**”), as follows:

<b>Performance Level</b>	<b>Performance Achieved</b>	<b>PSU Vesting</b>
Maximum	RTSR at 100 <sup>th</sup> percentile	250%
Above Target	RTSR at 75 <sup>th</sup> percentile	175%
Target	RTSR at 50 <sup>th</sup> percentile	100%
Below Threshold	RTSR below 25 <sup>th</sup> percentile	0%

Linear interpolation will be applied to determine percentage PSU vesting for RTSR performance between the performance achievement levels shown in the table above.

The Performance Peer Group is comprised of the following companies:

- Amerigo Resources Ltd;
- Capstone Mining Corp.
- Copper Mountain Mining Corp.
- First Quantum Minerals Ltd.
- Hudbay Minerals Ltd.
- Imperial Metals Corp.
- Lundin Mining Corp.
- Sherritt International Corp.
- Teck Resources Ltd.
- Turquoise Hill Resources Ltd.

In determining the number of Options and PSUs to grant each year, the Board will consider the impact on Shareholders, peer group and market data relating to the appropriate level of participation, mining sector economic conditions/outlook and the performance of Taseko relative to a number of factors.

### *2017 Annual Performance Incentive Plan*

In 2017, the Compensation Committee and the Board, with input from the NEOs, set Corporate and Individual goals for the NEOs under the API. Some of the Individual goals for each NEO necessarily related to the Company's development initiatives. The Board was of the opinion that although the achievement of many of these goals will not immediately contribute to near term financial or operating performance or the regulatory approval of the project to which they relate, all are critical milestones in the continued development of the projects in question and should form part of the API metrics for 2017.

The following table provides an overview of the 2017 corporate goals, versus actual performance, for the purposes of the API:

<i>Metric</i>	<i>Measurement</i>	<i>2017 Budget</i>	<i>2017 Actual</i>	<i>Weighting</i>
<b>Operational</b>	<b>Annual copper production vs. budget (lbs)</b>	<b>148 million lbs</b>	<b>141 million lbs</b>	<b>30%</b>
<b>Financial</b>	<b>All-in sustaining costs vs. budget (normalized for Forex)</b>	<b>\$1.19/lb</b>	<b>\$1.27/lb</b>	<b>30%</b>
<b>Corporate Social Responsibility</b>	<b>Annual safety performance (LTA frequency)</b>	<b>4.0</b>	<b>0.6</b>	<b>15%</b>
	<b>Spills and non-Compliant Environmental Events</b>	<b>15</b>	<b>3</b>	<b>15%</b>
<b>Shareholder</b>	<b>Relative Total Shareholder Return<sup>(1)</sup></b>	<b>50<sup>th</sup> Percentile</b>	<b>&gt;75<sup>th</sup> Percentile</b>	<b>10%</b>

Note:

<sup>(1)</sup> Relative to Performance Peer Group.

### *Individual Performance Goals*

The following tables provide an overview of the Individual performance goals for each NEO for the 2017 fiscal year. All goals had target and threshold completion dates within the 2017 calendar year which were then used in part by the Compensation Committee to determine the level of achievement of each goal.

<b>Russell E. Hallbauer</b> President & Chief Executive Officer	As CEO, Mr. Hallbauer is responsible for our overall executive leadership and together with the Board develops the Company's strategic plan and implements it. This includes overall responsibility for operating and growing the business while managing risk to create long-term sustainable shareholder value.
<b>Measurement</b>	<b>Weighting</b>
<ul style="list-style-type: none"> <li>Complete silver stream sale in conjunction with CFO</li> </ul>	33.3%
<ul style="list-style-type: none"> <li>Refinance corporate debt in conjunction with CFO and in the context of the capital market</li> </ul>	33.3%
<ul style="list-style-type: none"> <li>Obtain NOW permit for New Prosperity</li> </ul>	33.3%

<b>Stuart McDonald</b> Chief Financial Officer	As CFO, Mr. McDonald is responsible for periodic financial reporting, maintenance of internal controls, managing the financial risks of the Company, financial planning and forecasting and record keeping.
<b>Measurement</b>	<b>Weighting</b>
<ul style="list-style-type: none"> <li>Complete silver stream sale</li> </ul>	25%
<ul style="list-style-type: none"> <li>Refinance corporate debt in the context of capital markets</li> </ul>	25%
<ul style="list-style-type: none"> <li>Ensure appropriate controls and processes in place for Florence construction</li> </ul>	25%
<ul style="list-style-type: none"> <li>Maintain \$100 million cash on the balance sheet</li> </ul>	25%

<b>John W. McManus</b> Chief Operating Officer	As COO, Mr. McManus is responsible for all activities relating to the operation of the Company's Gibraltar Mine and other projects. These responsibilities include engineering and technical services, project management, construction, field operations, and procurement. Contributes key area expertise in the evaluation of the Company's growth initiatives.
<b>Measurement</b>	<b>Weighting</b>
<ul style="list-style-type: none"> <li>Establish 5 year water management plan at Gibraltar</li> </ul>	33.3%
<ul style="list-style-type: none"> <li>Complete Florence PTF well field except injection wells</li> </ul>	33.3%
<ul style="list-style-type: none"> <li>Obtain NOW permit for New Prosperity</li> </ul>	33.3%

<b>Scott Jones</b> Vice President, Engineering	Mr. Jones is responsible for the direction and planning of the Company's engineering design and processes in new mine development, expansions and acquisitions.
<b>Measurement</b>	<b>Weighting</b>
<ul style="list-style-type: none"> <li>• Complete Aley TSF redesign water balance and preliminary WQ predictions.</li> <li>• Complete approved New Prosperity Site investigation</li> <li>• Establish corporate oversight review of Technical Audits (TSF, pit and dump geotech)</li> <li>• Provide Aley draft AIR to EAO</li> </ul>	<p>25%</p> <p>25%</p> <p>25%</p> <p>25%</p>

<b>Brian Battison</b> Vice President, Corporate Affairs	Mr. Battison is responsible for government and community relations, public communications, policy development and planning. He also involved in Federal and Provincial environmental assessment processes.
<b>Measurement</b>	<b>Weighting</b>
<ul style="list-style-type: none"> <li>• Develop Community action groups in support of Florence in Anthem</li> <li>• Support ADEQ Appeal</li> <li>• Ensure full use of social media and other communication tools in support of Company initiatives</li> </ul>	<p>33.3%</p> <p>33.3%</p> <p>33.3%</p>

### Board Discretion on Compensation

The Compensation Committee, and the Board as a whole, strives to ensure that the total compensation of the Company's NEOs is aligned to the experiences of Shareholders. The Compensation Committee and the Board retain the ability to exercise judgment and discretion over the API payments received by the Company's NEOs to ensure that API payments and resulting total compensation, reflect total returns to Shareholders in the year. The Board exercised its discretion in this regard most recently in 2015 by requiring that a portion of the API payment otherwise payable for 2015 performance be placed further at risk by deferring such payments into PSUs to further align executives' compensation with the experience of Shareholders and also helping to protect the financial condition of the company by eliminating this portion of the cash API award otherwise payable under the API.

For 2016, performance incentive calculations under the APIP resulted in individual NEO performance scores ranging from 117% - 133% of target. With the strong operational and share price performance of the Company in 2016, coupled with a material improvement in financial position, the Board did not feel a need to exercise discretion or bonus deferral in respect of the earned 2016 API payments.

For 2017, performance incentive calculations under the APIP resulted in individual NEO performance scores ranging from 110% - 126% of target. In the course of reviewing the performance metrics outlined above for the NEOs for 2017 the Compensation Committee applied its discretionary powers and judgement to review and consider the performance metrics with respect to operations at the Gibraltar Mine in relation to non-controllable events presented by the wildfire situation during the summer of 2017 and the effect thereof on mine operations. It was determined that had operations not been severely disrupted for the seven week period during which the fires were active the Gibraltar Mine would have met or exceeded the applicable metric targets, thus the Compensation Committee prescribed 100% to achievement of budget with respect to production and costs in terms of the corporate portion of the API metrics.

### Risk Mitigation & Hedging Policy

The Compensation Committee considers whether the Company's compensation policies encourage risk taking by the Company. During 2017, the Compensation Committee considered the implications of the risks associated with the Company's compensation policies and practices and concluded that, given the nature of the Company's business and the role of the Compensation Committee in overseeing the

Company's executive compensation practices, the compensation policies and practices do not serve to encourage any executive officer (or individual at a principal business unit or division) to take inappropriate or excessive risks. Additionally, the Compensation Committee concluded that there were no risks from the Company's compensation policies and practices that were reasonably likely to have a materially adverse effect on the Company.

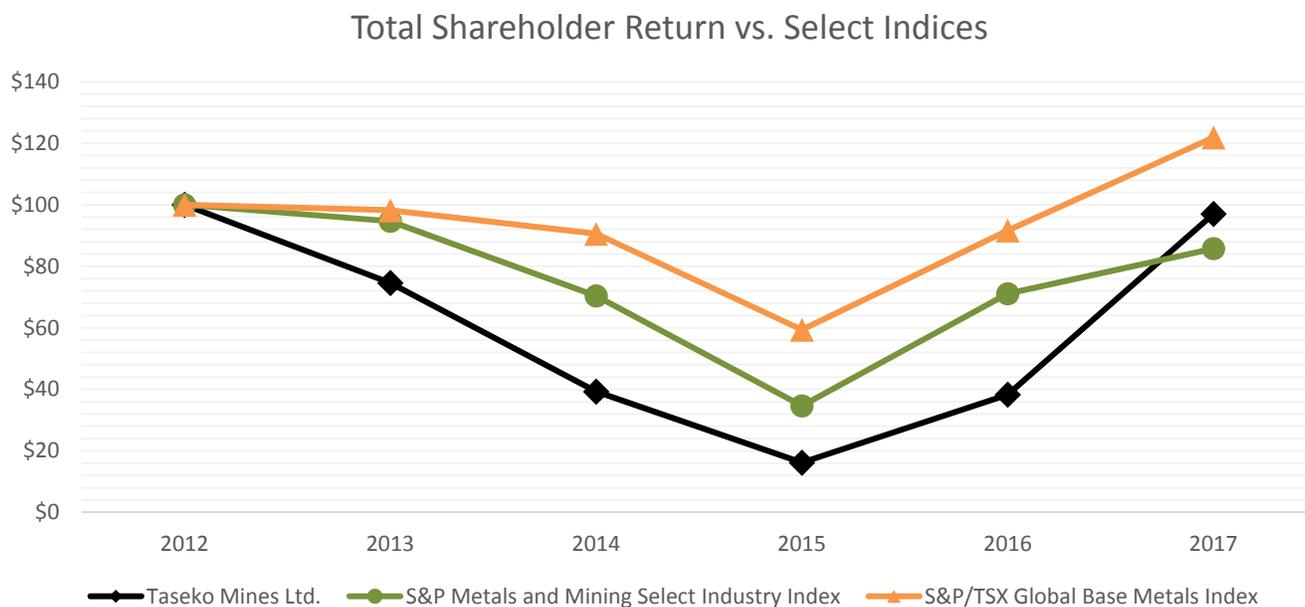
The Compensation Committee believes that the executive compensation program of the Company should not raise its risk profile. Accordingly, the Company's compensation programs include safeguards designed to mitigate compensation risks. The following measures seek to impose appropriate limits to avoid excessive or inappropriate risk-taking or payments:

- The Compensation Committee retains an independent advisor to provide an external perspective of marketplace changes and best practices related to executive compensation design, governance and compensation risk management;
- The Compensation Committee undertakes annual review of the Company's compensation program to ensure competitiveness with the comparator group and trends in compensation practices and governance;
- The Compensation Committee undertakes an annual review of the Company's annual performance incentives, long-term equity incentives, and corresponding performance objectives to ensure continued relevance and applicability to the Company's current stage of development and business strategy;
- Compensation paid to the Company's executive officers is spread between short-term incentives and long-term incentives to mitigate the risk of too much emphasis on short-term goals at the expense of long-term sustainable performance;
- AIP payments are capped at prescribed maximum levels (as a percent of salary) to ensure preservation of capital and to provide upper payout boundaries;
- The Compensation Committee and the Board retain discretion to adjust individual performance objectives during the year to ensure they remain aligned with the evolving priorities of the Company in light of developments during the year. Discretion may also be exercised to increase or decrease payout levels based on a holistic assessment of the Company's performance, ensuring appropriate pay-for-performance alignment and providing the flexibility to make reasonable exceptions when necessary, as with the Board's exercise of discretion in 2015;
- There is a restriction on officers and directors regarding the purchase of financial instruments (including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of both stock options granted as compensation or equity securities held, directly or indirectly, by the officer or director (To the Company's knowledge, no officer or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of stock options granted as compensation or equity securities held during the year ended December 31, 2017);
- In 2018, the Board adopted a compensation clawback policy which applies to all executives, directors and employees. The clawback policy applies to all NEOs, and to short term incentive awards and non-vested long term equity awards which might have been issued to a person subject to the clawback provision. The clawback provision allows the Compensation Committee to retract or cancel previously issued compensation in the event of a material restatement of financial statements, caused by intentional misconduct. See "*Corporate Governance – Amendments to the Governance Manual*" above; and
- Minimum share ownership guidelines were introduced for executives, including all NEOs in 2018 (directors already had ownership requirements) to further align the long-term interests of shareholders and the NEOs. These ownership guidelines require that NEOs hold a minimum

number of Common Shares or Common Share equivalents within five years of joining the Company. See “*Corporate Governance – Amendments to the Governance Manual*” above.

## Performance Graph

The following graph compares the total cumulative Shareholder return, including dividend reinvestment, for \$100 invested in Common Shares of the Company on the TSX for the past five years versus the cumulative total shareholder return for the S&P Metals and Mining Select Industry Index and the S&P/TSX Global Base Metals Index.



### *Executive Compensation Alignment with Shareholder Value*

The Company’s compensation strategy is designed to pay for performance and includes the following philosophical concepts:

- base salary levels are not dependent on share performance; they are determined by internal relativity, individual performance and peer group compensation practices;
- the payment of annual performance incentive is based on the achievement of operational objectives that are intended to drive overall Company performance; and
- the number and value of stock options and PSUs awarded to our NEOs are based on market competitive levels for such awards. The value realized from these equity-based incentives is entirely dependent on Taseko’s share price performance, creating alignment between NEO compensation and Shareholder experience.

As the payment of salary and annual incentive awards are not typically linked to share price performance, we do not expect there to be a direct correlation between total shareholder return and total cash (salary + annual incentive) compensation in a given period. The value of stock options and PSUs, however, are directly linked to total shareholder return and are designed to constitute a significant portion of our NEOs’ total compensation.

While Total Compensation remained relatively static in 2015 and 2016, Total Compensation increased by 43.7% in 2017, commensurate with Total Shareholder Return of 153% over that same period. Total compensation in 2017 included the payout of PSUs issued to the NEOs in 2015 in lieu of earned API

payments to better align the NEOs with the interests of the Company's Shareholders. See "Highlights" above and the "All Other Compensation" column in the Summary Compensation Table below.

## Compensation of NEOs

### Summary Compensation Table

The table below is a summary of the compensation received by the NEOs for the last three fiscal years ended December 31, 2017, 2016 and 2015.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation		Pension value <sup>(2)</sup> (\$)	All Other Compensation <sup>(3)</sup> (\$)	Total Compensation (\$)
					Annual incentive plan (\$)	Long-term incentive plans (\$)			
Russell E. Hallbauer CEO	2017	625,000	191,295	187,775	943,750	Nil	315,522	412,303 <sup>(5)</sup>	2,675,645
	2016	625,000	49,465	45,916	806,250	Nil	315,522	Nil	1,842,153
	2015	625,000	96,900	111,524	674,875 <sup>(4)</sup>	Nil	343,857	Nil	1,852,156
Stuart McDonald CFO	2017	330,000	95,648	78,240	240,900	Nil	54,000	224,960 <sup>(5)</sup>	1,023,748
	2016	284,800	27,206	25,333	142,400	Nil	54,000	Nil	533,739
	2015	284,800	53,295	61,530	123,444 <sup>(4)</sup>	Nil	54,000	Nil	577,069
John W. McManus COO	2017	430,000	95,648	78,240	417,100	Nil	128,123	216,124 <sup>(5)</sup>	1,365,235
	2016	400,000	29,679	27,444	399,000	Nil	128,123	Nil	984,246
	2015	400,000	58,140	66,658	353,760 <sup>(4)</sup>	Nil	128,123	Nil	1,006,681
Scott Jones VP Engineering	2017	275,000	31,883	46,944	121,000	Nil	115,185	65,320 <sup>(5)</sup>	655,332
	2016	266,500	17,313	16,361	124,700	Nil	115,185	Nil	540,059
	2015	266,500	33,915	39,738	106,920 <sup>(4)</sup>	Nil	115,185	Nil	562,258
Brian Battison VP Corporate Affairs	2017	275,000	31,883	46,944	126,500	Nil	82,160	60,025 <sup>(5)</sup>	622,512
	2016	261,170	17,313	16,361	135,000	Nil	82,160	Nil	512,004
	2015	261,170	33,915	39,738	98,251 <sup>(4)</sup>	Nil	82,160	Nil	515,234

**Notes:**

- (1) For compensation reporting and financial accounting purposes, the Black-Scholes option valuation model has been used to determine the fair value on the date of grant for all options granted. The Black-Scholes option valuation is determined using the expected term of the stock option (4.5 years), expected forfeiture rate (0%), expected volatility of the Company's common share price (60.6%), expected dividend yield (0%), and risk-free interest rate (1.04%).
- (2) The amounts reported reflect the Company's contributions to the retirement compensation arrangement trust accounts for Messrs. Hallbauer, McManus, McDonald, Battison and Jones. An equal amount is remitted to a refundable tax account for each participant held with the Canada Revenue Agency. The accumulated values are subject to graded vesting conditions dependent on the years of service with the Company, as outlined in the terms of the plan.
- (3) Perquisites provided to the NEOs do not reach the prescribed disclosure threshold of the lesser of \$50,000 and 10% of total salary for the financial year.
- (4) All NEOs other than Mr. McDonald received 30% (Mr. McDonald elected to receive an additional 70% for a total of 100%) of annual incentive plan payments payable for performance in 2015 in the form of PSUs to increase alignment with Shareholders by placing a portion of these earned payments at risk, with the ultimate value dependent upon Taseko's share price in 18 months for the 30% and 12 months for the balance, respectively (the "Deferred API PSUs").
- (5) Amounts reflect the incremental value that was received by the NEOs as a result of the increase in the Company share price with respect to the Deferred API PSUs. These Deferred API PSUs vested in 2017 and were cash settled at time of vesting (Note 4).

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### Incentive Plan Awards – Option-Based and Share-Based Awards

The following table sets out all option-based and share-based awards outstanding as at December 31, 2017, for each NEO:

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date m - d - y	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested <sup>(1)</sup> (\$)	Market or payout value of vested share based awards not paid out or distributed <sup>(2)</sup> (\$)
Russell E. Hallbauer, CEO	750,000	2.27	10/01/2019	502,500	-	-	Nil
	261,000	0.98	22/05/2020	511,560	-	-	
	261,000	0.38	20/01/2021	668,160	87,000	255,780	
	300,000	1.25	06/01/2022	507,000	200,000	588,000	
Stuart McDonald, CFO	100,000	2.02	12/07/2018	92,000	-	-	Nil
	260,000	2.27	10/01/2019	174,200	-	-	
	144,000	0.98	22/05/2020	282,240	-	-	
	144,000	0.38	20/01/2021	368,640	48,000	141,120	
John W. McManus, COO	125,000	1.25	06/01/2022	211,250	83,333	244,999	
	470,000	2.27	10/01/2019	314,900	-	-	Nil
	106,200	0.98	22/05/2020	208,152	-	-	
	52,000	0.38	20/01/2021	133,120	52,000	152,880	
Scott Jones, VP Engineering	125,000	1.25	06/01/2022	211,250	83,333	244,999	
	275,000	2.27	10/01/2019	184,250	-	-	Nil
	68,000	0.98	22/05/2020	133,280	-	-	
	81,000	0.38	20/01/2021	207,360	31,000	91,140	
Brian Battison, VP Corporate Affairs	75,000	1.25	06/01/2022	126,750	50,000	147,000	
	230,000	2.27	10/01/2019	154,100	-	-	Nil
	50,000	0.98	22/05/2020	98,000	-	-	
	51,000	0.38	20/01/2021	130,560	31,000	91,140	
	64,700	1.25	06/01/2022	109,343	50,000	147,000	

**Notes:**

<sup>(1)</sup> Calculated based on the closing price of the Common Shares at December 31, 2017 multiplied by the number of notional Common Shares underlying such Awards. For Performance Awards, calculated based on the closing price of the Common Shares at December 31, 2017 multiplied by the number of notional Common Shares underlying such Awards assuming a payout multiplier of 1.0.

<sup>(2)</sup> All Awards are paid out upon vesting and as such there are no outstanding Awards that have vested.

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out all incentive plan values vested (or earned) during the twelve months ended December 31, 2017, for each NEO:

Named Executive Officer	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year <sup>(2)</sup> (\$)
Russell E. Hallbauer	185,830	Nil	943,750
Stuart McDonald	101,987	Nil	240,900
John W. McManus	110,347	Nil	417,100
Scott Jones	65,790	Nil	121,000
Brian Battison	65,790	Nil	126,500

**Notes:**

- (1) These amounts reflect the aggregate dollar value that would have been realized if all stock options that vested in 2017 were exercised on the applicable vesting date.
- (2) These amounts are API awards paid for performance in 2017.

**Pension Plan Benefits**

The Company has established retirement compensation arrangements to provide benefits to Messrs. Hallbauer, McDonald, McManus, Jones and Battison on or after retirement as a means of facilitating a long-term commitment to the Company by each NEO, thereby ensuring a consistent senior technical team to drive the Company's projects forward. The Taseko Mines RCA Trusts ("RCA Trusts") are registered defined contribution pension plans under the *Income Tax Act* (Canada). The assets in the RCA Trusts are invested in accordance with the individual participants' election from the investment options offered by the RCA Trusts. Upon retirement, the participant is entitled to the distribution of the accumulated value of the contributions under his RCA Trust.

The following table sets forth the accumulated equity inside the defined contribution pension plan within the RCA Trusts, subject to individual vesting conditions as outlined in the terms of the retirement benefit plan, for each of the NEOs:

Name	Accumulated value at January 1, 2017 (\$)	Compensatory <sup>(1)</sup> (\$)	Accumulated value at December 31, 2017 <sup>(2)</sup> (\$)
Russell E. Hallbauer	1,887,623	343,857	2,421,623
Stuart McDonald	121,453	54,000	189,016
John W. McManus	919,002	128,123	1,111,881
Scott Jones	859,337	115,185	998,265
Brian Battison	646,738	82,160	783,055

**Notes:**

- (1) The amounts reported reflect the Company's contributions to the retirement compensation arrangement trust accounts for Messrs. Hallbauer, McDonald, McManus, Jones and Battison. An equal amount is remitted to a refundable tax account for each participant held with the Canada Revenue Agency. The accumulated values are subject to graded vesting conditions dependent on the years of service with the Company, as outlined in the terms of the plan.
- (2) Year-end accumulated value can be considerably less than starting value + compensatory deposits as year-end accumulated value reflects penalties and surrender charges for early plan withdrawal (i.e. at December 31, 2017).

**Termination and Change in Control Benefits**

Written employment agreements are in place between the Company and each of the NEOs. Under the terms of these agreements, the NEOs are provided with specific payments in the event of termination as follows:

- (a) In the event of termination by the Company without cause, the CEO will receive a lump sum payment calculated as:
- the monthly rate of the CEO's base salary multiplied by the CEO's Notice Period (18 months), plus
  - an amount equal to the bonus the CEO would have earned during the Notice Period (or the amount paid for the immediately preceding year if an amount for the year in question has yet to be determined), plus
  - stock options will immediately vest and may be extended past expiry of employment for up to three years (but not past the expiry of the original option term), plus

- a pro-rata amount of any other compensation (including bonus), vacation pay, etc. accrued for the year and payable to the executive as at the Termination Date.

The NEOs (other than the CEO) will receive a lump sum payment calculated as:

- the monthly rate of the NEO's base salary multiplied by the NEO's Notice Period (9 months), plus
  - a pro-rata amount of any other compensation (including bonus), vacation pay, etc. accrued for the year and payable to the executive as at the Termination Date
- (b) If a termination without cause or a resignation occurs within 12 months following a change of control (as defined under the employment agreements but which are considered customary):
- The CEO, CFO and COO will receive an amount equal to:
    - the monthly rate of the executive's base salary multiplied by the executive's Notice Period (24 months), plus
    - the monthly equivalent of the most recently earned and paid or payable annual bonus multiplied by their respective Notice Period (24 months).
  - The remaining NEOs (other than CEO, CFO and COO) will receive an amount equal to:
    - the monthly rate of the executives' base salary multiplied by the executives' Notice Period (24 months), plus
    - the equivalent of the most recently earned and paid or payable annual bonus.
  - Additionally, in the event of a change in control, all of the NEOs' outstanding options will immediately vest and may be extended past termination of employment for up to three years (but not past the expiry of the original option term).

The estimated incremental payments from the Company to each of the NEOs on (i) termination without cause or (ii) termination without cause or resignation within 12 months following a change of control, assuming the triggering event occurred on December 31, 2017, are as follows:

NEO		Termination Without Cause (\$)	Change of Control (\$)
Russell E. Hallbauer	Salary	937,500	1,250,000
	Annual Incentive Plan	1,209,375	1,612,500
	Share-based Awards	N/A	1,434,720
	Option-based Awards	2,189,220 <sup>(2)</sup>	2,189,220 <sup>(2)</sup>
	Pension Plan Benefits	N/A	687,714
Stuart McDonald	Salary	247,500	660,000
	Annual Incentive Plan <sup>(1)</sup>	N/A	284,800
	Share-based Awards	N/A	774,690
	Option-based Awards	N/A	1,128,330 <sup>(2)</sup>
	Pension Plan Benefits	N/A	2,052,000

NEO		Termination Without Cause (\$)	Change of Control (\$)
John W. McManus	Salary	322,500	860,000
	Annual Incentive Plan <sup>(1)</sup>	N/A	798,000
	Share-based Awards	N/A	889,350
	Option-based Awards	N/A	867,422 <sup>(2)</sup>
	Pension Plan Benefits	N/A	1,281,320
Scott Jones	Salary	206,250	550,000
	Annual Incentive Plan <sup>(1)</sup>	N/A	124,700
	Share-based Awards	N/A	341,040
	Option-based Awards	N/A	651,640 <sup>(2)</sup>
	Pension Plan Benefits	N/A	691,110
Brian Battison	Salary	206,250	550,000
	Annual Incentive Plan <sup>(1)</sup>	N/A	135,000
	Share-based Awards	N/A	474,810
	Option-based Awards	N/A	492,003 <sup>(2)</sup>
	Pension Plan Benefits	N/A	821,600

**Notes:**

<sup>(1)</sup> Other than amounts which are fully earned and payable as at the date of termination.

<sup>(2)</sup> All unvested options fully vest.

In addition to the foregoing, the terms of the RCA Trusts state that, in the event that a NEO is terminated by the Company without cause or resigns, including after a change of control, and the NEO in question is not fully vested in the RCA Trust, a NEO is entitled to receive a proportionate amount of the accumulated value of his RCA Trust depending upon both the nature of the termination or change in control and the number of years of service of the executive, as defined in the RCA Trusts. Under the terms of the relevant RCA Trust agreements, in the event of a change of control the Company is required to make all remaining employee contributions under the RCA Trusts.

Except as outlined above, there are no other contracts, agreements, plans or arrangements that provide for payments to any of the NEOs at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

## DIRECTOR COMPENSATION

The following section pertains to the compensation arrangements the Company has with the non-employee directors (i.e. all directors other than Mr. Hallbauer). Mr. Hallbauer does not receive additional compensation for serving as a director.

### *Philosophy and Objectives*

The main objective of director compensation is to attract and retain directors with the relevant skills, knowledge and the abilities to carry out the Board's mandate and enhance the sustainable profitability and growth of the Company. Like the philosophy adopted for executive compensation, the total direct compensation provided to independent directors (which includes both fixed elements of pay (cash) plus the value of long-term compensation) is targeted to be above-market (between 50<sup>th</sup> and 75<sup>th</sup> percentile) for above average share price performance.

### *Alignment with Shareholders*

In order to appropriately align the interests of members of the Board with those of the Company's shareholders, the Board has adopted share ownership guidelines as set out in the Company's Governance Manual, a copy of which is available on the Company's website ([www.tasekomines.com](http://www.tasekomines.com)). The Governance Manual provides that an appropriate level of stock ownership for each director

represents a value which is equal to three times annual fees and should be acquired over a period of not more than five years.

### *Benchmarking*

From time to time, the Compensation Committee reviews the compensation arrangements for the Company's independent directors and enacts changes to pay elements and/or strategy, as required, to better align with current market practices and good corporate governance guidelines. To that end, in 2014, and again in 2016, the Compensation Committee engaged Lane Caputo to provide an assessment of director compensation at the Company, including the benchmarking of director compensation practices against the same peer group used to benchmark executive compensation practices (see "Statement of Executive Compensation – Compensation Discussion and Analysis" for more information). Other than the change noted below, director cash compensation levels which have remained unchanged since 2014 and no changes are contemplated for 2018.

### *Current Compensation Arrangements*

For 2017, the majority of cash compensation for the Company's independent directors has remained unchanged from the prior year. 2017 cash compensation was as follows: an annual director's fee of \$65,000, plus an additional fee of \$32,500 (which was increased effective January, 2017) for the Lead Director (Independent), \$20,000 for the Audit and Risk Committee Chairperson, \$15,000 for the Compensation Committee Chairperson, and \$10,000 for other Committee Chairpersons. These directors also received a fee of \$1,500 for each meeting attended.

In 2013 Company adopted a Deferred Share Unit ("DSU") Plan (the "DSU Plan") for non-employee directors. Each non-employee director of the Company (i.e. all directors other than Mr. Hallbauer) is eligible to receive an annual grant of \$50,000 in stock options and \$100,000 in DSUs. At this time the Board intends to continue to use a combination of stock options and DSUs for director long term incentive compensation with the annual value of stock options awarded to any one director not to exceed \$100,000 and the combined annual value not to exceed \$150,000.

### **Director Compensation Table**

The following table sets forth the compensation provided to the non-employee directors of the Company for the fiscal year ended December 31, 2017.

<b>Name of Director</b>	<b>Fees earned<sup>(1)</sup> (\$)</b>	<b>Share-based awards<sup>(2)</sup> (\$)</b>	<b>Option-based awards<sup>(3)</sup> (\$)</b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension Value (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
William P. Armstrong <sup>(4)</sup>	93,000	102,024	31,296	Nil	Nil	Nil	226,320
Geoffrey A. Burns	83,000	102,024	93,888	Nil	Nil	Nil	278,912
Robert A. Dickinson <sup>(6)</sup>	65,000	102,024	31,296	Nil	Nil	Nil	198,320
Alexander G. Morrison <sup>(7)</sup>	139,500	127,530	39,120	Nil	Nil	Nil	306,150
Richard A. Mundie <sup>(8)</sup>	112,000	102,024	31,296	Nil	Nil	Nil	245,320
Ronald W. Thiessen <sup>(6)</sup>	215,000	153,036	46,944	Nil	Nil	Nil	414,980
Linda E. Thorstad <sup>(9)</sup>	91,500	102,024	31,296	Nil	Nil	Nil	224,820
Anu Dhir <sup>(5)</sup>	17,750	Nil	Nil	Nil	Nil	Nil	17,750

**Notes:**

<sup>(1)</sup> Includes all fees awarded, earned, paid or payable in cash for services as a director, including annual retainer fees and chairman fees.

- (2) The dollar amount based on the grant date fair value of the award for a covered financial year, received in deferred share units or an equivalent cash payment in lieu thereof.
- (3) For compensation reporting and financial accounting purposes, the Black-Scholes option valuation model has been used to determine the fair value on the date of grant for all options granted. The Black-Scholes option valuation is determined using the expected term of the stock option (4.5 years), expected forfeiture rate (0%), expected volatility of the Company's common share price (60.6%), expected dividend yield (0%), and risk-free interest rate (1.04%).
- (4) Environmental, Health and Safety Committee Chair.
- (5) Ms. Dhir was appointed as a director of the Company on September 29, 2017.
- (6) Fees for Messrs. Dickinson and Thiessen are paid by HDSI and invoiced to the Company.
- (7) Compensation Committee Chair.
- (8) Audit and Risk Committee Chair.
- (9) Nominating and Governance Committee Chair.

The following table sets out all option-based awards outstanding as at December 31, 2017, for each non-employee director.

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (m - d - y)	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested <sup>(2)</sup> (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share based awards not paid out or distributed <sup>(3)</sup> (\$)
William P. Armstrong	100,000	2.27	10/01/2019	67,000	284,000	Nil	834,960
	132,000	0.98	22/05/2020	258,720			
	132,000	0.38	20/01/2021	337,920			
	50,000	1.25	06/01/2022	84,500			
Robert A. Dickinson	100,000	2.27	10/01/2019	67,000	284,000	Nil	834,960
	132,000	0.98	22/05/2020	258,720			
	132,000	0.38	20/01/2021	337,920			
	50,000	1.25	06/01/2022	84,500			
Richard A. Mundie	100,000	2.27	10/01/2019	67,000	315,447	Nil	927,414
	132,000	0.98	22/05/2020	258,720			
	132,000	0.38	20/01/2021	337,920			
	50,000	1.25	06/01/2022	84,500			
Alexander G. Morrison	132,000	0.98	22/05/2020	258,720	337,962	Nil	993,608
	44,000	0.38	20/01/2021	112,640			
	62,500	1.25	06/01/2022	105,625			
Ronald W. Thiessen	125,000	2.27	10/01/2019	83,750	357,962	Nil	1,052,408
	165,000	0.98	22/05/2020	323,400			
	165,000	0.38	20/01/2021	422,400			
	75,000	1.25	06/01/2022	126,750			
Geoffrey A. Burns	150,000	1.25	06/01/2022	253,500	80,000	Nil	235,200
Linda E. Thorstad	50,000	2.27	15/09/2019	33,500	284,000	Nil	834,960
	132,000	0.98	22/05/2020	258,720			
	132,000	0.38	20/01/2021	337,920			
	50,000	1.25	06/01/2022	84,500			

**Notes:**

- (1) Calculated based on the difference between the closing price of the Common Shares at December 31, 2017 on the TSX and the exercise price of the Options.
- (2) All DSUs vest immediately upon the grant of such DSUs but cannot be redeemed until the director holding such DSUs ceases to be a director of the Company.
- (3) Calculated based on the number of DSUs held at December 31, 2017 multiplied by the price per Common Share on the TSX on December 31, 2017.

The following table sets out all incentive plan value vested (or earned) during the year ended December 31, 2017, for each non-employee director.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
William P. Armstrong	92,627	102,024	Nil
Geoffrey A. Burns	2,000	102,024	Nil
Robert A. Dickinson	92,627	102,024	Nil
Alexander G. Morrison	92,793	127,530	Nil
Richard A. Mundie	92,627	102,024	Nil
Ronald W. Thiessen	115,950	153,036	Nil
Linda E. Thorstad	92,627	102,024	Nil
Anu Dhir	Nil	Nil	Nil

**Note:**

<sup>(1)</sup> These amounts reflect the aggregate dollar value that would have been realized if all options that vested in 2017 were exercised on the applicable vesting date.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As described above, in order to provide a non-cash incentive for directors, officers, employees and other service providers whose on-going efforts are critical to the success of the Company, the Board adopted the Option Plan, as well as the PSU Plan. Both the Option Plan and the PSU Plan were approved by the shareholders at the Company’s annual general meeting held on June 11, 2015. The Company is required by TSX Policies to seek shareholder approval to ratify any material amendments to the Option Plan and approve its continuation every three years by ordinary resolution. The Option Plan is due for ratification and approval at the Meeting. Please see “Particulars of Matters to be Acted upon” below.

The Option Plan is designed to promote the long-term success of the Company by strengthening the ability of the Company to attract and retain highly competent employees and promote greater alignment of interests between executives and shareholders in the creation of long-term shareholder value. This alignment of interests is facilitated by the strike price of each option granted; if there is no appreciation in Taseko’s Common Share price from the price at the date of grant of options, no value will accrue to the options held by executives.

The PSU Plan is designed to further strengthen the linkage of Named Executive Officer compensation to shareholder value creation. Each PSU awarded conditionally entitles the participant to receive one (1) Common Share (or the cash equivalent) upon attainment of the PSU vesting criteria.

The Company has adopted a DSU Plan for non-employee directors, effective February 15, 2013. The DSU Plan provides for an annual grant to each non-employee director of the Company, or an equivalent cash payment in lieu thereof, which participants have agreed would in first instance be used to assist in complying with the Company’s share ownership guidelines. DSUs vest immediately upon grant and are paid out in cash when a participant ceases to be a director of the Company. The DSU Plan contemplates that all DSUs are paid out in cash.

Under the Option Plan, a maximum of 9.5% of the issued and outstanding Common Shares may be reserved for issuance. Options up to this limit may be granted at the discretion of the Board, or the Compensation Committee, to eligible optionees (the “**Optionees**”). This type of Plan is called a “rolling” plan because as options are exercised, the base of outstanding issued Common Shares on which the 9.5% increment applies increases.

At the date of this Information Circular, there were options to purchase an aggregate of 10,814,900 Common Shares outstanding, and together with 1,619,000 outstanding PSUs represent outstanding share based compensation grants totaling, upon exercise, 12,433,900 Common Shares, being approximately 5.5% of the issued and outstanding Common Shares. Pursuant to TSX policies, the total number of Common Shares available for exercise of securities issued under all share based compensation arrangements at any one time may not exceed 9.5% of the total number of issued and outstanding Common Shares.

The Board is of the view that together the share based compensation plans provide the Company with the flexibility necessary to attract and maintain services of senior executives and other employees and directors by offering competitive compensation relative to other companies in the industry.

The Compensation Committee approves base salaries, annual cash incentives and all share-based compensation including PSUs, and option grants to executive officers. The Compensation Committee also approves DSU grants to non-executive officers. Options are granted at other times of the year to individuals commencing employment with the Company. The option exercise price is the market price at the grant date in accordance with TSX policies.

### Equity Compensation Plan Information

The following table sets out equity compensation plan information as at the Company's financial year end of December 31, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options, under equity compensation plans (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) <sup>(1)</sup>
Share Option Plan	9,281,400	\$1.40	5,473,583
Performance Share Unit Plan	1,219,000	N/A	5,590,992
Deferred Share Unit Plan <sup>(2)</sup>	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	10,500,400	\$1.40	11,064,575

**Notes:**

- (1) The maximum number of PSUs outstanding from time to time under the PSU Plan shall not exceed 3% of the number of outstanding Common Shares. The maximum number of Common Shares issuable pursuant to all Security Based Compensation Arrangements, including the Share Option Plan and the PSU Plan, at any time may not exceed 9.5% of the number of outstanding Common Shares.
- (2) 9,281,400 Options was 4.1% of the issued and outstanding Common Shares at December 31, 2017, leaving 5,473,583 options available for grant under the Option Plan, being 2.4% of the issued and outstanding Common Shares at December 31, 2017.
- (3) 1,219,000 PSUs was 0.5% of the issued and outstanding Common Shares at December 31, 2017, leaving 5,590,992 PSUs available for grant under the PSU Plan, being 2.5% of the issued and outstanding Common Shares at December 31, 2017.
- (4) The Company's DSU Plan contemplates that all DSUs are settled in cash.

The following table sets out the annual burn rate<sup>(1)</sup> for each equity compensation plan:

	For the fiscal year ended December 31,		
	2017	2016	2015
The Option Plan	0.8%	1.2%	1.2%
The PSU Plan <sup>(2)</sup>	0.2%	0.6% <sup>(4)</sup>	0.2%
The DSU Plan <sup>(3)</sup>	N/A	N/A	N/A

**Notes:**

- (1) The annual burn rate is calculated as the number of securities granted under the arrangement during the applicable fiscal year divided by the weighted average number of securities outstanding for the applicable fiscal year.
- (2) PSUs granted to the date of this Circular are subject to vesting and multiplier conditions that can result in the issuance of that number of Common Shares thereunder equal to between zero and 2.5 x the number of PSUs issued in the event of sub-par or exemplary relative total shareholder return, respectively. See “Elements of Compensation – Long Term Incentives” above.
- (3) Includes the Deferred API PSUs granted in connection with the partial deferral of 2015 STIP.
- (4) The Company’s DSU Plan contemplates that all DSUs are settled in cash.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended December 31, 2017, or has any interest in any material transaction in the current year other than as set out herein or in a document disclosed to the public.

HDSI is a private company which is owned privately by persons which include Taseko directors Messrs. Hallbauer, Thiessen, and Dickinson. HDSI provides geological, corporate development, administrative and management services to, and incurs third party costs on behalf of the Company and its subsidiaries on fair market value basis pursuant to an agreement dated July 2, 2010. Details with respect to fees paid by Taseko to HDSI are set forth below.

### **About Hunter Dickinson Inc. and Hunter Dickinson Services Inc.**

HDI is a private company started in the late 1980s by Robert A. Dickinson and his partner, the late Bob Hunter. They recruited top mining talent in the fields of geology, engineering, law, accounting and administration. The objective was for these professional services to be pooled and costs shared amongst several mining companies on a pay-as-used basis, thus lowering overall costs for HDI’s customers. HDI has provided project generation and development services to a score of junior resource issuers.

Over the years, ownership and management has changed and currently Russell E. Hallbauer, Ronald W. Thiessen, and Robert A. Dickinson (and their families) collectively own approximately half of HDI. Most of HDI’s senior staff has over 20 years’ experience in the natural resources industry. HDI’s employees and subcontractors include:

- geologists (exploration, project managers, resource modelling, technical reporting and compliance);
- professional mining engineers;
- financial and legal professionals (financial and risk management, corporate finance, tax, project finance);
- environmental scientists;

- public and governmental relations professionals; and
- other support staff.

HDI does not take ownership positions in publicly traded companies but provides services to seven publicly traded companies that are related because they have directors in common with HDI. Using a related party for cost-saving services is a common practice in the Canadian mining industry. HDI also provides services to numerous private companies.

*The HDI Services Advantage: Flexible and Competitive*

For Taseko, HDI provides quality and cost effective services that Taseko needs, like geology, engineering, and legal services. It is far less expensive to use HDI for these services on a flexible, as needed basis than to employ full time in-house staff in each of these and other areas. If Taseko replaced HDI with a group of other service providers, costs would increase significantly. Taseko publicly filed the agreement with HDI at [www.sedar.com](http://www.sedar.com) in 2010.

Taseko is not required to use HDI for any services and its agreement with HDI can be cancelled by either party on 30-days notice. Taseko chooses to use HDI's services at its discretion for its service quality, experience and competitive rates, typically lower than other third party suppliers. Taseko benefits from HDI's familiarity with Taseko's corporate culture and assets – a significant advantage that saves time and money.

HDI provides Taseko services through HDI's wholly-owned subsidiary (HDSI).

*Taseko Spending on HDI Services in 2017*

In 2017, Taseko incurred total costs of approximately \$1.4 million in transactions with HDSI. Of these, approximately \$ 593,000 related to administrative, legal, exploration and tax services, approximately \$526,000 related to reimbursements of office rent costs and other cost recoveries, and approximately \$280,000 related to compensation paid for Taseko directors, who are also directors of HDSI. For additional information refer to Note 26(c) of the Company's annual financial statements for information on these transactions.

Taseko's spending on HDI services for the last four years is also summarized in the table below.

***Taseko Spending on HDI Services from 2014-2017***

<b>Category</b>	<b>2014 (\$,000s)</b>	<b>2015 (\$,000s)</b>	<b>2016 (\$,000s)</b>	<b>2017 (\$,000s)</b>
<b>Service Fees<sup>(1)</sup></b>				
Geology, site services, logistics	523	2	3	59
Resource modeling, database, engineering, environmental	290	21	81	56
Legal, tax and compliance	252	258	301	288
Stakeholder communications	37	2	1	-
Business Development, Corporate Finance <sup>(2)</sup>	425	127	98	-
Administration	145	162	159	190
<b>Totals</b>	<b>1,672</b>	<b>572</b>	<b>643</b>	<b>593</b>

**Notes:**

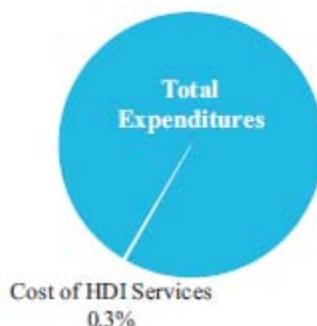
<sup>(1)</sup> Two amounts paid to HDI have been excluded – Chairman/Director fees (for Ronald W. Thiessen and Robert A. Dickinson) and office rent and other cost recoveries – as those amounts were paid to HDI to be administered by it for the recipients (that is the amounts only flow through HDI to the named recipients and the landlord). For full details of the executive and director compensation amounts paid see "Statement of Executive Compensation" and "Director Compensation" below. The aggregate shared head office rent and other cost recoveries over 2014 to 2017 was \$2,360,000 (or an average of approximately \$590,000 per year).

<sup>(2)</sup> Technical due diligence associated with identifying acquisition targets – reserves / metallurgy / infrastructure / political risk.

*Taseko's Average Spending on HDI Services as a Percentage of Total Taseko Expenditures (2014-2017)*

To put these expenses in context, the services provided by HDI from 2014 to 2017 only amounted to approximately 0.3% of Taseko's total expenditures, as shown in the table and pie chart below:

	2014	2015	2016	2017	Average
<b>Taseko's spending on HDI services for the four years from 2014-2017 as a percentage of Taseko's total expenditures</b>	0.4%	0.2%	0.2%	0.2%	0.3%



## MANAGEMENT CONTRACTS

There are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company. Some technical and administrative services are performed by HDSI as disclosed above.

## PARTICULARS OF MATTERS TO BE ACTED UPON

In addition to the annual matters requiring Shareholder action, which are described in detail above, namely the election of directors and appointment of the auditors for the ensuing year, the Company is seeking Shareholder ratification and approval for continuation of each of the Share Option Plan (the “**Option Plan**”) and the Performance Share Unit Plan (the “**PSU Plan**”). The two plans comprise all equity based compensation plans (“**Equity Based Compensation**”). The maximum aggregate amount allowable at any one time of all outstanding Equity Based Compensation is 9.5% of the issued and outstanding Common Shares of the Company.

### ***Option Plan Amendment and Renewal***

Pursuant to TSX policies option plans with a rolling number of shares must be approved by the shareholders every three years. The Company's current Option Plan was last approved by shareholders of the Company June 11, 2015 (the “**2015 Option Plan**”). As of the date of this information circular the Taseko Board approved the 2015 Option Plan, with two amendments discussed below, for continuation as the 2018 Option Plan (the “**2018 Option Plan**”) which, similar to the 2015 Option Plan, also limits insider grants under all Equity Based Compensation Plans to 2% of Common Shares within a one year period; and includes provisions to accommodate US persons for US tax and securities law purposes given Taseko's acquisition of Curis Resources Ltd., which has operations and staff in Arizona. These provisions for US purposes are not material to Taseko or its shareholders. For further information, Taseko refers to the Information Circular prepared for its annual general meeting held June 11, 2015 and filed under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). A complete copy of the 2018 Option

Plan that will be submitted to the shareholders for approval is filed, together with the proxy materials for the Meeting, under the Company's profile at [www.sedar.com](http://www.sedar.com).

The two amendments in the 2018 Option Plan are:

1. A revised amending provision whereby disinterested shareholder approval will be required for any amendment to the amending provisions that increases the Company's ability to amend the 2018 Option Plan without shareholder approval; and
2. The maximum number of Incentive Stock Options available for US persons pursuant to the 2018 Option Plan was increased from 100,000 to 1,000,000.

The following is a summary of the material terms of the 2018 Option Plan:

- (a) The 2018 Option Plan provides for a reservation of a number of Optioned Shares as are equal to a maximum of 9.5% of the issued and outstanding Common Shares of the Company at the time an Option is granted, less Common Shares reserved for issuance pursuant to all other equity based compensation arrangements of the Company.
- (b) Persons who are directors, officers, employees, consultants to the Company or its affiliates, or who are employees of a management company providing services to the Company are eligible to receive grants of Options pursuant to the 2018 Option Plan.
- (c) Options may be granted only to an individual or to a company that is owned by individuals eligible for an Option grant. If the Option is granted to a company, the company must undertake that it will not permit any transfer of its shares, nor issue further shares, to any other individual or entity as long as the Option remains in effect without the consent of Taseko.
- (d) All Options granted pursuant to the 2018 Option Plan will be exercisable only by the Optionee to whom they were granted and the Options are un-assignable and non-transferable, except in the case of the death of an Optionee, any vested Option held by the deceased Optionee at the date of death will immediately become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option.
- (e) Vesting of Options is determined by the Board and subject to the following:
  - (i) where an Optionee has left the Company's employ/office or has been advised their services are no long required or their service contract has expired, subject to other provisions set out in the Option Plan, vested Options shall expire 90 days after the date the Optionee ceases to be employed by, provide services to, or be a director or officer of, the Company, and all unvested Options shall immediately terminate without right to exercise same;
  - (ii) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
  - (iii) in the event of a change of control occurring, all Options granted subject to vesting provisions shall be deemed to have immediately vested upon the occurrence of the change of control; and
  - (iv) in the event of a director not being nominated for re-election as a director of the Company, although consenting to act and being under no legal incapacity which would prevent the director from being a member of the Board, Options granted which are subject to a vesting provision shall be deemed to have vested on the date of the meeting upon which the director is not re-elected.

- (f) All Options granted under the 2018 Option Plan are exercisable for a period of up to 5 years and will vest at the discretion of the Board, provided that the term of such Options may be extended in circumstances where the expiry date otherwise falls during a blackout period (defined below) as determined in accordance with the Company's policies or applicable securities legislation, and subject to:
  - (i) the Optionee remaining employed by or continuing to provide services to the Company or any of its subsidiaries and affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its subsidiary or affiliate during the vesting period; or
  - (ii) remaining as a director of the Company or any of its subsidiaries or affiliates during the vesting period.
- (g) No ISOs may be granted to any United States employee who owns, at the time of such grant, more than 10% of the Common Shares, unless those ISOs are granted at an exercise price of at least 110% of the fair market value of the Common Shares and such ISOs cannot be exercised more than five years from the date of such grant;
- (h) The aggregate maximum number of Common Shares that may be issued pursuant to ISOs is 1,000,000 Common Shares;
- (i) Holders of Common Shares acquired pursuant to the exercise of an ISO who sell such Common Shares on or before the later of (a) the date that is two years after the date of grant of such ISO, or (b) the date that is one year after the date of exercise of such ISO, must immediately notify the Company in writing of such disposition and may be subject to income tax withholding by the Company on compensation income;
- (j) A "blackout period" is any period of time during which a participant in the 2018 Option Plan is unable to trade securities of the Company as a consequence of the implementation of a general restriction on such trading by an authorized officer or director pursuant to the Company's governance policies that authorize general and/or specific restrictions on trading by Service Providers in circumstances where there may exist undisclosed material changes or undisclosed material facts in connection with the Company's affairs. The term of an Option will expire on its Expiry Date as defined in the 2018 Option Plan unless the Expiry Date occurs during a blackout period or within five business days after the expiry of the blackout period, then the Expiry Date for that Option will be the date that is the tenth business day after the date the blackout period expires.
- (k) The exercise price of the Option is established by the Board at the time the Option is granted, provided that the minimum exercise price shall not be less than the market price being the volume weighted average trading price of the Company's shares on the TSX for the five trading days preceding the date of the grant. The exercise price of ISOs must be equal to or greater than the fair market value of the Common Shares on the date of the grant of such ISOs.
- (l) The 2018 Option Plan is subject to the following restrictions:
  - (i) Common Shares issued to Insiders as a group pursuant to Options granted under the 2018 Option Plan, when combined with all of the Company's other share compensation arrangements to Insiders, may not exceed 2% of the outstanding Common Shares in any 12 month period;
  - (ii) Common Shares issuable to Insiders pursuant to Options granted under the 2018 Option Plan, at any time, when combined with Common Shares issuable pursuant to all of the Company's other share compensation arrangements, may not exceed 9.5% of the outstanding Common Shares at any given time.

- (iii) Common Shares issuable to directors who are independent directors under the 2018 Option Plan, when combined with all of the Company's other share compensation arrangements currently in effect for their benefit, may not exceed 1% of the outstanding Common Shares of the Company, provided that the Common Shares issuable under the Options and other share compensation arrangements currently in effect which have been granted to any director who was non-independent at the time of grant of the Options but who subsequently became an independent director and any director who was an independent director at the time of grant of Options but subsequently became a non-independent director, shall in either such case, be excluded from the calculation of 1% of the outstanding Common Shares issuable under the Option Plan; and
  - (iv) the aggregate annual value of Options that may be granted to each independent director under the 2018 Option Plan and any other Equity Based Compensation arrangements established or maintained by the Company, may not exceed \$100,000 as calculated by the Black Scholes option pricing model.
- (m) In addition to Board and TSX approvals, shareholder approval is required for any of the following amendments:
- (i) any amendment to the percentage of Common Shares reserved and issuable under the 2018 Option Plan;
  - (ii) any reduction in the exercise price of an Option (other than for standard anti-dilution purposes), or any cancellation and re-issue, within three months of cancellation, of an Option to the same Optionee at a lower exercise price than the Option cancelled, provided the Optionee is not an Insider;
  - (iii) an extension of the term of the original expiry date of an Option unless the Optionee is an Insider;
  - (iv) any change to the definition of an eligible Participant under the 2018 Option Plan;
  - (v) any amendment which would allow the transfer or assignment of an Option except in the case of the death of an Optionee as contemplated by the 2018 Option Plan;
  - (vi) any amendment to eligible Participants that may permit an increase to the proposed limit on independent director participation;
  - (vii) any amendment to the transferability or assignability of an Option;
  - (viii) any amendments to the 2018 Option Plan made to the amendment terms in either section 2.9 or section 2.10 that will increase the Company's ability to amend the 2018 Option Plan without shareholder approval; and
  - (ix) any amendments required to be approved by shareholders under applicable law.
- (n) In addition to Board and TSX approval, disinterested shareholder approval is required for any of the following amendments:
- (i) any amendment which reduces the Exercise Price of an Option granted to an Insider;
  - (ii) any amendment to extend the term of an Option granted to an Insider; and
  - (iii) amendments to increase any of the limits on the number of Options that may be granted to Insiders, beyond the limits to Insiders permitted under prevailing policies of the TSX.
    - (iv) Subject to TSX policies, the 2018 Option Plan may be amended, without limitation, by the Board without further shareholder approval to:
  - (i) make amendments which are of a typographical, grammatical or clerical nature;

- (ii) change the vesting provisions of an Option granted pursuant to the 2018 Option Plan;
- (iii) change the termination provision of an Option granted pursuant to the 2018 Option Plan, which does not entail an extension beyond the original expiry date of such Option or to change the termination provisions of the 2018 Option Plan itself;
- (iv) add a cashless exercise feature payable in cash or Common Shares;
- (v) make amendments necessary as a result in changes in securities laws applicable to the Company;
- (vi) make such amendments as may be required by the policies of such senior stock exchange or stock market if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX; and
- (vii) it may make such amendments as reduce, and do not increase, the benefits of the 2018 Option Plan to Optionees.

### **Ratification and Approval of the 2018 Option Plan**

Under TSX rules, a listed company with a stock option plan reserving a percentage of the issued and outstanding voting securities in its capital stock on a rolling basis, must obtain Shareholder approval to continue its stock option plan at a meeting of shareholders every three years following the meeting at which the stock option plan was last approved. Terms which are not otherwise defined herein, are as defined in the 2018 Option Plan. If the resolution is approved, the currently issued 10,814,900 options which are outstanding under the 2015 Option Plan will be rolled into the 2018 Option Plan.

See “Report on Executive Compensation - Equity Participation – Option Based Awards” above, and see “Securities Authorized for Issuance under Equity Based Compensation Plans” above, for further information concerning the Option Plan.

**A copy of the 2018 Option Plan is filed together with the proxy materials for the Meeting, under the Company’s profile at [www.sedar.com](http://www.sedar.com), and a copy may be obtained by contacting the Company, 15th Floor, 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1, Attention Trevor Thomas. A copy of the 2018 Option Plan will also be made available at the Meeting for review by any Shareholder.**

At the Meeting shareholders will be asked to vote on the ordinary resolution to ratify and approve the 2018 Option Plan, with or without variation, as follows:

“Be it RESOLVED that:

- (1) the 2018 Share Option Plan (the “**2018 Option Plan**”) of the Company, dated for reference April 26, 2018, be and is hereby ratified and approved;
- (2) all currently available and unallocated Options issuable pursuant to the 2018 Option Plan be and are hereby approved and authorized for grant until June 7, 2021;
- (3) the 10,814,900 Options outstanding, granted pursuant to the Company’s option plan approved by the Shareholders on June 11, 2015 to the date of the annual general meeting of the Company held on June 7, 2018, are hereby approved and rolled into the 2018 Option Plan; and
- (4) any one director or officer of the Company be and is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed, whether under the common seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and

things, as in the opinion of such director or officer may be necessary or desirable in order to give effect to these resolutions.”

All previously allocated Options will continue unaffected under the 2015 Option Plan if shareholders do not approve the resolution. However, should the resolution not be approved by shareholders, if they are cancelled such allocated Options will not be available for reallocation without further shareholder approval for the grant of the Options.

As at April 20, 2018 there were Options outstanding to purchase 10,814,900 Common Shares in the capital of the Company, representing approximately 4.76% of the current issued and outstanding Common Shares; and there were 1,619,000 PSUs outstanding, being 0.71% of the outstanding Common Shares, together totalling approximately 5.5% of the outstanding Common Shares.

There are unallocated Options remaining for grant pursuant to the Option Plan to purchase an aggregate of 3,950,538 Common Shares, representing approximately 1.74% of the current issued and outstanding Common Shares. There are also unallocated PSUs available for award pursuant to the PSU Plan totalling 5,195,817 Common Shares, or 2.29% of the current issued and outstanding Common Shares. If the number of Options issued pursuant to the Option Plan exceeds the remaining allowed 1.74%, the number of PSUs available for grant pursuant to the PSU Plan will be reduced by the number of excess Options.

The Company is of the view that the Option Plan provides the Company with the flexibility necessary to attract and maintain the services of senior executives and other employees in competition with other businesses in the industry.

**The Board recommends that Shareholders vote in favour of the 2018 Option Plan approval resolution.** In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the ordinary resolution.

### ***Performance Share Unit Plan Amendment and Renewal***

#### *Summary of the PSU Plan*

The Board has determined that, in order to maintain its enhanced flexibility in connection with Equity Based Compensation arrangements, the Company should submit an ordinary resolution to the Shareholders to approve its Performance Share Unit Plan (“PSU”) Plan (“PSU Plan”) for continuation. A summary of the PSU Plan is set out below and a complete copy of the PSU Plan, as amended is filed together with the proxy materials for the Meeting under the Company’s profile at [www.sedar.com](http://www.sedar.com). Because the aggregate number of outstanding securities in all of the Company’s Equity Based Compensation plans is limited to 9.5% of issued Common Shares from time to time, the continuation of the PSU Plan does not increase the number of Common Shares reserved for Equity Based Compensation plans. The PSU Plan is also subject to the limit of 2% of outstanding Common Shares being granted to Insiders in any one year under all Equity Based Compensation plans.

#### *Eligible Participants*

The PSU Plan is administered by the Compensation Committee (the “Committee”) of the Board. Employees and eligible consultants of the Company and its designated subsidiaries are eligible to participate in the PSU Plan. “Eligible consultant” means an individual, other than an Employee that (i) is engaged to provide, on a bona fide basis, consulting, technical, management or other services to the Company or a subsidiary under a written contract with the individual or a company of which the individual consultant is an employee; and (ii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or a

subsidiary. While Taseko has a large number of Employees, awards issued pursuant to the PSU Plan will generally be granted only to senior management Employees. In accordance with the terms of the PSU Plan, the Company, under the authority of the Board, approves those employees and eligible consultants who are entitled to receive PSUs and the number of PSUs to be awarded to each participant. PSUs awarded to participants are credited to them by means of an entry in a notional account in their favour on the books of the Company. Each PSU awarded conditionally entitles the participant to receive one (1) Common Share (or the cash equivalent) upon attainment of the PSU vesting criteria.

### *Vesting*

The PSUs vest upon the expiry of a time-based vesting period. The duration of the vesting period applicable to a specific PSU grant is to be determined at the time of grant by the Committee but will not exceed three years. In addition, the Committee may establish other terms or conditions with respect to the vesting of PSUs, including without limitation, provisions which make the vesting of PSUs conditional upon (i) the achievement of corporate or personal objectives, including the attainment of milestones relating to financial, operational, strategic or other objectives of the Company, (ii) the market price of the Company's Common Shares from time to time and/or the return to Shareholders, and/or (iii) any other performance criteria relating to the participant or the Company. Any such conditions shall be set out in a grant agreement, may relate to all or any portion of the PSUs in a grant, and may be graduated such that different percentages of the PSUs in a grant will vest depending on the extent of satisfaction of one or more such conditions.

The Board may, in its discretion and having regard to the best interests of the Company, subsequent to the grant date of a PSU, waive any such terms or conditions or determine that they have been satisfied. Once the PSUs in a grant vest, the participant is entitled to receive the equivalent number of Common Shares or cash equal to the Market Value (as defined below) of the equivalent number of Common Shares. The vested PSUs may be settled through the issuance of Common Shares from treasury, by the delivery of Common Shares purchased in the open market, in cash or in any combination of the foregoing (at the discretion of the Company). If settled in cash, the award amount shall be equal to the number of Common Shares in respect of which the participant is entitled, multiplied by the Market Value of a Common Share on the payout date. Market Value per Common Share as at any date is defined in the PSU Plan (if the Common Shares are listed and posted for trading on the TSX) as the arithmetic average of the closing price of the Common Shares traded on the TSX for the five (5) trading days on which a board lot was traded immediately preceding such date. The PSUs may be settled on the payout date, which shall be the third anniversary of the date of the grant or such other date as the Committee may determine at the time of the grant, which in any event shall be no later than the expiry date for such PSUs. The expiry date of PSUs will be determined by the Committee at the time of grant. All unvested, expired or previously settled PSUs are available for future grants.

### *Maximum Number of Common Shares Issuable*

Under the current PSU Plan, the maximum number of Common Shares reserved and available for issuance from treasury is 3% of the issued and outstanding Common Shares (on a non-diluted basis) from time to time. As of April 20, 2018 this number is equal to 6,814,817 Common Shares. This type of plan share pool structure is sometimes referred to as an "evergreen" or "rolling" plan feature.

The PSU Plan provides that the maximum number of Common Shares issuable pursuant to the PSU Plan, together with any Common Shares issuable pursuant to any other Equity Based Compensation arrangement outside the PSU Plan, will not exceed 9.5% of the total number of issued and outstanding Common Shares at any time. In addition, the maximum number of Common Shares issued to Insiders under the PSU Plan and all other Equity Based Compensation arrangements within any one year period,

will not exceed 2% of the total number of issued and outstanding Common Shares taken at the beginning of the year.

### *Performance-based Compensation*

The PSU Plan also provides that awards pursuant to the PSU Plan are based on a selection by the Committee of one or more of the following factors, each of which may be adjusted as provided in the PSU Plan:

- Financial Performance Goals: economic value added (EVA);
- sales or revenue;
- costs or expenses;
- performance relative to budget;
- net profit after tax;
- gross profit;
- income (including without limitation operating income, pre-tax income and income attributable to the Company);
- cash flow (including without limitation free cash flow and cash flow from operating, investing or financing activities or any combination thereof);
- earnings (including without limitation earnings before or after taxes, earnings before interest and taxes (EBIT), earnings before interest, taxes, depreciation and amortization (EBITDA) and earnings (whether before or after taxes), EBIT or EBITDA as a percentage of net sales;
- net working capital;
- margins (including one or more of gross, operating and net income margin);
- Shareholder Performance Goals: earnings per share (EPS) (basic or diluted);
- earnings per share from continuing operations;
- returns (including one or more of return on actual or pro forma assets, net assets, equity, investment, revenue, sales, capital and net capital employed, total shareholder return (TSR) and total business return (TBR));
- ratios (including one or more of price-to-earnings, debt-to-assets, debt-to-net assets and ratios regarding liquidity, solvency, fiscal capacity, productivity or risk);
- stock price;
- value creation;
- market capitalization;
- Corporate Performance Goals: safety performance;
- environmental performance;
- development and implementation of exploration programs;
- advancement of governmental permitting and approval processes;
- development and implementation of corporate social responsibility / sustainable development initiatives;
- engagement with key stakeholders;

- evaluation of corporate development opportunities;
  - corporate compliance and reporting;
  - implementation or completion of key corporate initiatives or projects;
  - strategic plan development and implementation;
  - workforce satisfaction;
  - employee retention; productivity metrics; and
  - career development;
- (collectively, the “**Performance Goals**”).

The Performance Goals may be applied individually, alternatively, or in any combination, either to the Company as a whole or to a subsidiary, division, business unit or line of business basis. Within the other restrictions of the PSU Plan there is no limit on the number of PSUs that may be granted to any one person per year.

#### *Cessation of Entitlement*

Unless otherwise determined by the Company in accordance with the PSU Plan, PSUs which have not vested on a participant’s termination date shall terminate and be forfeited. If a participant who is an employee ceases to be an employee as a result of termination of employment without cause, at the Company’s discretion (unless otherwise provided in the applicable grant agreement), all or a portion of such participant’s PSUs may be permitted to continue to vest, in accordance with their terms, during any statutory or common law severance period or any period of reasonable notice required by law or as otherwise may be determined by the Company in its sole discretion. All forfeited PSUs are available for future grants.

#### *Transferability*

PSUs are not assignable or transferable by a participant other than by operation of law, except, if and on such terms as the Company may permit, to a spouse or minor children or grandchildren or a personal holding company or family trust controlled by the participant, the sole shareholders or beneficiaries of which, as the case may be, are any combination of the participant, the participant’s spouse, minor children or minor grandchildren, and after the participant’s lifetime shall inure to the benefit of and be binding upon the participant’s designated beneficiary, on such terms and conditions as are appropriate for such transfers to be included in the class of transferees who may rely on a Form S-8 registration statement under the *U.S. Securities Act of 1933*, as amended, to sell Common Shares received pursuant to the PSUs.

#### *PSU Plan Benefits*

Benefits to be awarded or paid under the PSU Plan cannot currently be determined. Awards granted under the PSU Plan are within the discretion of the Committee, and the Committee has not determined future awards.

#### *Company’s Ability to Amend the PSU Plan*

The PSU Plan provides that the Company may, without notice, at any time and from time to time, and without further Shareholder approval, amend the PSU Plan or any provisions thereof in such manner as the Company, in its sole discretion, determines appropriate:

- (a) for the purposes of making formal minor or technical modifications to any of the provisions of the PSU Plan;
- (b) to correct any ambiguity, defective provision, error or omission in the provisions of the PSU Plan;
- (c) to change the vesting provisions of PSUs to reflect revised performance metrics or to accelerate vesting in the event that those performance criteria are achieved earlier than expected;
- (d) to change the termination provisions of PSUs or the PSU Plan, which does not entail an extension beyond the original expiry date of the PSUs; or
- (e) subject to TSX approval, to make the amendments to the PSU Plan to maximize tax efficiencies of the PSU grants to US Participants for US Tax Code purposes;

provided, however, that:

- (1) no such amendment of the PSU Plan may be made without the consent of each affected participant if such amendment would adversely affect the rights of such affected participant(s) under the PSU Plan; and
- (2) Shareholder approval shall be obtained in accordance with the requirements of the TSX for any amendment that results in:
  - (i) an increase in the maximum number of Common Shares issuable pursuant to the PSU Plan other than as already contemplated in the PSU Plan;
  - (ii) an extension of the expiry date for PSUs granted under the PSU Plan;
  - (iii) granting of other types of compensation through Common Share issuance;
  - (iv) any change to the limited assignability of PSUs, or any change to the limited categories of eligible service providers who may receive PSUs, namely Employees and Eligible Consultants;
  - (v) the addition of additional categories of participants, other than as contemplated by Section 13 of the PSU Plan, which refers to claims by beneficiaries of eligible participants to the PSU Plan;
  - (vi) changes in eligible participants that may permit the introduction or reintroduction of nonemployee directors on a discretionary basis; or
  - (vii) an amendment of the Board's authority to amend provisions of the PSU Plan, without shareholder approval.

#### *Certain United States Federal Income Tax Consequences*

The following is a summary of the principal U.S. federal income tax consequences generally applicable to PSUs awarded under the PSU Plan. The following description applies to PSUs that are subject to U.S. federal income tax.

The PSUs that are intended to be "qualified performance-based compensation" within the meaning of Section 162(m) of the United States Internal Revenue Code ("Code") must be (i) granted by a committee consisting of two or more outside directors and (ii) conditioned solely upon the achievement of one or more of the above performance goals. Section 162(m) of the Code requires that Shareholders must re-approve the PSU Plan at least every five years for grants to be "qualified performance-based compensation" within the meaning of Section 162(m). This will enable the Company to make grants under the PSU Plan that may qualify for the exemption from the \$1 million deduction limit on compensation paid to top U.S. executives. If approved, the PSU Plan will enable the Company to deduct

qualifying future grants as a business expense. However, nothing in this proposal prevents the Committee from granting PSUs that do not qualify for tax deductibility under Section 162(m).

The grant of PSUs should not result in taxable income to a participant at the time of grant. When PSUs are paid out, the participant will recognize ordinary income equal to the fair market value of the Common Shares and cash received in settlement of the PSUs, and the Company will be entitled at that time to a corporate income tax deduction (for U.S. federal income tax purposes) for the same amount, subject to the general rules concerning deductibility of compensation. For information on the deductibility of executive compensation, see Qualified Performance-based Compensation above. A participant's basis in any Common Shares received will equal the fair market value of the Common Shares at the time the participant recognized ordinary income. If, as usually is the case, the Common Shares are a capital asset in the participant's hands, any additional gain or loss recognized on a subsequent sale or exchange of the Common Shares will not be ordinary income, but will qualify as capital gain or loss.

Section 409A of the Code may apply to PSUs granted under the PSU Plan. For such awards subject to Section 409A, certain U.S. officers may experience a delay of up to six months in the settlement of the PSUs in Common Shares.

### **Resolution to Ratify and Approve PSU Plan**

In order for the Company to continue awards under the PSU Plan it must seek shareholder ratification and approval of the PSU Plan. Accordingly, the ordinary resolution (the "**PSU Plan Resolution**") to ratify and approve the PSU Plan must be passed by a simple majority of the votes cast by the Shareholders who, being entitled to do so, vote in person or by proxy on the PSU Plan Resolution. The text of the PSU Plan Resolution is set out below.

"Be it RESOLVED, as an ordinary resolution, that:

1. the Performance Share Unit Plan (the "**PSU Plan**") allowing for the issuance of a maximum of that number of Common Shares from treasury equal to 3% of the Common Shares of the Company issued and outstanding from time to time and, subject to the aggregate Insider and other limits described in the Company's 2018 Information Circular, which is filed, together with a copy of the PSU Plan, under the Company's profile at [www.sedar.com](http://www.sedar.com), be and is hereby ratified and approved;
  2. the unallocated entitlements are hereby approved and the Company will have the ability to issue PSU Plan Units, which may be settled in Common Shares from treasury until June 7, 2021; and
- (1) any director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution."

**The Board recommends that Shareholders vote in favour of the PSU Plan Resolution.** In the absence of a contrary instruction, the person(s) designated in the form of proxy by the Company intend to vote in favour the PSU Plan Resolution.

If the resolution to approve the PSU Plan is not approved, the Company will not be able to settle any PSUs that are granted following the Meeting through issuance of Common Shares from treasury.

### **Advisory Resolution on the Company's Approach to Executive Compensation (Say on Pay)**

The Board believes that Shareholders should have the opportunity to not only fully understand the objectives, philosophies and principles the Board has used in its approach to executive compensation

decisions but to also have an annual advisory vote on such approach to executive compensation. The purpose of the Say on Pay advisory vote is to provide appropriate director accountability to the Shareholders for the Board's compensation decisions. For additional information regarding the Company's approach to executive compensation, Shareholders should review the section "Statement of Executive Compensation" in this Information Circular. A full copy of the Company's Say on Pay Policy is included in Appendix 11 to the Governance Manual, and is available on the Company's website at [www.tasekominer.com](http://www.tasekominer.com).

Although an annual vote by shareholders on our compensation practices is not mandatory in Canada, we believe it is an essential part of good governance and enhances shareholder engagement by giving the shareholders a formal opportunity to provide their views on the disclosed objectives of the executive compensation plans and on the plans themselves. While Shareholders will provide their collective advisory vote, the Board remains fully responsible for its compensation decision and is not relieved of its responsibilities. Because the Say on Pay resolution is an advisory vote, the results are non-binding; however, the Board and Compensation Committee will take the results of the vote into account when considering future compensation policies, procedures and decisions.

The Board recognizes that Say on Pay is an evolving area in Canada and globally, and will review this policy annually to ensure that it is effective in achieving its objectives.

The Company's executive compensation policies and programs are based on the principle of 'pay for performance' to align the interests of the Company's executive officers with those of the Company's shareholders. Shareholders are being asked at the Meeting to consider and approve the following ordinary resolution (the "**Say on Pay Advisory Resolution**") in substantially the following form:

**"BE IT RESOLVED** that on an advisory basis, and not to diminish the role and responsibilities of the Board of Directors, the Shareholders accept the Board's approach to executive compensation delivered in advance of the 2018 annual meeting of shareholders."

To pass, the Say on Pay Advisory Resolution must be approved by a majority vote of the Common Shares voted, in person or by proxy, on the advisory resolution.

The management proxyholders intend to vote FOR the Say on Pay Advisory Resolution, except in relation to Common Shares held by a Shareholder who instruct otherwise.

In the event that a significant number of Shareholders oppose the Say on Pay Advisory Resolution, the Board will consult with its shareholders, particularly those who are known to have voted against it, in order to understand their concerns and will review the Company's approach to compensation in the context of those concerns.

Shareholders who have voted against the Say on Pay Advisory Resolution are also encouraged to contact the Board to discuss their specific concerns.

The Board will disclose to Shareholders as soon as is practicable, ideally within six months of the vote, and no later than in the management proxy circular for its next annual meeting, a summary of the significant comments relating to compensation received from Shareholders in the engagement process and an explanation of the changes to the compensation plans made or to be made by the Board or why no changes will be made.

### **Advisory Resolution on the Company's Approach to Related Service Providers (Say on Services)**

The Board believes that Shareholders should have an advisory vote in connection with fees paid ("**HDI Fees**") for services provided to the Company over the previous year by HDI and certain related service providers ("**HDI Service Providers**") under any services agreement or equivalent (the "**Services Agreement**"). For purposes of this vote, HDI Service Providers includes HDI, and any director, officer, employee or affiliate of HDI, including HDSI, but excludes, to avoid double counting, any person whose remuneration is otherwise disclosed to shareholders as required under securities law policies relating to executive compensation. For additional information regarding fees paid to HDI Service Providers, Shareholders should review the section "Interest of Informed Persons in Material Transactions" in this Information Circular. A full copy of the Company's Say on Services Policy is included in Appendix 11 to the Governance Manual, and is available on the Company's website at [www.tasekomines.com](http://www.tasekomines.com).

While Shareholders will provide their collective advisory vote, the Board remains fully responsible for its decisions with respect to HDI Fees and is not relieved of its responsibilities. Because the Say on Services resolution is an advisory vote, the results are non-binding; however, the Board will take the results of the vote into account when considering future Services Agreements and future HDI Fees.

The Board recognizes that Say on Services is an evolving area in Canada and globally, and will review this policy annually to ensure that it is effective in achieving its objectives.

Shareholders are being asked at the Meeting to consider and approve the following ordinary resolution (the "**Say on Services Advisory Resolution**") in substantially the following form:

**"BE IT RESOLVED** that on an advisory basis, and not to diminish the role and responsibilities of the Board of Directors, the Shareholders accept the HDI Fees as disclosed in the Company's information circular delivered in advance of the 2018 annual meeting of shareholders."

To pass, the Say on Services Advisory Resolution must be approved by a majority vote of the Common Shares voted, in person or by proxy, on the advisory resolution.

The management proxyholders intend to vote FOR the Say on Pay Advisory Resolution, except in relation to Common Shares held by a Shareholder who instruct otherwise.

In the event that a significant number of Shareholders oppose the Say on Services Advisory Resolution, the Board will consult with its shareholders, particularly those who are known to have voted against it, in order to understand their concerns and will review the Company's approach to HDI Fees in the context of those concerns, and in addition the Services Agreement will be referred to an independent committee of the Board for amendment or cancellation, as determined in the independent committee's sole discretion to be in the best interests of the Company.

Shareholders who have voted against the Say on Services Advisory Resolution are also encouraged to contact the Board to discuss their specific concerns.

The Board will disclose to Shareholders as soon as is practicable, ideally within six months of the vote, and no later than in the management proxy circular for its next annual meeting, a summary of the significant comments relating to the HDI Fees received from Shareholders in the engagement process and an explanation of the changes to the HDI Fees or the Services Agreement(s) made or to be made by the Board or why no changes will be made.

## ADDITIONAL INFORMATION

Additional information relating to the Company is included in the Company's annual information form and in the audited financial statements for the year ended December 31, 2017, the auditor's report thereon and related management discussion and analysis filed on [www.sedar.com](http://www.sedar.com). Copies of the Company's most current interim financial statements and related management discussion and analysis, Share Option Plan, Performance Share Unit Plan and the Shareholder Rights Plan and additional information may be obtained from [www.sedar.com](http://www.sedar.com) and upon request from the Company at telephone number (778) 373-4533 or fax number (778) 373-4534.

## OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

**DATED** at Vancouver, British Columbia, April 26, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Russell E. Hallbauer"*

**Russell E. Hallbauer**  
**President and Chief Executive Officer**

**QUESTIONS MAY BE DIRECTED TO THE PROXY SOLICITOR**



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