



The Economic Impact of Gibraltar Mine: *Reflecting on 20 Years, Envisioning the Next 20*

Assessing the regional, provincial, and national economic contributions of Taseko's Gibraltar Mine from 2004-2024 with projections through 2044

Final Report

February 2025

Prepared for Taseko Mines Limited



Contents

1. Executive Summary	1
2. Introduction	4
2.1 Background and Purpose.....	4
2.2 Study Approach.....	4
2.3 Structure of the Report	4
2.4 Report Limitations.....	5
3. Overview of Gibraltar Mine.....	6
3.1 Overview	6
3.2 Mining Operations.....	7
3.3 Mine Value Chain.....	14
4. Economic Impact Analysis.....	16
4.1 Economic Impact Methodology.....	16
4.2 Economic Impact of Operations and Capital Expenditure.....	17
5. Conclusion	32
Appendices	36
Appendix A – Economic Impact Modelling Assumptions.....	36
Appendix B – About MNP	38

List of Figures

Figure 1: Location of Gibraltar Mine in British Columbia	6
Figure 2: Actual and Projected Copper Production, 2005-2044	7
Figure 3: Actual and Projected Molybdenum Production, 2005-2044	8
Figure 4: Operating Expenditures by Category, 2007-2023	8
Figure 5: Gibraltar's Expenditures by Region, 2023	10
Figure 6: Gibraltar Direct Employment, 2005-2023	10
Figure 7: Direct Employment and Employment Income Generated at Gibraltar and the Cariboo Regional District, 2021	11
Figure 8: Employment by Function, 2023	12
Figure 9: Employment Diversity at Gibraltar	13
Figure 10: Gibraltar and Taseko Community Support, 2005-2023	13
Figure 11: Gibraltar and Taseko Community Support by Organization Type, 2005-2023	14
Figure 12: Gibraltar Mine Value Chain	15
Figure 13: Actual and Projected Operating Expenditures, 2005 to 2044	17
Figure 14: Economic Impacts of Annual Operations, Selected Years (Actual Dollars)	20
Figure 15: Employment (Jobs) Supported by Annual Operations, Selected Years	21
Figure 16: Projected Economic Impacts of Annual Operations, Selected Years	28
Figure 17: Projected Employment (Jobs) Generated by Annual Operations, Selected Years	29
Figure 18: Average Historical and Projected LME Copper Prices, 2005 to 2044	30
Figure 19: Average Historical and Projected Molybdenum Prices, 2005 to 2044	30
Figure 20: Average Annual Canadian Dollar / US Dollar Foreign Exchange Rate, 2005 to 2044	31
Figure 21: Cumulative Economic Impacts of Operations and Capital Expenditures, 2005 to 2023	32
Figure 22: Projected Cumulative Economic Impacts of Operations by Region, 2024 to 2044	33
Figure 23: Cumulative Economic Impacts of 40 Years of Operations and Capital Expenditures by Region, 2005 to 2044	34

List of Tables

Table 1: Operating Expenditures by Category, 2023	9
Table 2: Cumulative Impacts of Operations, 2005 to 2023 (Actual Dollars).....	19
Table 3: Capital Expenditures Summary, 2005-2023.....	22
Table 4: Cumulative Economic Impacts of Capital Expenditures, 2005 to 2023 (Actual Dollars).....	24
Table 5: Cumulative Economic Impacts of Operations and Capital Expenditures, 2005 to 2023 (Actual Dollars).....	25
Table 6: Projected Cumulative Economic Impacts of Operations, 2024-2044 (Constant 2022 Dollars) ...	27
Table 7: Change in Total Economic Impacts from a Change in Copper Prices, 2024 to 2044	31

1. Executive Summary

Background and Overview

Taseko's Gibraltar Mine (Gibraltar) is the second-largest open-pit copper mine in Canada, located in the Cariboo region of British Columbia. Since Taseko acquired Gibraltar in 1999 and restarted operations in 2004, the company has invested more than \$1.2 billion (CAD) in mine expansion, modernization, capital projects and ongoing maintenance and upgrades. Gibraltar has operated continuously over the past 20 years, throughout various economic cycles. The fall of 2024 marks the 20-year anniversary of the restart of Gibraltar operations. To quantify Gibraltar's economic and social contributions to the Cariboo region, British Columbia, and Canada, as well as its potential future contributions, Taseko engaged MNP LLP (MNP) to conduct an economic impact study.

Key Findings

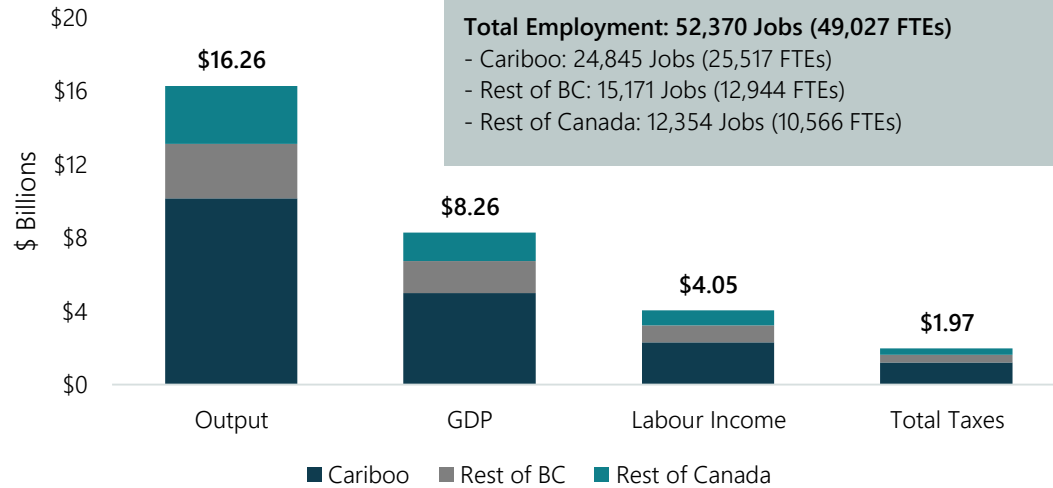
Gibraltar is a significant employer in the Cariboo region. The mine provides a range of employment opportunities from general labour and administrative positions to highly skilled engineers, geologists, metallurgists, and environmental scientists. Its direct workforce accounts for approximately 2.7 percent of total employment in the Cariboo region and this employment generates 15.5 percent of employment income in the region. An additional 2.9 percent of employment is linked to the operations at Gibraltar (e.g. employment at suppliers).

Gibraltar generates significant economic impacts across Canada through its operations and capital expenditures.¹ Between 2005 and 2023, its operations supported a total of 2,285 direct, indirect, and induced jobs annually. Of the 2,285 jobs, 1,050 were in the Cariboo region, 665 were in other parts of British Columbia, and 570 were in the rest of Canada. Additionally, capital expenditure between 2005 and 2023 supported a total of 8,951 jobs including 4,890 in the Cariboo region, 2,535 in other parts of British Columbia and 1,526 in the rest of Canada.

¹ Note: i) The economic impacts presented in this report are undiscounted and expressed in actual-year dollars, reflecting the nominal amounts for each year without adjustments for inflation or present value. Projected economic impacts are reported in constant 2022 dollars. ii) Total FTEs represent the total number of hours of full-time work generated in a one-year period. Each FTE could be one person working full-time, or two people working full-time hours for six months. For example, one person working for 20 years would be counted as 20 jobs (or 20 FTEs if it is a full-time job).

Cumulative Total Impacts – Operations and Capital Expenditures

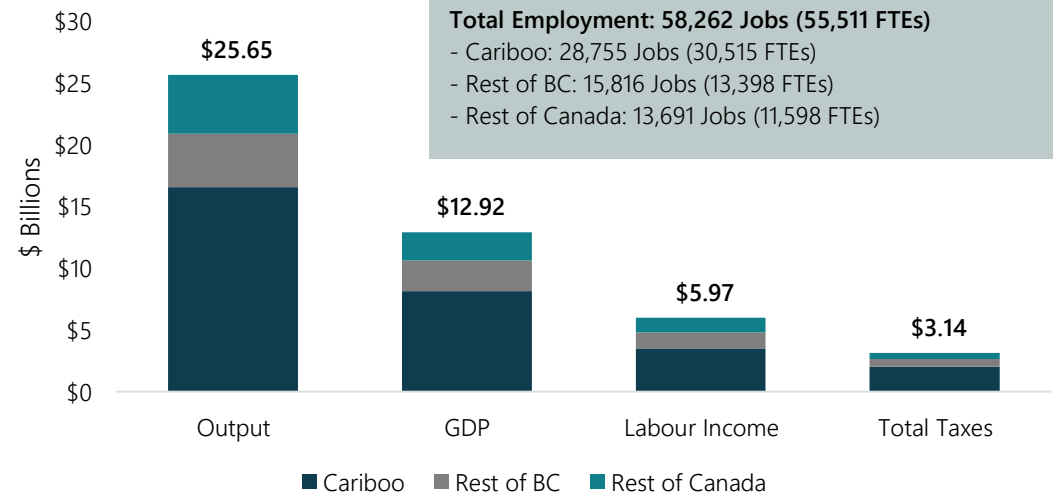
Impacts – Operations and Capital Expenditures (2005 to 2023)



Between 2005 and 2023, Gibraltar’s operations and capital expenditures are jointly estimated to have generated:

- Total output of \$16.26 billion.
- Total GDP of \$8.26 billion.
- Total labour income of \$4.05 billion.
- Total taxes of \$1.97 billion.

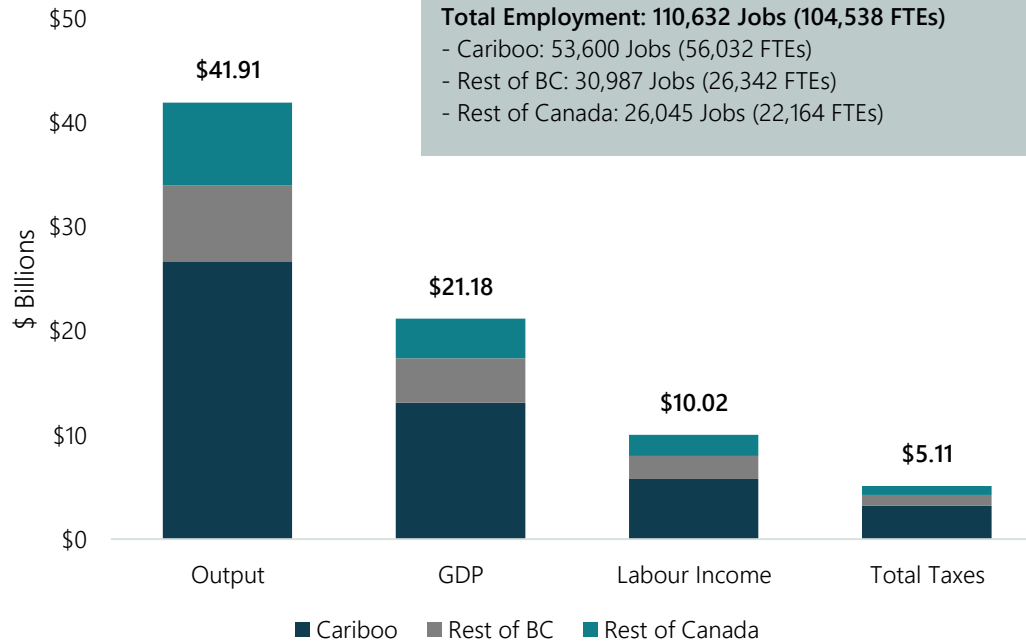
Projected Impacts - Operations (2024 to 2044)



Gibraltar’s operations over its current reserve life (2024 to 2044) are projected to generate:

- Total output of \$25.65 billion.
- Total GDP of \$12.92 billion.
- Total labour income of \$5.97 billion.
- Total taxes of \$3.14 billion.

Full Impacts – Operations & Capital Expenditures
40 Years (2005 to 2044)



Gibraltar’s operations and capital expenditures over its 40-year current reserve (2005 to 2044) are estimated to generate:

- Total output of \$41.91 billion.
- Total GDP of \$21.18 billion.
- Total labour income of \$10.02 billion.
- Total taxes of \$5.11 billion.

Gibraltar contributes to the community.

Between 2005 and 2023, Gibraltar and Taseko have jointly invested more than \$7.1 million in community development. Most of this support (85 percent) has been provided through direct donations, with the remaining contributions made through sponsorships, in-kind transfers, community events, and fundraising activities. This support has been distributed across various sectors, including health initiatives, education, arts, and cultural events, and local business ventures.

2. Introduction

2.1 Background and Purpose

Taseko's Gibraltar Mine (Gibraltar) is the second-largest open-pit copper mine in Canada. It is located 65 kilometers northeast of Williams Lake and 590 kilometers north of Vancouver in the Cariboo region of British Columbia. Gibraltar opened in 1972 and operated for over 25 years before it was acquired by Taseko in 1999. Since its acquisition, Taseko has invested more than \$1.2 billion in multi-phase programs to increase copper reserves, modernize production processes, and expand the mine's processing capacity. The fall of 2024 marks the 20-year anniversary of the restart of Gibraltar operations by Taseko. The remaining mine life, based on the current reserve estimate, is 20 years, until 2044. However, further extension of the mine life is likely through the conversion of resources to reserves. To quantify Gibraltar's economic and social contributions to the Cariboo region, British Columbia, and Canada, as well as its potential future contributions, Taseko engaged MNP LLP (MNP) to conduct an economic impact study.

2.2 Study Approach

In preparing this report, MNP carried out the following activities:

- Gathered and reviewed data provided by Taseko on the operations of Gibraltar, including capital expenditures, annual operating revenues and expenditures, including audited financial statements.
- Developed an economic impact model based on multipliers published by Statistics Canada to estimate the economic impacts associated with Gibraltar.
- Estimated the economic impacts generated by the operations of Gibraltar between 2005 and 2023.
- Developed projections for the economic impacts of the operations of Gibraltar between 2024 to 2044.
- Documented the mine value chain and the jobs supported by operations at Gibraltar.

2.3 Structure of the Report

The remaining sections of this report are organized as follows:

- Section 3 provides an overview of the Gibraltar Mine, including production, revenue, employment, and social contributions.
- Section 4 describes the economic impact methodology and presents the economic impacts associated with Gibraltar's operations, and capital expenditures.
- Section 5 summarizes the key findings and offers concluding remarks.
- The appendix describes the methodology used to estimate the economic impacts.

2.4 Report Limitations

This report is provided for information purposes and is intended for general guidance only. It should not be regarded as comprehensive or as a substitute for personalized, professional advice.

We have relied upon the completeness, accuracy and fair presentation of all information and data obtained from Taseko and public sources, believed to be reliable. The accuracy and reliability of the findings and opinions expressed in the presentation are conditional upon the completeness, accuracy and fair presentation of the information underlying them. As a result, we caution readers not to rely upon any findings or opinions expressed for business or investment decisions and disclaim any liability to any party who relies upon them as such. Before taking any particular course of action, readers should contact their own professional advisor to discuss matters in the context of their particular situation.

The report contains projections, founded on past events giving an expectation of certain future events. Future events are not guaranteed to follow past patterns and results may vary, even significantly. Accordingly, we express no assurance as to whether projections underlying the economic and financial analysis for the period 2024 through 2044 will be achieved.

Additionally, the findings and opinions expressed in the presentation constitute judgments as of the date of the presentation and are subject to change without notice. MNP is under no obligation to advise of any change brought to its attention which would alter those findings or opinions.

3. Overview of Gibraltar Mine

3.1 Overview

Gibraltar is an open-pit copper and molybdenum mining operation located 65 kilometers northeast of Williams Lake, British Columbia. The Gibraltar property spans 26,588 hectares, comprising 32 mining leases covering 2,275 hectares, 215 mineral claims over 21,425 hectares, and 5 optioned claims totalling 2,888 hectares. The location of Gibraltar mine within British Columbia is depicted in **Figure 1**.

Figure 1: Location of Gibraltar Mine in British Columbia



The history of Gibraltar mine dates to 1964, when Gibraltar Mines Ltd. acquired a group of claims in the McLeese Lake area. Construction of the mine started in 1970, and concentrator operators began in 1972. The mine continued to run until low copper prices led to its closure in 1998.²

Taseko Mines Limited acquired Gibraltar in 1999, resuming mining operations in early 2004 and milling production later that year. Recognizing the long-term potential of Gibraltar's vast resource base, Taseko began an ambitious modernization plan to boost copper reserves and expand production capacity. 2006 marked the start of a three-phase upgrade and in 2007, refurbishments of the Solvent Extraction/Electrowinning (SX/EW) Plant led to copper cathode production resuming. Phase I (2007-2008) involved the addition of a SAG mill, converting rod to ball mills, and upgrading flotation systems, which raised milling capacity to 46,000 tons per day. Phase II (2009-2011) further enhanced capacity to 55,000 tons with an in-pit crusher, new conveyor system, expanded flotation, and mining fleet upgrades.

The most ambitious modifications came with Phase III (2011-2013). During this phase, milling capacity increased to 85,000 tons per day with the addition of a stand-alone 30,000 tons per day concentrator and mining fleet enhancements. As well, a new molybdenum separation plant was

² <https://www.tasekomines.com/about/history-of-taseko>

constructed. Overall, these strategic investments and expansions boosted Gibraltar’s efficiency and capacity to over 130 million pounds of copper annually, ensuring its continued operation and improved output for years to come.

3.2 Mining Operations

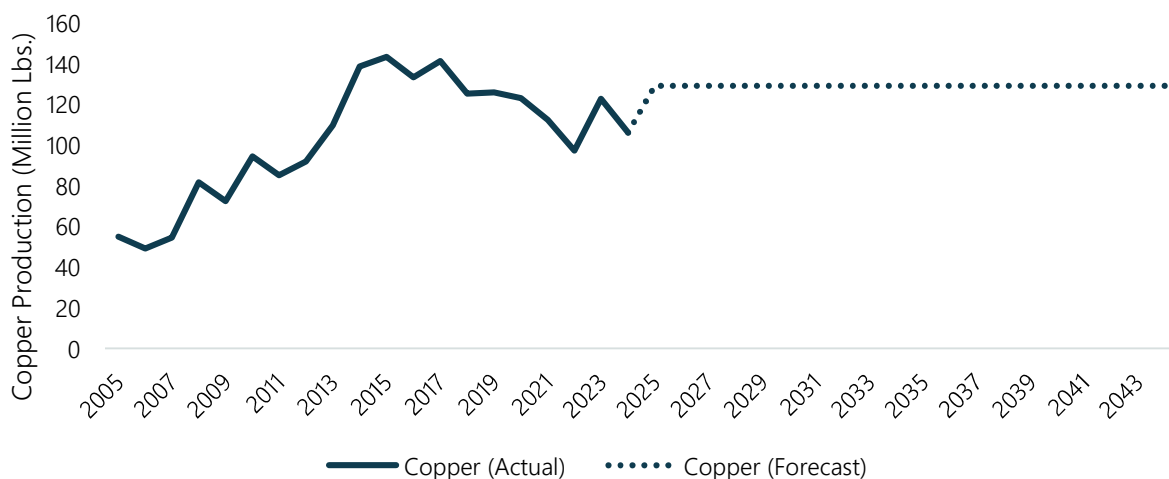
Gibraltar has been a significant contributor to the local and provincial communities, and the national mining sector since its restart in 2004. This section examines the mine’s operations from 2005 to 2023 and projections through 2044. It includes an overview of production volumes, financial performance, operational expenditures, and employment trends, providing a comprehensive picture of Gibraltar’s role in the regional economy and its outlook for the future.

Production

Gibraltar has operated continuously over the past 20 years, through various commodity cycles. Since its restart in 2004, Gibraltar has established itself as a major source of Canadian copper production. From 2005 to 2023, the mine produced a total of 1.9 billion pounds of copper. Overall, the mine’s production history is characterized by various distinct phases of development and output.

Figure 2 below presents Gibraltar’s actual and projected copper production from 2005 to 2044. In the initial years following the restart, production steadily increased. From 2005 to 2011, annual copper output increased from 54.8 million pounds to 82.9 million pounds. This period of growth was followed by a period of strong production between 2012 and 2017. During this period, mine production consistently exceeded 125 million pounds of copper annually, reaching a high of 143.2 million pounds in 2015. Since then, there has been some variability in production. This variability reflects a combination of operational adjustments, the impacts of the COVID-19 pandemic, and fluctuations in copper prices. Looking forward, copper production is projected to be relatively stable, with a life of mine average production of 129 million pounds of copper per year.

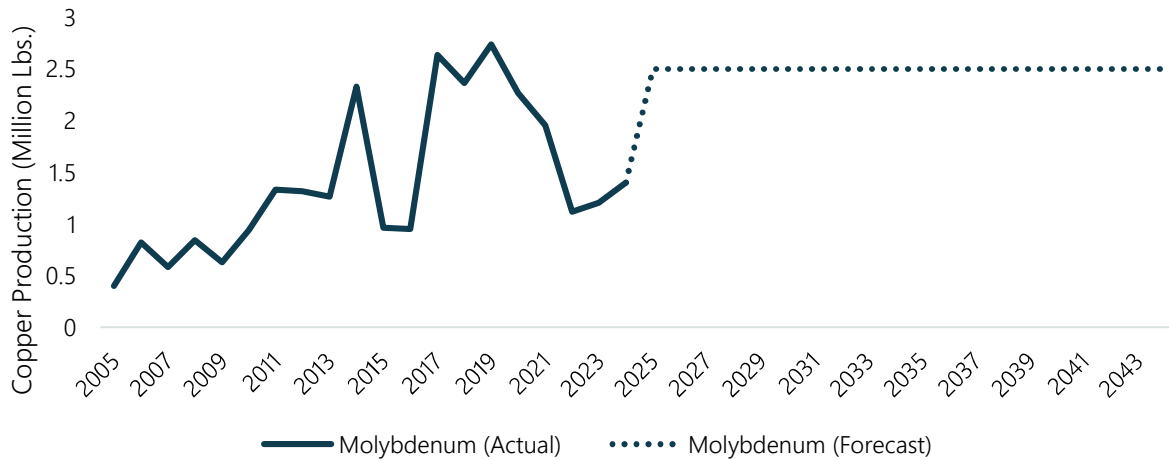
Figure 2: Actual and Projected Copper Production, 2005-2044



Source: Taseko Mines.

While copper is Gibraltar’s primary output, molybdenum production has served as a secondary revenue stream. **Figure 3** presents Gibraltar’s actual and projected molybdenum production from 2005 to 2044. Between 2004 and 2023, the mine produced a cumulative total of 27.5 million pounds of molybdenum. In 2023, molybdenum output reached 1.2 million pounds, maintaining the level set in 2022. Looking forward, average annual molybdenum production is expected to be 2.5 million pounds due to higher expected average grades.

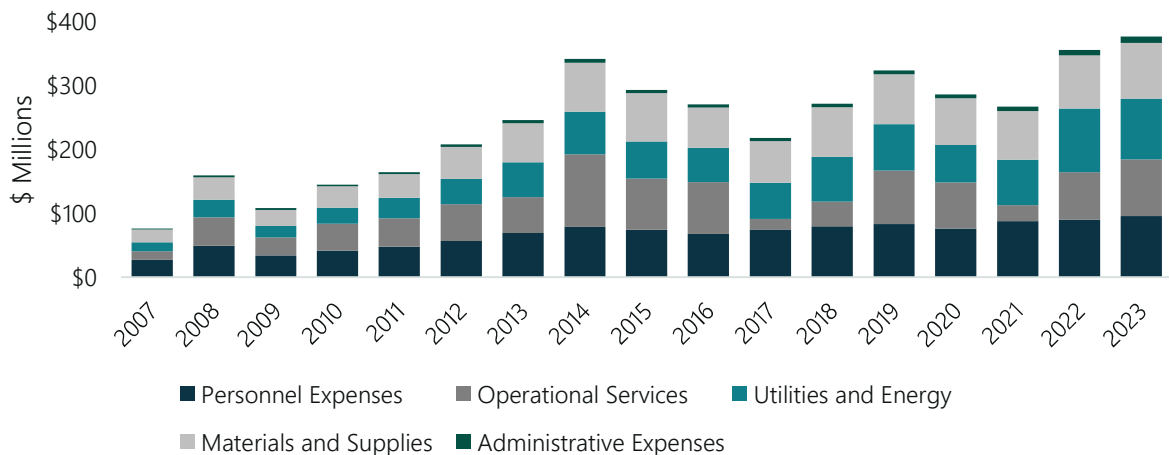
Figure 3: Actual and Projected Molybdenum Production, 2005-2044



Source: Taseko Mines.

As Gibraltar has expanded and increased production capacity, operating expenditures have grown from \$76.8 million in 2005 to \$376.2 million in 2023. **Figure 4** provides a breakdown of these operating costs between 2007 and 2023.³

Figure 4: Operating Expenditures by Category, 2007-2023



Source: Taseko Mines.

³ Note that, while total operating costs are available starting from the 2005 fiscal year, the breakdown of operating costs by category is not available until the 2007 fiscal year.

Personnel expenses, including salaries, wages, and training costs, represent the largest cost category, averaging 28 percent of total operating expenditures between 2007 and 2023. Materials and supplies (e.g., explosives, reagents, tires, lubricants, and grinding media) constitute the second-largest category, accounting for an average of 25 percent of total costs. Operational services (e.g., external services, bus transportation, rentals, freight, repairs, maintenance, reclamation and capitalization costs⁴) closely follow, averaging 24 percent. Utilities and energy costs, including natural gas, electricity, diesel, and gasoline, form the fourth-largest component, averaging 21 percent. Lastly, administrative expenses make up the smallest share, averaging 2 percent of total expenditures during this period. **Table 1** provides specific values for the 2023 fiscal year.

Table 1: Operating Expenditures by Category, 2023

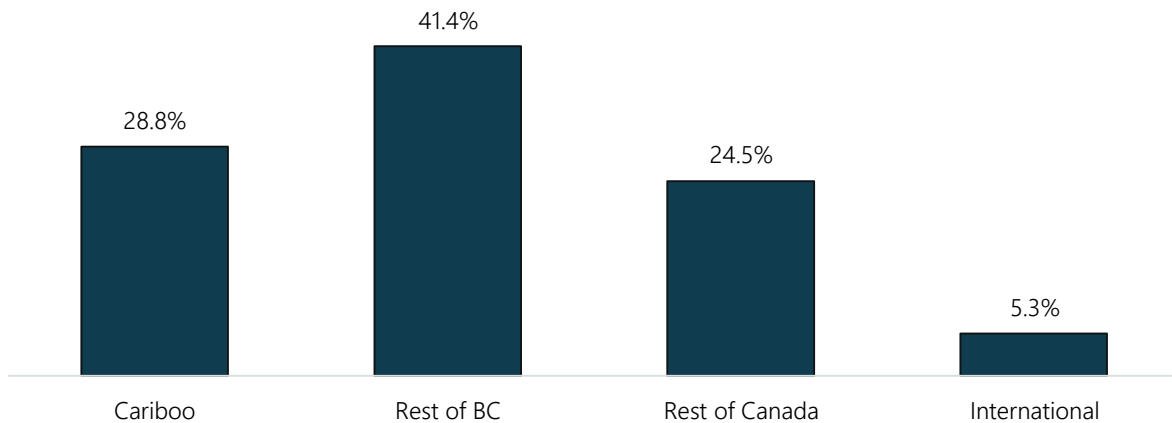
Expenditure Category	Expenditure (\$ million)	Share (%)
Personnel Expenses	95.8	25.5
Energy and Utilities	95.2	25.3
Operational Services	88.4	23.5
Materials and Supplies	86.8	23.1
Administrative Expenses	10.0	2.6
Total	376.2	100.0

Source: Taseko Mines.

Over two-thirds of Gibraltar’s operating expenditures are spent within British Columbia. **Figure 5** shows the distribution of expenditures by region in 2023. The largest share of spending (41.4 percent) took place in the regions comprising the “Rest of BC”—including the Lower Mainland, Thompson-Okanagan, and Kootenay regions. The Cariboo region, where Gibraltar is located, had the second highest share of spending (28.8 percent). Spending in the rest of Canada accounted for 24.5 percent of total expenditures, while international suppliers received 5.3 percent of total expenditures.

⁴ Reclamation and Capitalization Costs includes reclamation obligation distribution, capital stripping and capital components allocations/adjustments.

Figure 5: Gibraltar's Expenditures by Region, 2023



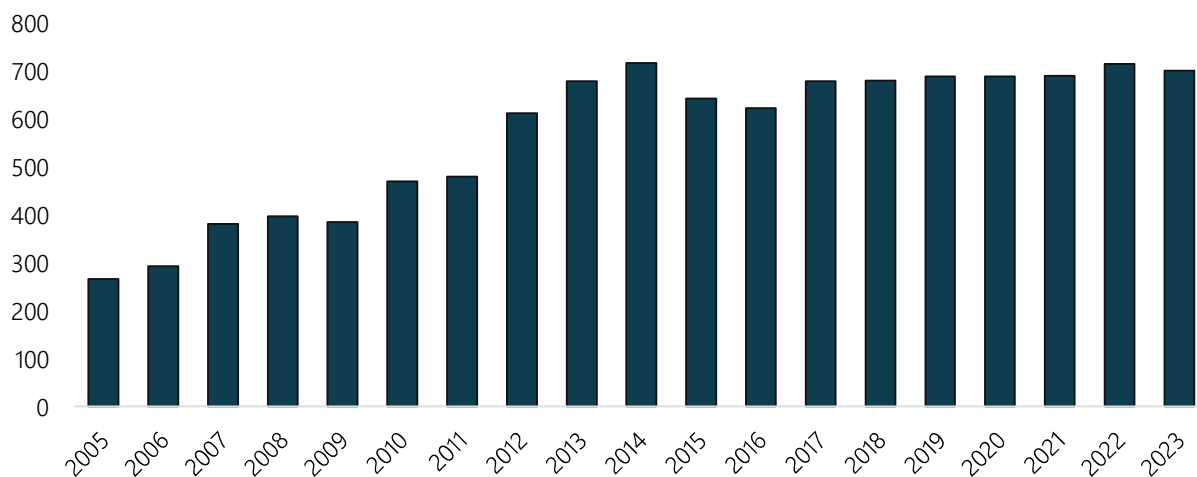
Source: Taseko Mines.

Gibraltar Workforce

Since its restart in 2004, Gibraltar’s workforce has increased significantly, and it is one of the largest private employers in the Cariboo region.⁵ **Figure 6** presents total employment at Gibraltar between 2007 to 2023.⁶

Between 2005 and 2014, Gibraltar’s workforce grew from 266 employees to more than 700. Today, projections for 2025 to 2044 suggest that employment is expected to remain relatively stable until the mine reaches its current reserve life in 2044.

Figure 6: Gibraltar Direct Employment, 2005-2023



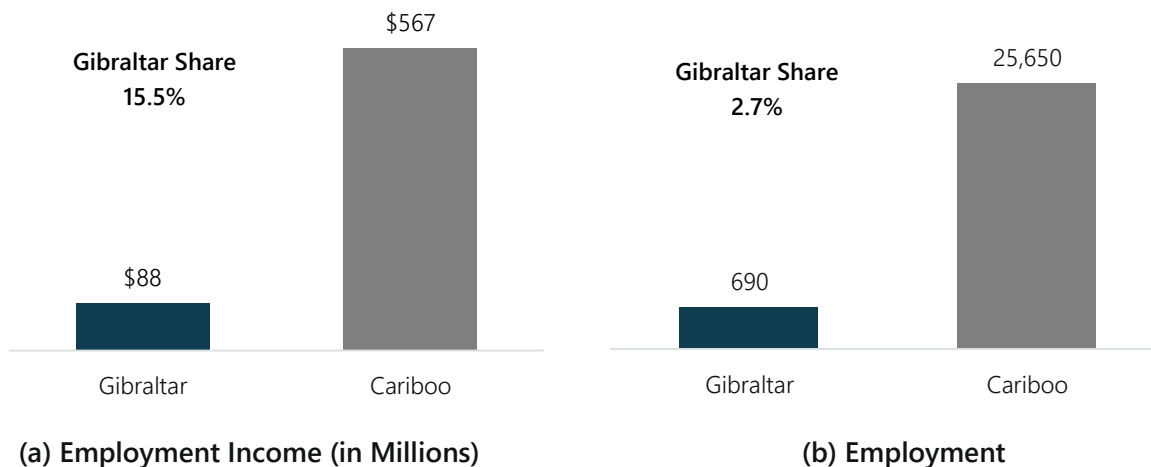
Source: Taseko Mines.

⁵ Government of British Columbia News Release. “Gibraltar Mine hires an additional 150 workers.” URL: <https://news.gov.bc.ca/releases/2013MEM0013-001428>

⁶ Note that salary and wage information is only available starting from the 2007 fiscal year.

As shown in **Figure 7**, Gibraltar also contributes substantially to the employment and employment income within the Cariboo region. In 2021, the most recent year for which income data for the Cariboo was available, Gibraltar accounted for approximately 2.7 percent of total employment and its employment income accounted for 15.5 percent of total income in the region. The mine’s commitment to local employment is further substantiated by the geographic composition of its workforce. Approximately 97 percent of employees at Gibraltar reside within the Cariboo region, while the remaining 3 percent are located elsewhere in British Columbia and Canada.

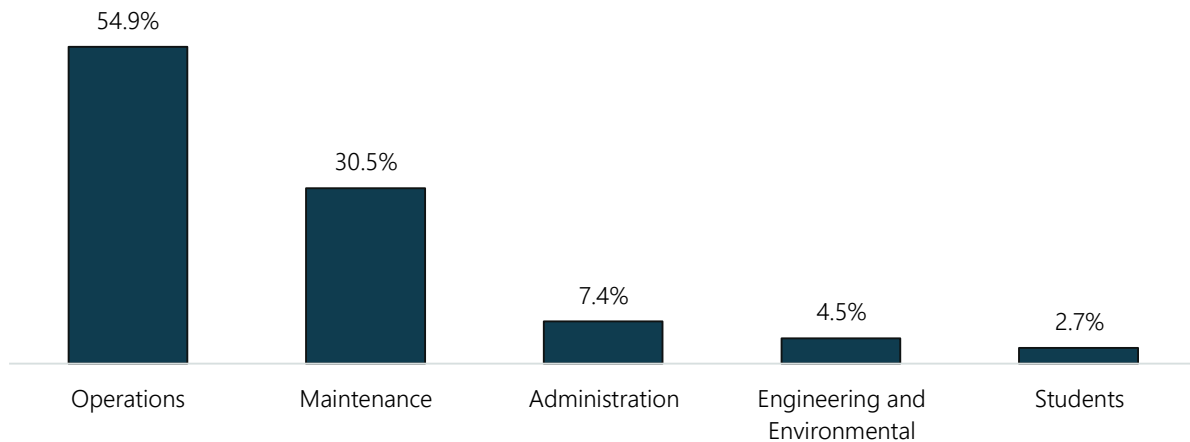
Figure 7: Direct Employment and Employment Income Generated at Gibraltar and the Cariboo Regional District, 2021



Source: Canada Revenue Agency. Individual Tax Statistics by Area (ITSA) – 2023 Edition (2021 tax year). Statistics Canada. Table 98-10-0485-01 Labour force status by age and gender: Canada, provinces and territories, census divisions and census subdivisions. Taseko Mines.

Gibraltar’s workforce exhibits diversity across a range of occupational categories, gender, and age groups. **Figure 8** illustrates the distribution of Gibraltar’s employees by function. Operations, which includes mine operations, mill operations, and metallurgy, forms the largest segment of the workforce at 54.9 percent of the total. Maintenance, including mine maintenance, mill maintenance, electrical, and technical service workers, is the second-largest category with 30.5 percent of the workforce. Administration, which includes accounting, information technology, supply chain, and human resources, accounts for 7.4 percent of total employment. Engineering and environmental occupations account for 4.5 percent of the workforce. Finally, Gibraltar’s commitment to future talent development is reflected in their employment of students, which account for the remaining 2.7 percent of total employment.

Figure 8: Employment by Function, 2023



Source: Taseko Mines.

Indigenous Employment at Gibraltar

Taseko and Gibraltar have a commitment to Indigenous employment. In 2023, the mine employed 97 workers who self-identified as Indigenous. Of these, 67 employees identified as First Nations and 30 identified as Métis. The First Nations communities represented within Gibraltar’s workforce include ʔEsdilagh (Alexandria), Tsi Del Del (Alexis), Tl’etinqox (Anaham), Tsq’escen (Canim Lake), Stswecemic/Xgat’tem (Canoe), Xatsúll (Soda Creek), Yunešit’in (Stone), and T’exelc (Williams Lake).

Indigenous employees are integrated across a wide range of departments at Gibraltar. The departments with the highest number of Indigenous workers include mine operations (44 employees), mill operations (24 employees), and mine maintenance (15 employees). Indigenous employees are also employed in technical and specialized roles such as environmental (3 employees) and engineering (1 employee).

Indigenous workers accounted for approximately 14 percent of the Gibraltar workforce in 2023. This share of employment is consistent with the share of people who identify as Indigenous in the Cariboo region (15 percent).

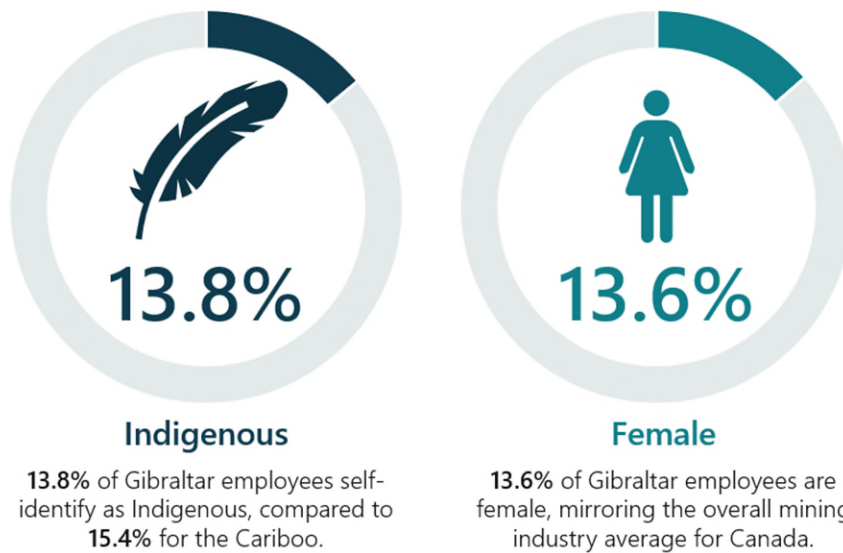
Sources: Taseko Mines. Statistics Canada. (2024). *Indigenous Population Profile, 2021 Census of Population*. Profile table: Cariboo, Regional district [Census division], British Columbia.

The gender composition of Gibraltar’s workforce reflects broader trends in the mining industry, with men constituting 86.4 percent of employees and women representing the remaining 13.6 percent. The share of Gibraltar’s workforce that is women is consistent with that of Canada’s mining workforce more broadly at 13.6 percent.⁷ The distribution of ages of Gibraltar’s workforce similarly spans across multiple generations, reflecting a blend of experience and emerging talent. The workforce is primarily concentrated in the middle-age brackets, with employees aged 31 to 50 accounting for 52.6 percent of

⁷ Mining Industry Human Resources Council. (2024). *Canadian Mining Workplace Profile*. URL: <https://mihr.ca/wp-content/uploads/2024/04/MiHR-Workplace-EN-2024-Final.pdf>

the total. This core group is complemented by a sizeable younger cohort, with 17.6 percent of employees aged 30 and below, including a small percentage of workers under the age of 20. The more experienced aged groups, including those over 50 years old, comprise 29.8 percent of the workforce. A small but notable portion of the workforce, 2.6 percent, consists of employees over the age of 65 years old.

Figure 9: Employment Diversity at Gibraltar



Social and Community Contributions

Gibraltar and Taseko have consistently demonstrated a strong commitment to social responsibility and community development within the Cariboo region. Between 2005 and 2023, the two groups have jointly donated more than \$7.1 million to organizations and initiatives within the region. As shown in **Figure 10**, this financial support has been primarily channeled through donations, which comprise 85 percent of total contributions. The remaining 15 percent is allocated to other channels, including sponsorships, in-kind transfers, community events, and fundraising activities.

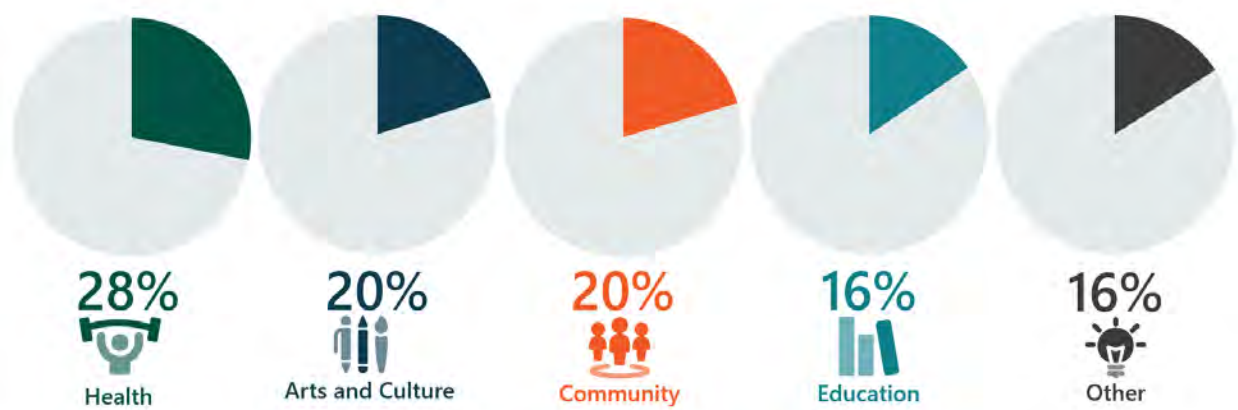
Figure 10: Gibraltar and Taseko Community Support, 2005-2023



Source: Taseko Mines.

Figure 11 shows the distribution of Taseko and Gibraltar’s community contributions by type of organization between 2004 and 2023. Health initiatives receive the largest share of support, accounting for 28 percent of total contributions. Community and Arts and Culture programs follow closely, each comprising 20 percent of total contributions. Finally, Education and Other programs—which includes Business, Political, First Nations, and Research support—have each accounted for 16 percent of total community donations.

Figure 11: Gibraltar and Taseko Community Support by Organization Type, 2005-2023



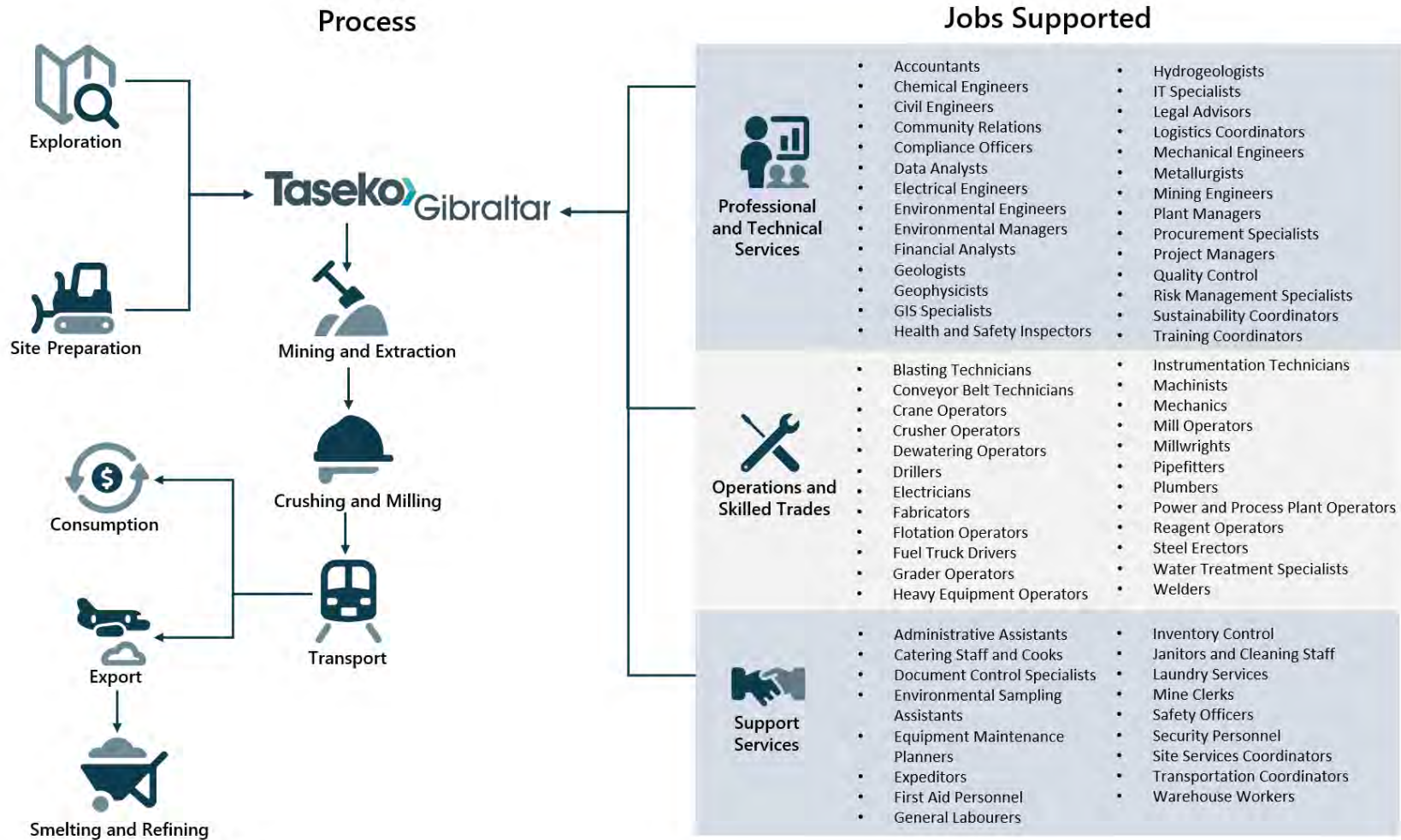
Source: Taseko Mines.

3.3 Mine Value Chain

A value chain represents the sequence of activities that combine to create products or output within specific sectors. For Gibraltar, the value chain encompasses the stages of construction and operations. Throughout these stages, the mine generates direct, indirect, and induced impacts on the economy. Direct impacts, such as employment at Gibraltar, stem from the primary activities associated with each stage of the mining process. Indirect impacts, including jobs at suppliers and in related industries, arise from the linkages between Gibraltar and the various sectors of the economy it interacts with. Induced impacts arise when Gibraltar’s employees spend their wages on good and services in the broader economy.

These linkages extend upstream to suppliers of equipment, materials, and services necessary for mining operations. They also reach downstream to industries that process and utilize the mine’s output, such as smelters, refineries, and manufacturers of copper and molybdenum products. Additionally, the value chain includes connections to auxiliary services like transportation, environmental management, and community development. **Figure 12** below illustrates these interconnections graphically, providing a visual representation of Gibraltar’s value chain and its extended economic linkages.

Figure 12: Gibraltar Mine Value Chain



4. Economic Impact Analysis

4.1 Economic Impact Methodology

In general, economic impacts are viewed as being restricted to quantitative, well-established measures of economic activity. The most commonly used of these measures are output, GDP, employment, labour income, and government revenue:

- **Output** is the total gross value of goods and services produced by a given company or industry measured by the price paid to the producer. This is the broadest measure of economic activity.
- **Gross Domestic Product (“GDP”)**, or value added, refers to the additional value of a good or service over the cost of inputs used to produce it from the previous stage of production. Thus, GDP is equal to the unduplicated value of the goods and services produced.
- **Employment** is the number of jobs created. Employment is measured in terms of full-time equivalents (“FTEs”). One FTE is equivalent to one person working full-time for one year or one person-year of employment.
- **Labour Income** is the earnings associated with the jobs created or supported.
- **Government Revenues** are the total amount of revenues generated for different levels of government. Revenues arise from personal income taxes, indirect taxes less subsidies, corporate income taxes, taxes on products and royalties. Please note that because tax revenues can frequently change due to modifications in tax policy, the government revenues in this report are estimates only and subject to change. They should be viewed as approximate in nature.

Economic impacts may be estimated at the direct, indirect, and induced levels:

- **Direct impacts** are due to changes that occur in “front-end” businesses that would initially receive expenditures and operating revenue as a direct consequence of the operations and activities of an industry, organization, or project.
- **Indirect impacts** arise from changes in activity for suppliers of the “front-end” businesses. For example, a mining company might purchase machinery from a local manufacturer, hire a transportation company to move the minerals, or contract with a catering service to provide meals for the workers. These suppliers and service providers, in turn, experience increased business activity and revenue due to their relationship with the mining company.
- **Induced impacts** arise from shifts in spending on goods and services as a consequence of changes to the payroll of the directly and indirectly affected businesses. For example, a Gibraltar employee might use their salary to buy a new car, which benefits the local car dealership, or they might dine out at a restaurant, which boosts the restaurant's revenue. This additional spending helps to support jobs and income in various sectors of the economy.

To estimate the economic impacts generated by Gibraltar, MNP employed an input-output methodology using multipliers published by Statistics Canada. Input-output modelling is a widely used and widely accepted approach, making it recognizable by many different stakeholders and audiences. The structure

of the approach also facilitates easy comparisons between reported results for different industries and organizations.

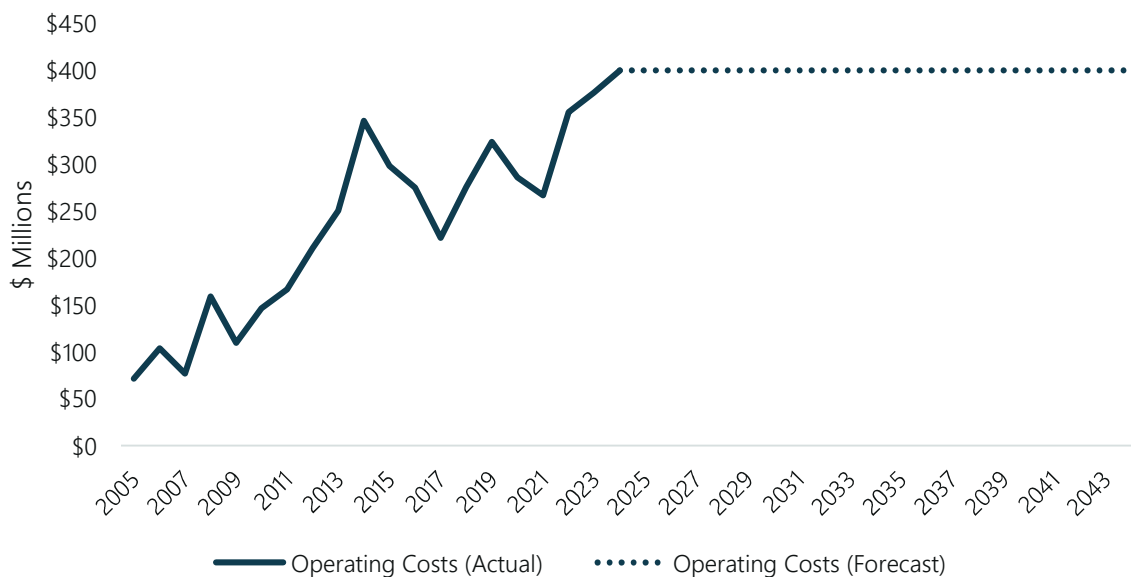
The economic impact estimates are based on data related to capital expenditures, operating revenues and expenditures, including future revenue and expenditure projections. Data were provided by Taseko and supplemented by information from public sources.

Please note that the economic impacts presented in this report are undiscounted. Impacts for 2005 to 2023 are nominal values and reflect the value in each year based on relevant prices and wage rates in that year. These are noted as “actual dollars”. Economic impacts for 2024 to 2044 are presented in constant 2022 dollars.

4.2 Economic Impact of Operations and Capital Expenditure

The expenditures associated with the operation of Gibraltar mine generate economic impacts through the purchase of goods and services and the employment of those working at the mine. As shown in **Figure 13** Gibraltar’s operating expenditures increased from \$71.1 million in 2005 to \$376.2 million in 2023. Average annual operating expenditures are assumed to be approximately \$400 million between 2024 and 2044.

Figure 13: Actual and Projected Operating Expenditures, 2005 to 2044



Source: Taseko Mines. Note: Projections of operating expenditures for 2024 to 2044 are based on the conservatively assumed long-term average prices of copper at US\$3.50/lb, molybdenum at US\$13.00/lb, and a USD/CAD exchange rate of 0.77.

Economic Impact of Operations, 2005 to 2023

Table 2 reports the cumulative economic impacts from the operations of Gibraltar between 2005 and 2023. These impacts include the following:

- Total output in the Cariboo of \$9.17 billion, including \$7.33 billion in direct output, \$0.75 billion in indirect output, and \$1.09 billion in induced output. In addition to the impacts in the Cariboo, approximately \$2.56 billion of indirect and induced output was generated in the rest of British Columbia and \$2.82 billion of indirect and induced output was generated in the rest of Canada.
- Total GDP in the Cariboo of \$4.50 billion, consisting of \$3.39 billion in direct GDP, \$0.41 billion in indirect GDP, and \$0.70 in induced GDP. In addition to the impacts in the Cariboo, approximately \$1.48 billion in indirect and induced GDP was generated in the rest of British Columbia and \$1.38 billion in indirect and induced GDP was generated in the rest of Canada.
- Total employment in the Cariboo of 19,955 jobs (20,786 FTEs), consisting of 10,789 direct jobs (12,929 FTEs), 3,195 indirect jobs (2,756 FTEs), and 5,971 induced jobs (5,101 FTEs). In addition, 12,636 indirect and induced jobs (10,771 FTEs) were generated in the rest of British Columbia and 10,828 indirect and induced jobs (9,254 FTEs) were generated in the rest of Canada.
- Total labour income in the Cariboo of \$1.95 billion, consisting of \$1.44 billion in direct labour income, \$0.22 billion in indirect labour income, and \$0.29 billion in induced labour income. In addition to the impacts in the Cariboo, approximately \$0.79 billion in indirect and induced labour income was generated in the rest of British Columbia and \$0.73 billion of indirect and induced labour income was generated in the rest of Canada.
- Total government revenue in Canada of \$1.76 billion, consisting of \$0.85 billion in federal revenues, \$0.77 billion in provincial revenues and \$0.14 billion in municipal revenues.

Table 2: Cumulative Impacts of Operations, 2005 to 2023 (Actual Dollars)

	Output (\$Billions)	GDP (\$Billions)	Employment		Labour Income (\$Billions)	Federal Taxes (\$Billions)	Provincial Taxes (\$Billions)	Municipal Taxes (\$Billions)
			FTEs*	Jobs				
Cariboo Region								
Direct	\$7.33	\$3.39	12,929	10,789	\$1.44	\$0.39	\$0.37	\$0.02
Indirect	\$0.75	\$0.41	2,756	3,195	\$0.22	\$0.04	\$0.04	\$0.01
Induced	\$1.09	\$0.70	5,101	5,971	\$0.29	\$0.09	\$0.10	\$0.03
Total	\$9.17	\$4.50	20,786	19,955	\$1.95	\$0.52	\$0.51	\$0.06
Rest of British Columbia								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$2.11	\$1.19	8,645	10,148	\$0.67	\$0.13	\$0.10	\$0.03
Induced	\$0.45	\$0.29	2,126	2,488	\$0.12	\$0.04	\$0.04	\$0.01
Total	\$2.56	\$1.48	10,771	12,636	\$0.79	\$0.17	\$0.14	\$0.04
British Columbia (Total)								
Direct	\$7.33	\$3.39	12,929	10,789	\$1.44	\$0.39	\$0.37	\$0.02
Indirect	\$2.86	\$1.60	11,401	13,343	\$0.89	\$0.17	\$0.14	\$0.04
Induced	\$1.54	\$0.99	7,227	8,459	\$0.41	\$0.13	\$0.14	\$0.04
Total	\$11.73	\$5.98	31,557	32,591	\$2.74	\$0.69	\$0.65	\$0.10
Rest of Canada								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$1.95	\$0.92	5,761	6,741	\$0.49	\$0.10	\$0.07	\$0.02
Induced	\$0.87	\$0.46	3,493	4,087	\$0.24	\$0.06	\$0.05	\$0.02
Total	\$2.82	\$1.38	9,254	10,828	\$0.73	\$0.16	\$0.12	\$0.04
All of Canada (Total)								
Direct	\$7.33	\$3.39	12,929	10,789	\$1.44	\$0.39	\$0.37	\$0.02
Indirect	\$4.81	\$2.52	17,162	20,084	\$1.38	\$0.27	\$0.21	\$0.06
Induced	\$2.41	\$1.45	10,720	12,546	\$0.65	\$0.19	\$0.19	\$0.06
Total	\$14.55	\$7.36	40,811	43,419	\$3.47	\$0.85	\$0.77	\$0.14

* Please note that jobs are estimated using multipliers, while FTEs (Full-Time Equivalents) are calculated based on industry-specific jobs-to-FTE ratios. In the case of the mining industry, the number of direct FTEs exceeds the number of jobs because employees typically work longer hours than the standard full-time position of 1,950 hours per year.

Figure 14 illustrates how the annual impacts have grown as investments in modernization and expansion have been made. The impacts in 2008 represent the initial impacts of the mine’s restart, prior to completion of Phase 1 of the modernization program. Impacts in 2013 show the growth as a result of Phase 1 and Phase 2, while 2018 and 2023 show the growth following completion of Phase 3. Over the period:

- Total annual output generated by Gibraltar’s operations increased from \$472 million to \$1,280 million, or 171 percent.
- Total annual GDP generated by Gibraltar’s operations increased from \$256 million to \$644 million, or 151 percent.
- Total annual labour income generated by Gibraltar’s operations increased from \$128 million to \$297 million, or 132 percent.
- Total annual tax revenue generated by Gibraltar’s operations increased from \$59 million to \$156 million, or 164 percent.

Figure 14: Economic Impacts of Annual Operations, Selected Years (Actual Dollars)

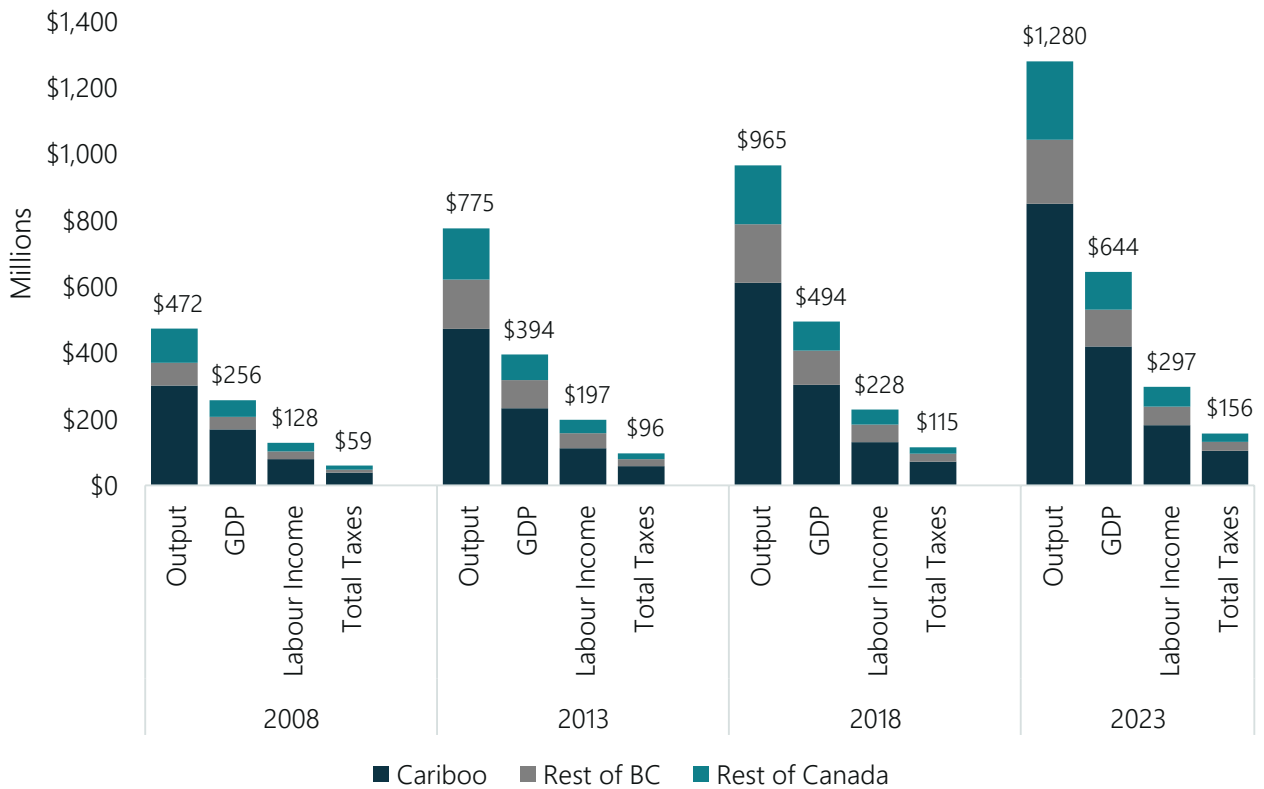
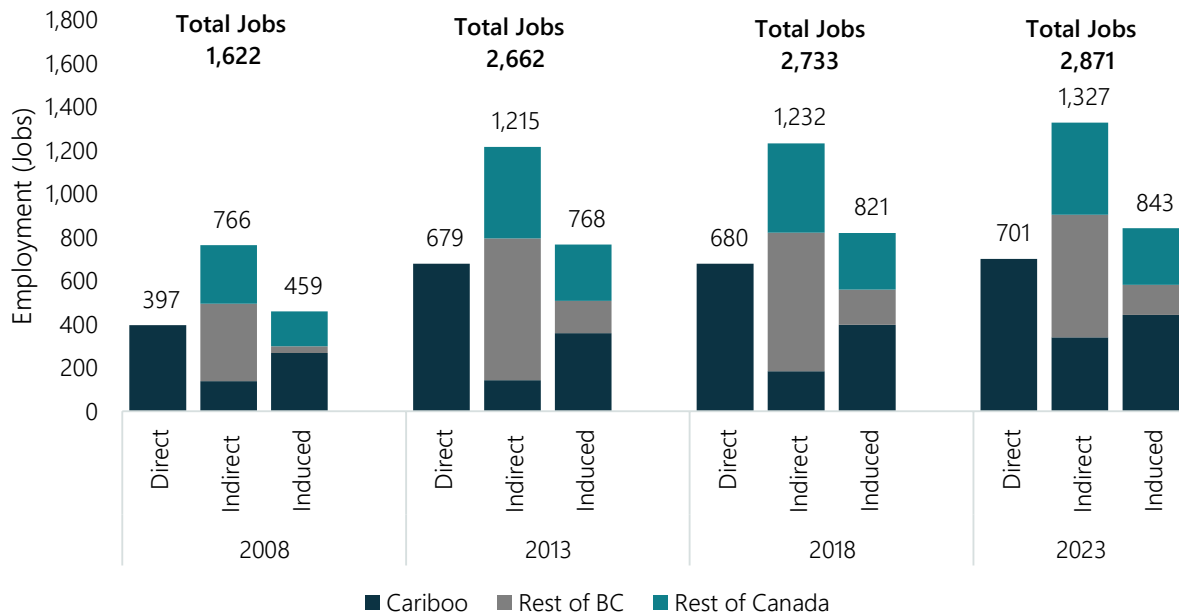


Figure 15 shows the corresponding level of employment supported by the annual operations of Gibraltar in 2008, 2013, 2018, and 2023. Between 2008 and 2023:

- Direct employment increased from 397 to 701 jobs, or 77 percent.
- Indirect employment increased from 766 to 1,327 jobs, or 74 percent.
- Induced employment increased from 459 to 843 jobs, or 83 percent.

Figure 15: Employment (Jobs) Supported by Annual Operations, Selected Years

(Total of direct, indirect, and induced employment is denoted in boldface type for each year)



An average of **2,285 jobs (or 2,148 FTEs)** of total employment were supported annually by the mine's operations from 2005 to 2023. Of this, 1,050 jobs (or 1,094 FTEs) were in the Cariboo, 665 jobs (or 567 FTEs) were in other parts of British Columbia, and 570 jobs (or 487 FTEs) were in the rest of Canada.

Comparisons of Economic Impacts

To provide perspective on the size on the economic impacts of Gibraltar's operations, it is useful to compare the impacts with those created by other industries such as **New Home Construction**. In 2023, operations of Gibraltar were estimated to have generated total employment of 2,146 FTEs in BC. This is equivalent to the number of jobs created through the construction of approximately 755 new homes in BC. This equates to about 1.7 percent of new home starts in BC in 2023.

Source: Canadian Home Builders' Association. Housing in Canada. Economic Impacts of the Housing Industry.

Economic Impact of Capital Expenditures, 2005 to 2023

From the restart of Gibraltar’s operations in 2004 through 2013, Taseko made approximately \$800 million in capital expenditures to increase copper reserves and modernize Gibraltar’s mining and processing capacity over three phases. Since completing the expansion and modernization program, Taseko has continued to invest in ongoing capital expenditures to maintain and enhance Gibraltar’s operational efficiency and capacity. These ongoing investments include upgrades to existing infrastructure, replacement of aging equipment, and implementation of new technologies to improve productivity and environmental performance.

Capital expenditures associated with the construction, development, and maintenance of Gibraltar generate economic impacts through direct expenditures on goods and services, the generation of employment, and the generation of government revenues for local, provincial, and national governments.

Table 3 summarizes capital expenditures at Gibraltar from 2005 to 2023. Construction-related capital expenditures totaled approximately \$657 million, or 53.9 percent of total expenditures over this period. These expenditures were primarily paid to suppliers within British Columbia. Capital expenditures on machinery, plant, and equipment totaled approximately \$539 million, much of which was paid to manufacturers located outside Canada. Finally, capital expenditures on consulting and engineering services totaled approximately \$23 million, or the remaining 1.9 percent of total capital expenditures. Most of these services were purchased within British Columbia (70 percent) or other parts of Canada (20 percent).

Table 3: Capital Expenditures Summary, 2005-2023

Expenditure Category	Expenditure (\$Millions)	Share (%)
Construction (Buildings & Equipment)	\$656.9	53.9
Machinery (Plant, Equipment, etc.)	\$538.8	44.2
Consulting and Engineering Services	\$22.7	1.9
Total	\$1,218.4	100.0

Source: Taseko Mines.

Table 4 shows the total economic impacts generated by Gibraltar’s capital expenditures from 2005 to 2023. Over the period, capital spending was estimated to generate:

- Total output in the Cariboo of \$963.0 million, consisting of \$829.4 million in direct output, \$75.6 million in indirect output, and \$58.0 million in induced output. In addition to the impacts in the Cariboo, approximately \$427.9 million in indirect and induced output was generated in the rest of British Columbia and \$322.5 million of indirect and induced output was generated in the rest of Canada.
- Total GDP in the Cariboo of \$489.0 million, consisting of \$410.3 million in direct GDP, \$40.9 million in indirect GDP, and \$37.8 million in induced GDP. In addition to the impacts in the Cariboo, approximately \$252 million in indirect and induced GDP was generated in the rest of British Columbia and \$164.4 million in indirect and induced GDP was generated in the rest of Canada.
- Total employment in the Cariboo of 4,890 jobs (4,731 FTEs), consisting of 4,122 direct jobs (4,073 FTEs), 441 indirect jobs (378 FTEs), and 327 induced jobs (280 FTEs). In addition, 2,535 indirect and induced jobs (2,173 FTEs) were generated in the rest of British Columbia and 1,526 indirect and induced jobs (1,312 FTEs) were generated in the rest of Canada.
- Total labour income in the Cariboo of \$345.5 million, consisting of \$302.4 million in direct labour income, \$27.6 million in indirect labour income, and \$15.5 million in induced labour income. In addition to the impacts in the Cariboo, approximately \$138.5 million in indirect and induced labour income was generated in the rest of British Columbia and \$91.7 million in indirect and induced labour income was generated in the rest of Canada.
- Total government revenue in Canada of \$216.3 million, consisting of \$108.2 million in federal revenues, \$81.9 million in provincial revenues and \$26.2 million in municipal revenues.

Table 4: Cumulative Economic Impacts of Capital Expenditures, 2005 to 2023 (Actual Dollars)

	Output (\$millions)	GDP (\$millions)	Employment		Labour Income (\$millions)	Federal Taxes (\$millions)	Provincial Taxes (\$millions)	Municipal Taxes (\$millions)
			FTEs	Jobs				
Cariboo Region								
Direct	\$829.4	\$410.3	4,073	4,122	\$302.4	\$48.5	\$35.6	\$12.0
Indirect	\$75.6	\$40.9	378	441	\$27.6	\$4.8	\$3.3	\$0.8
Induced	\$58.0	\$37.8	280	327	\$15.5	\$4.8	\$4.6	\$1.5
Total	\$963.0	\$489.0	4,731	4,890	\$345.5	\$58.1	\$43.5	\$14.3
Rest of British Columbia								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$242.7	\$131.5	1,251	1,459	\$89.1	\$15.8	\$10.5	\$2.4
Induced	\$185.2	\$120.5	922	1,076	\$49.4	\$15.2	\$14.1	\$4.9
Total	\$427.9	\$252.0	2,173	2,535	\$138.5	\$31.0	\$24.6	\$7.3
British Columbia (Total)								
Direct	\$829.4	\$410.3	4,073	4,122	\$302.4	\$48.5	\$35.6	\$12.0
Indirect	\$318.3	\$172.4	1,629	1,900	\$116.7	\$20.6	\$13.8	\$3.2
Induced	\$243.2	\$158.3	1,202	1,403	\$64.9	\$20.0	\$18.7	\$6.4
Total	\$1,390.9	\$741.0	6,904	7,425	\$484.0	\$89.1	\$68.1	\$21.6
Rest of Canada								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$177.6	\$88.0	701	816	\$52.8	\$10.1	\$6.5	\$1.7
Induced	\$144.9	\$76.4	611	710	\$38.9	\$9.0	\$7.3	\$2.9
Total	\$322.5	\$164.4	1,312	1,526	\$91.7	\$19.1	\$13.8	\$4.6
All of Canada (Total)								
Direct	\$829.4	\$410.3	4,073	4,122	\$302.4	\$48.5	\$35.6	\$12.0
Indirect	\$495.9	\$260.4	2,330	2,716	\$169.5	\$30.7	\$20.3	\$4.9
Induced	\$388.1	\$234.7	1,813	2,113	\$103.8	\$29.0	\$26.0	\$9.3
Total	\$1,713.4	\$905.4	8,216	8,951	\$575.7	\$108.2	\$81.9	\$26.2

Economic Impact of Operations and Capital Expenditures, 2005 to 2023

Table 5 summarizes the combined impact of Gibraltar's operations and capital expenditures between 2005 and 2023.

Table 5: Cumulative Economic Impacts of Operations and Capital Expenditures, 2005 to 2023 (Actual Dollars)

	Output (\$Billions)	GDP (\$Billions)	Employment		Labour Income (\$Billions)	Federal Taxes (\$Billions)	Provincial Taxes (\$Billions)	Municipal Taxes (\$Billions)
			FTEs*	Jobs				
Cariboo Region								
Direct	\$8.16	\$3.80	17,002	14,911	\$1.74	\$0.44	\$0.41	\$0.03
Indirect	\$0.82	\$0.45	3,134	3,636	\$0.25	\$0.05	\$0.04	\$0.01
Induced	\$1.15	\$0.74	5,381	6,298	\$0.31	\$0.09	\$0.10	\$0.03
Total	\$10.13	\$4.99	25,517	24,845	\$2.30	\$0.58	\$0.55	\$0.07
Rest of British Columbia								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$2.35	\$1.32	9,896	11,607	\$0.76	\$0.15	\$0.11	\$0.03
Induced	\$0.64	\$0.41	3,048	3,564	\$0.17	\$0.06	\$0.05	\$0.01
Total	\$2.99	\$1.73	12,944	15,171	\$0.93	\$0.21	\$0.16	\$0.04
British Columbia (Total)								
Direct	\$8.16	\$3.80	17,002	14,911	\$1.74	\$0.44	\$0.41	\$0.03
Indirect	\$3.17	\$1.77	13,030	15,243	\$1.01	\$0.20	\$0.15	\$0.04
Induced	\$1.79	\$1.15	8,429	9,862	\$0.48	\$0.15	\$0.15	\$0.04
Total	\$13.12	\$6.72	38,461	40,016	\$3.23	\$0.79	\$0.71	\$0.11
Rest of Canada								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$2.13	\$1.00	6,462	7,557	\$0.54	\$0.11	\$0.08	\$0.02
Induced	\$1.01	\$0.54	4,104	4,797	\$0.28	\$0.07	\$0.06	\$0.02
Total	\$3.14	\$1.54	10,566	12,354	\$0.82	\$0.18	\$0.14	\$0.04
All of Canada (Total)								
Direct	\$8.16	\$3.80	17,002	14,911	\$1.74	\$0.44	\$0.41	\$0.03
Indirect	\$5.30	\$2.77	19,492	22,800	\$1.55	\$0.31	\$0.23	\$0.06
Induced	\$2.80	\$1.69	12,533	14,659	\$0.76	\$0.22	\$0.21	\$0.06
Total	\$16.26	\$8.26	49,027	52,370	\$4.05	\$0.97	\$0.85	\$0.15

Projected Economic Impact of Operations, 2024-2044

Table 6 reports the projected cumulative economic impacts from the operations of Gibraltar from 2024 to 2044. These impacts include the following:

- Total output in the Cariboo of \$16.56 billion, including \$13.06 billion in direct output, \$1.55 billion in indirect output, and \$1.95 billion in induced output. In addition to the impacts in the Cariboo, approximately \$4.33 billion in indirect and induced output is projected to be generated in the rest of British Columbia and \$4.76 billion in indirect and induced output is projected to be generated in the rest of Canada.
- Total GDP in the Cariboo of \$8.11 billion, consisting of \$5.96 billion in direct GDP, \$0.88 billion in indirect GDP, and \$1.27 in induced GDP. In addition to the impacts in the Cariboo, approximately \$2.52 billion in indirect and induced GDP is projected to be generated in the rest of British Columbia and \$2.29 billion in indirect and induced GDP is projected to be generated in the rest of Canada.
- Total employment in the Cariboo of 28,755 jobs (30,515 FTEs), consisting of 14,763 direct jobs (18,662 FTEs), 5,437 indirect jobs (4,606 FTEs), and 8,555 induced jobs (7,247 FTEs). In addition, 15,816 indirect and induced jobs (13,398 FTEs) were projected to be generated in the rest of British Columbia and 13,691 indirect and induced jobs (11,598 FTEs) were projected to be generated in the rest of Canada.
- Total labour income in the Cariboo of \$3.49 billion, consisting of \$2.51 billion in direct labour income, \$0.47 billion in indirect labour income, and \$0.51 billion in induced labour income. In addition to the impacts in the Cariboo, approximately \$1.28 billion in indirect and induced labour income is projected to be generated in the rest of British Columbia and \$1.20 billion in indirect and induced labour income is projected to be generated in the rest of Canada.
- Total government revenue in Canada of \$3.14 billion, consisting of \$1.43 billion in federal revenues, \$1.49 billion in provincial revenues and \$0.22 billion in municipal revenues.

Table 6: Projected Cumulative Economic Impacts of Operations, 2024-2044 (Constant 2022 Dollars)⁸

	Output (\$Billions)	GDP (\$Billions)	Employment		Labour Income (\$Billions)	Federal Taxes (\$Billions)	Provincial Taxes (\$Billions)	Municipal Taxes (\$Billions)
			FTEs*	Jobs				
Cariboo Region								
Direct	\$13.06	\$5.96	18,662	14,763	\$2.51	\$0.65	\$0.71	\$0.02
Indirect	\$1.55	\$0.88	4,606	5,437	\$0.47	\$0.09	\$0.08	\$0.02
Induced	\$1.95	\$1.27	7,247	8,555	\$0.51	\$0.18	\$0.22	\$0.05
Total	\$16.56	\$8.11	30,515	28,755	\$3.49	\$0.92	\$1.01	\$0.09
Rest of British Columbia								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$3.62	\$2.05	10,747	12,686	\$1.09	\$0.20	\$0.18	\$0.06
Induced	\$0.71	\$0.47	2,651	3,130	\$0.19	\$0.07	\$0.08	\$0.02
Total	\$4.33	\$2.52	13,398	15,816	\$1.28	\$0.27	\$0.26	\$0.08
British Columbia (Total)								
Direct	\$13.06	\$5.96	18,662	14,763	\$2.51	\$0.65	\$0.71	\$0.02
Indirect	\$5.17	\$2.93	15,353	18,123	\$1.56	\$0.29	\$0.26	\$0.08
Induced	\$2.66	\$1.74	9,898	11,685	\$0.70	\$0.25	\$0.30	\$0.07
Total	\$20.89	\$10.63	43,913	44,571	\$4.77	\$1.19	\$1.27	\$0.17
Rest of Canada								
Direct	\$0	\$0	0	0	\$0	\$0	\$0	\$0
Indirect	\$3.31	\$1.53	7,189	8,486	\$0.81	\$0.15	\$0.12	\$0.03
Induced	\$1.45	\$0.76	4,409	5,205	\$0.39	\$0.09	\$0.10	\$0.02
Total	\$4.76	\$2.29	11,598	13,691	\$1.20	\$0.24	\$0.22	\$0.05
All of Canada (Total)								
Direct	\$13.06	\$5.96	18,662	14,763	\$2.51	\$0.65	\$0.71	\$0.02
Indirect	\$8.48	\$4.46	22,542	26,609	\$2.37	\$0.44	\$0.38	\$0.11
Induced	\$4.11	\$2.50	14,307	16,890	\$1.09	\$0.34	\$0.40	\$0.09
Total	\$25.65	\$12.92	55,511	58,262	\$5.97	\$1.43	\$1.49	\$0.22

* Please note that jobs are estimated using multipliers, while FTEs (Full-Time Equivalents) are calculated based on industry-specific jobs-to-FTE ratios. In the case of the mining industry, the number of direct FTEs exceeds the number of jobs because employees typically work longer hours than the standard full-time position of 1,950 hours per year.

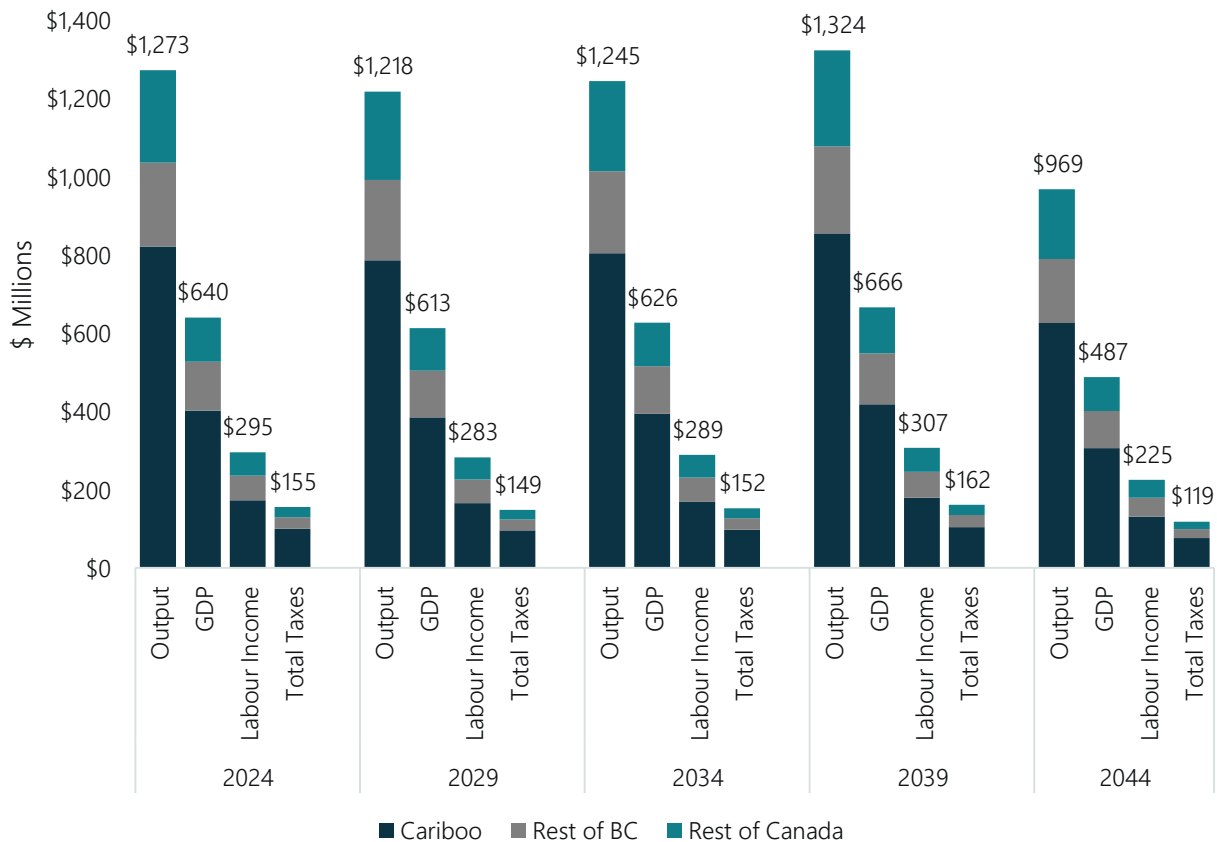
⁸ Note: The projected economic impacts reported do not account for productivity changes due to technology growth, changes in commodity prices or other factors and are presented in constant 2022 dollars (undiscounted).

Figure 16 illustrates the projected annual economic impacts from the operations of Gibraltar between 2024 and 2044. These projections are in constant 2022 dollars. In 2024, the operations of Gibraltar are projected to generate:

- Total output of \$1,273 million, consisting of \$822 million in the Cariboo, \$215 million in the rest of British Columbia, and \$236 million in the rest of Canada.
- Total GDP of \$640 million, consisting of \$402 million in the Cariboo, \$125 million in the rest of British Columbia, and \$113 million in the rest of Canada.
- Total labour income of \$295 million, consisting of \$173 million in the Cariboo, \$63 million in the rest of British Columbia, and \$59 million in the rest of Canada.
- Total tax revenue of \$155 million, consisting of \$100 million in the Cariboo, \$30 million in the rest of British Columbia, and \$26 million in the rest of Canada.

The annual impacts are projected to be relatively stable through 2039 when Gibraltar begins to approach the end of its current reserve.

Figure 16: Projected Economic Impacts of Annual Operations, Selected Years⁹



⁹ Note: The projected economic impacts reported do not account for productivity changes due to technological change, changes in commodity prices or other factors.

The projected economic impacts in Figure 16 are presented in constant 2022 dollars. Assuming a 2 percent inflation rate between 2024 and 2044, the economic impact in 2039 is projected to be 40 percent higher in nominal dollars than the values in Figure 16. Specifically, in 2039, the nominal economic impacts are projected to be:

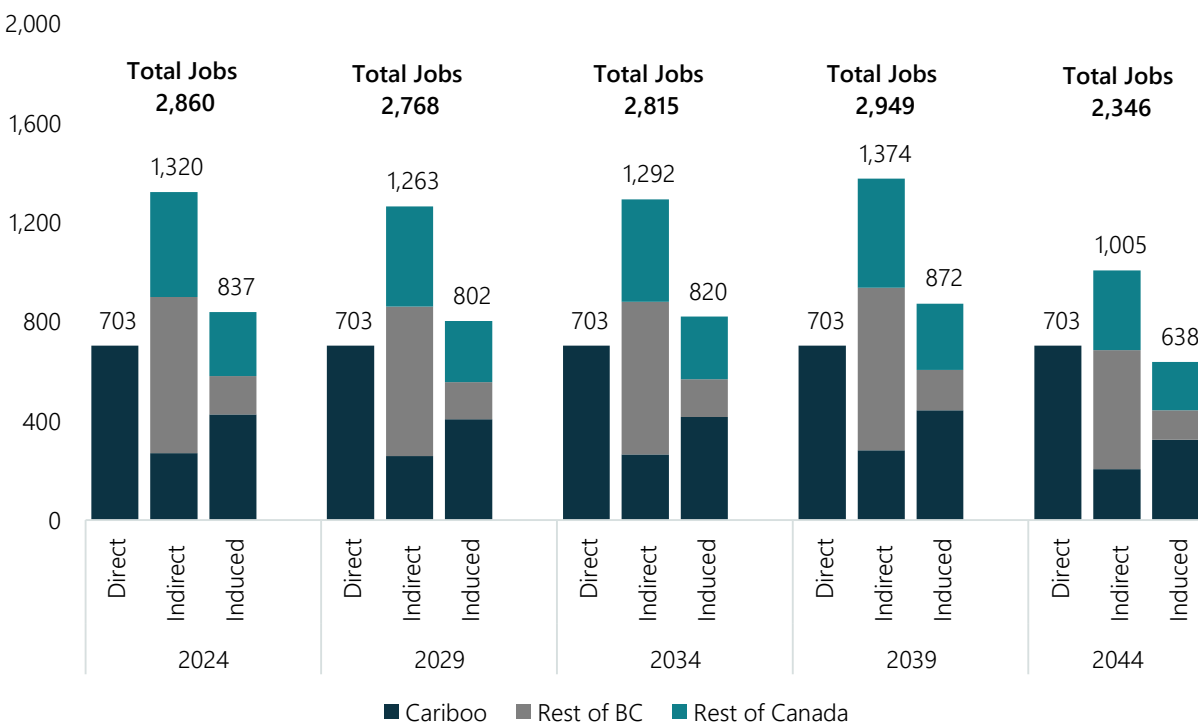
- Total Output of \$1,854 million
- Total GDP of \$933 million
- Total Labour Income of \$430 million
- Total Taxes of \$227 million

Figure 17 illustrates the corresponding projection for employment supported by the annual operations of Gibraltar for 2024, 2029, 2034, 2039, and 2044. In 2024, Gibraltar’s operations are projected to generate the following employment impacts:

- Total employment of 2,860 jobs, including 703 direct jobs, 1,320 indirect jobs, and 837 induced jobs.
- Total direct employment (703 jobs) is all located within the Cariboo region.
- Total indirect employment (1,320 jobs) generated by Gibraltar consists of 270 jobs in the Cariboo, 629 jobs in the rest of British Columbia, and 421 jobs in the rest of Canada.
- Total induced employment (837 jobs) generated by Gibraltar consists of 424 jobs in the Cariboo, 155 jobs in the rest of British Columbia, and 258 jobs in the rest of Canada.

Employment is projected to remain relatively stable through 2039 before beginning to decline as the mine approaches its current reserve life.

Figure 17: Projected Employment (Jobs) Generated by Annual Operations, Selected Years

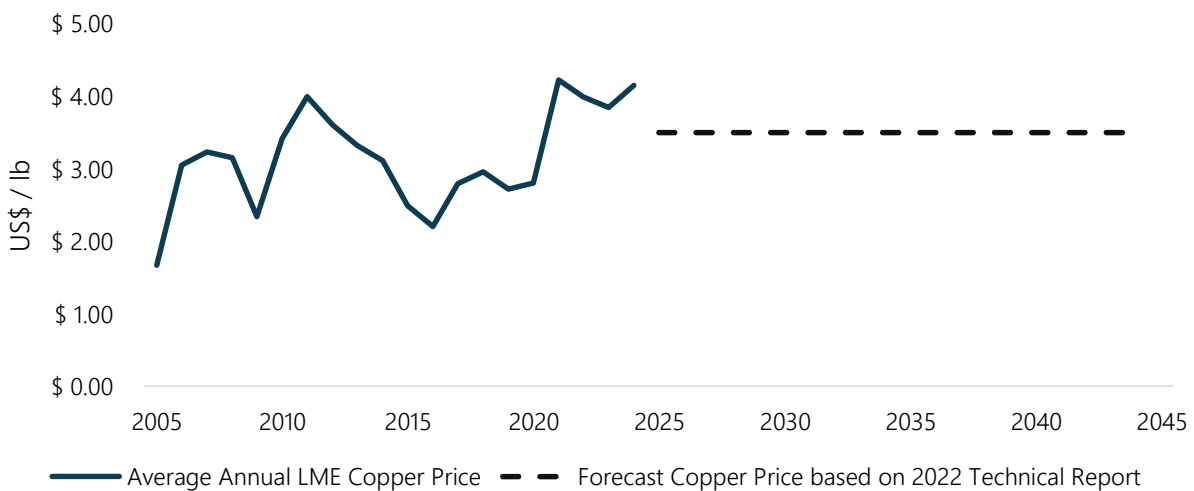


An average of **2,774 jobs (or 2,643 FTEs)** of total employment is projected to be supported annually by the mine's operations from 2024 to 2044. Of this, 1,369 jobs (or 1,453 FTEs) are projected to be in the Cariboo, 753 jobs (or 638 FTEs) are projected to be in other parts of British Columbia, and 652 jobs (or 552 FTEs) are projected to be in the rest of Canada.

Sensitivity Analysis

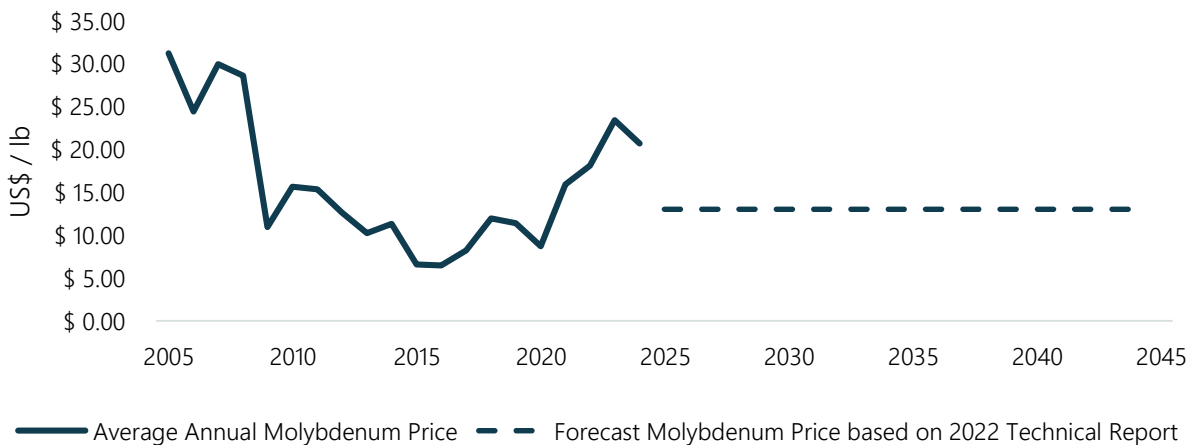
The economic impact analysis for the period 2024 to 2044 is based on a copper price of US\$3.50/lb, a molybdenum price of US\$13.00/lb and a USD/CAD exchange rate of \$0.77. **Figure 18**, **Figure 19** and **Figure 20** below compare the average historical London Metal Exchange (LME) copper price, molybdenum prices and historical foreign exchange rates with the forecast prices used in the analysis. The long-term price forecasts for the 2024 to 2044 period are consistent with historical trends and are considered conservative.

Figure 18: Average Historical and Projected LME Copper Prices, 2005 to 2044



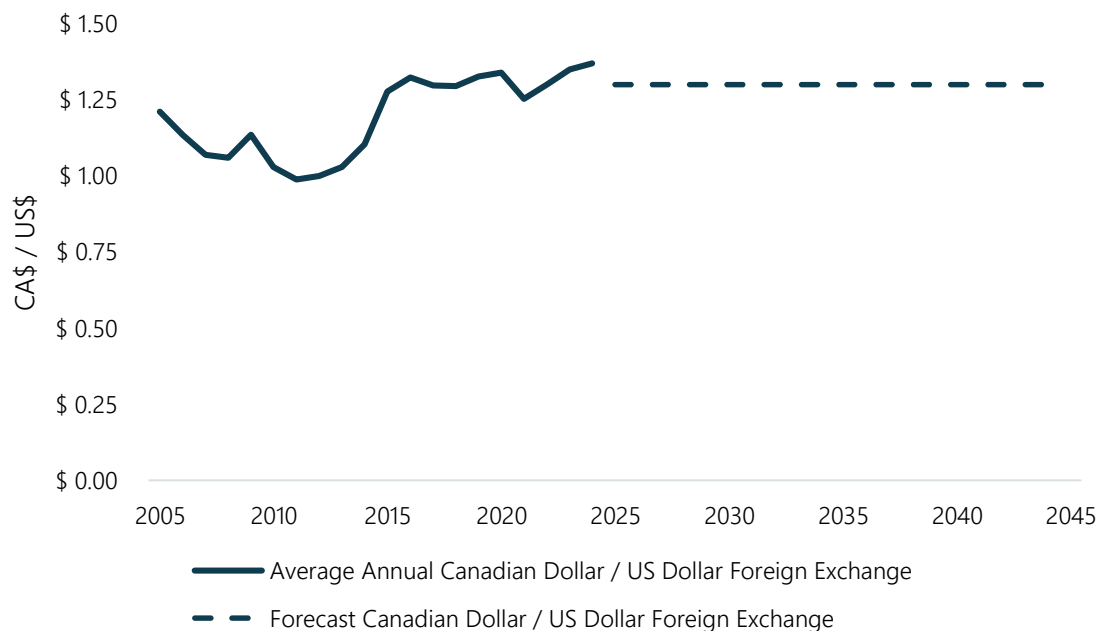
Source: Bloomberg and Taseko

Figure 19: Average Historical and Projected Molybdenum Prices, 2005 to 2044



Source: Bloomberg and Taseko

Figure 20: Average Annual Canadian Dollar / US Dollar Foreign Exchange Rate, 2005 to 2044



Source: Bloomberg and Taseko

To illustrate how changes in the price of copper or molybdenum affect the economic impact estimates we estimated the change in impacts from an increase in the copper price of US\$0.50/lb (14 percent) over the 2024 to 2044 period. It is assumed that the increase in copper prices does not affect mine operations or production levels. As a result, the additional revenue only increases operating profit.

As shown in Table 7, this increase was estimated to increase total output by approximately 7.2 percent (\$1.85 billion), GDP by 14.3 percent (\$1.85 billion) and tax revenues by 21.7 percent (\$680 million) over the period. Employment was expected to be unchanged as production levels were expected to be relatively stable.

Table 7: Change in Total Economic Impacts from a Change in Copper Prices, 2024 to 2044

	Copper Price = US\$3.50/lb	Copper Price = US\$4.00/lb	Percentage Change
Total Output	\$25.65 billion	\$27.50 billion	7.2%
Total GDP	\$12.92 billion	\$14.77 billion	14.3%
Total Taxes*	\$3.14 billion	\$3.82 billion	21.7%
Total Employment	58,262	58,262	0%

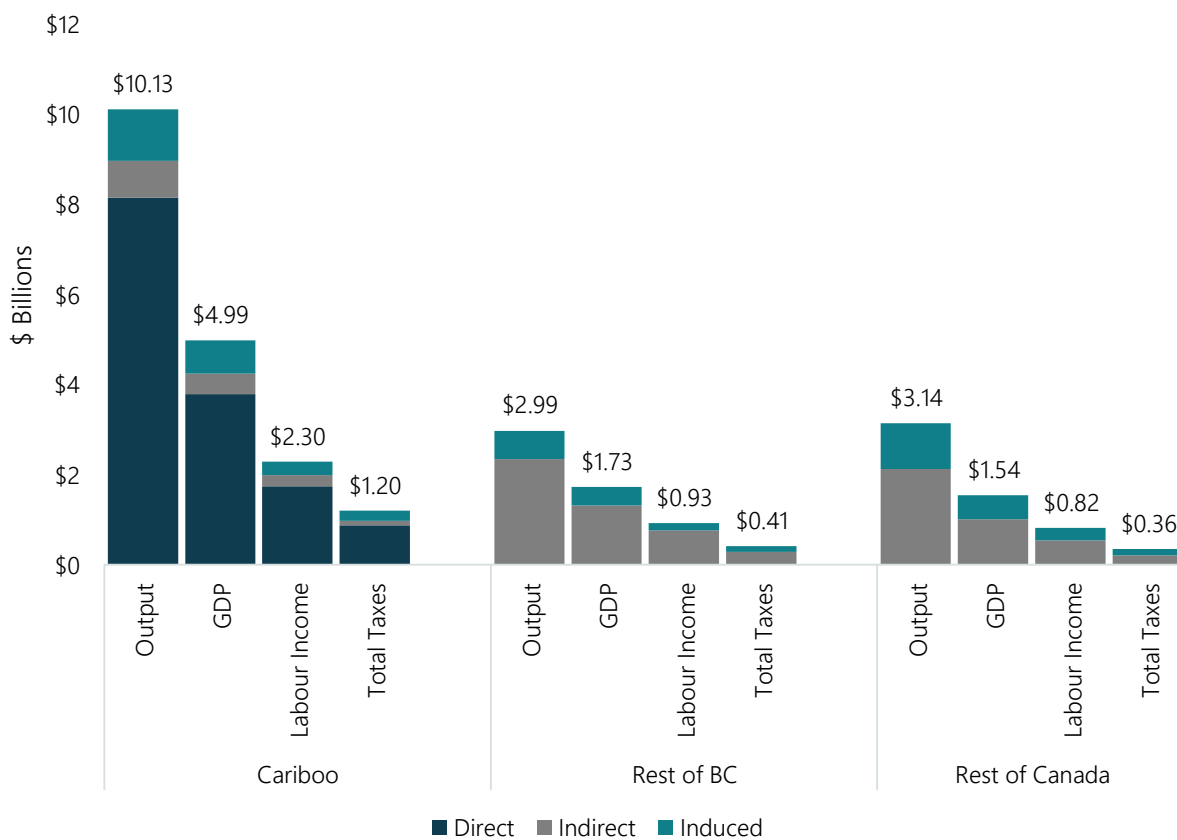
*Note that taxes were calculated using an effective tax rate of 36.49%, determined by the following formula: BC mineral tax rate × (1 – Combined Federal & BC income tax rate) + Combined Federal & BC income tax rate (13% × (1 - 27%) + 27%).

5. Conclusion

The Gibraltar Mine creates economic impact through its operations and capital expenditures. These impacts are generated in the Cariboo region, other parts of British Columbia, and throughout the rest of Canada.

Figure 21 illustrates the combined impact of Gibraltar’s operations and capital expenditures between 2005 and 2023.

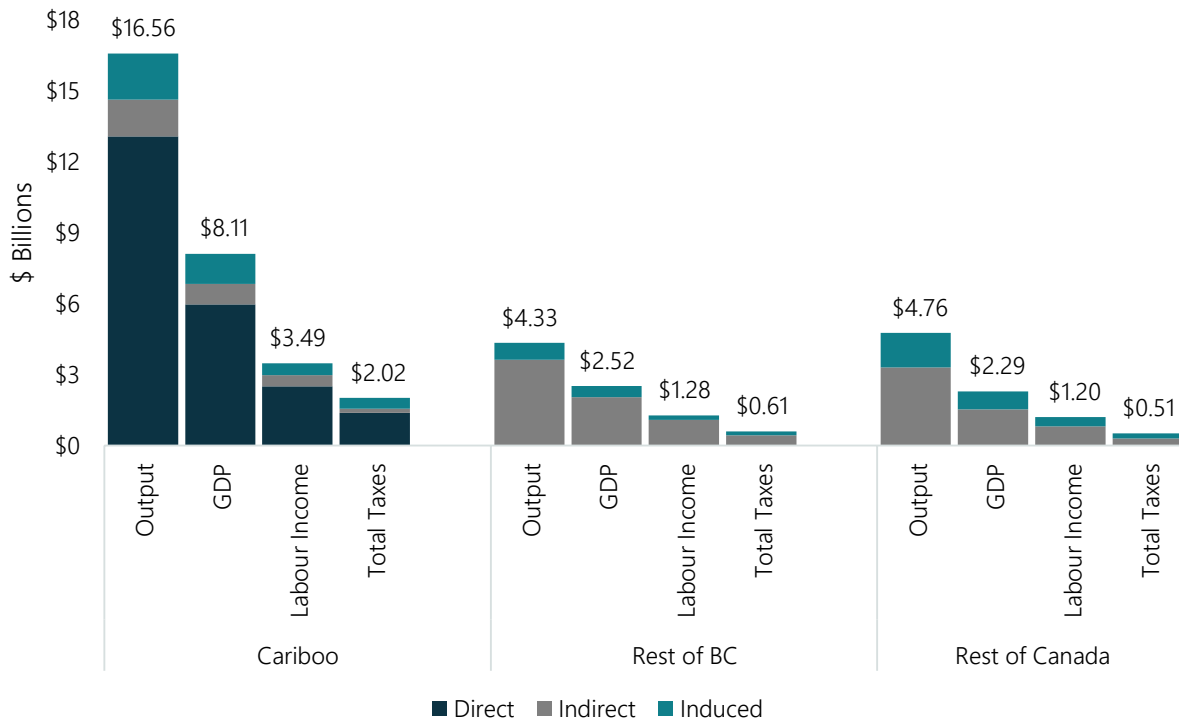
Figure 21: Cumulative Economic Impacts of Operations and Capital Expenditures, 2005 to 2023



52,370 jobs (or 49,027 FTEs) of total employment were supported by the mine’s operations and capital expenditures between 2005 and 2023. Of this, 24,845 jobs (or 25,517 FTEs) were supported locally in the Cariboo, 15,171 jobs (or 12,944 FTEs) were in other parts of British Columbia, and 12,354 jobs (or 10,566 FTEs) were in the rest of Canada.

Figure 22 summarizes the projected cumulative total direct, indirect, and induced impacts associated with the operations of Gibraltar over the current reserve life of the mine, from 2024 to 2044.

Figure 22: Projected Cumulative Economic Impacts of Operations by Region, 2024 to 2044

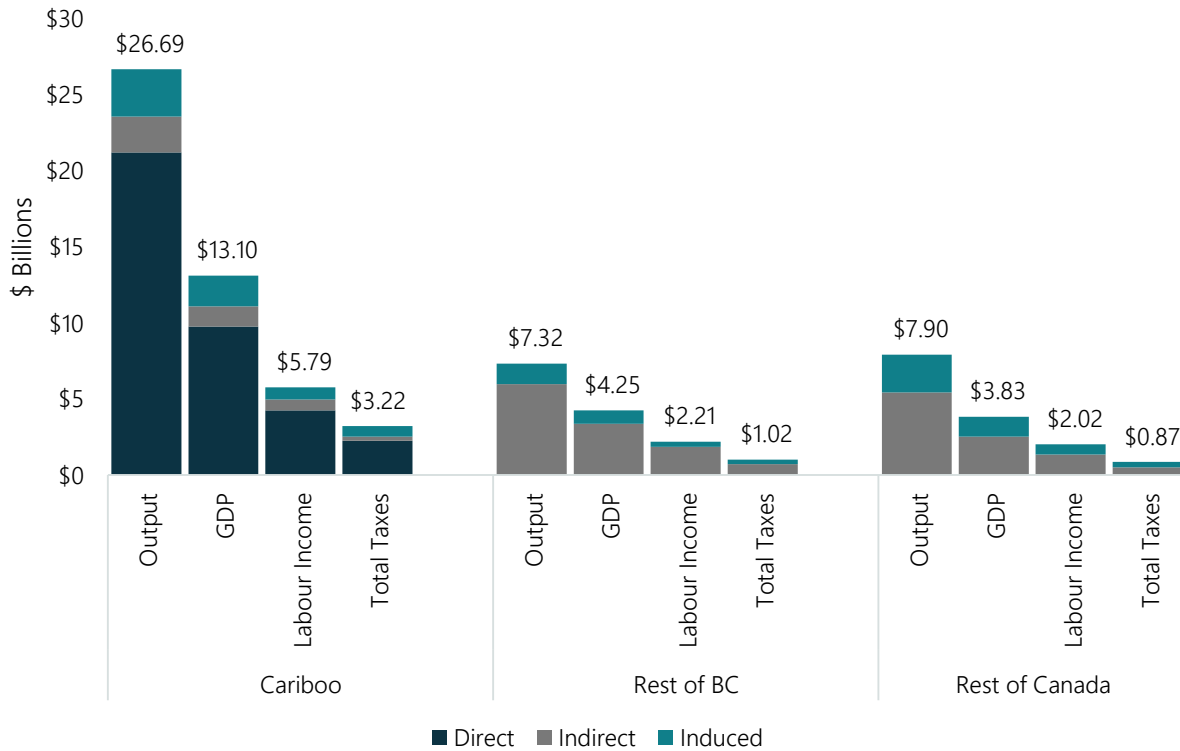


58,262 jobs (or 55,511 FTEs) of total employment are projected to be supported over the next 20 years of the mine’s operations from 2024 to 2044. Of this, 28,755 jobs (or 30,515 FTEs) are expected to be supported locally in the Cariboo, 15,816 jobs (or 13,398 FTEs) are projected to be in other parts of British Columbia, and 13,691 jobs (or 11,598 FTEs) are projected to be in the rest of Canada.

The **average annual total employment** is projected to be **2,774 jobs (or 2,643 FTEs)**, of which 1,369 jobs (or 1,453 FTEs) are projected to be in the Cariboo.

Figure 23 illustrates the cumulative total direct, indirect and induced impacts associated with Gibraltar’s operations and capital expenditures between 2005 and 2044.

Figure 23: Cumulative Economic Impacts of 40 Years of Operations and Capital Expenditures by Region, 2005 to 2044



110,632 jobs (or 104,538 FTEs) of total employment are projected to be supported over the 40 years of the mine’s operations from 2005 to 2044. Of this, 53,600 jobs (or 56,032 FTEs) are projected to be supported locally in the Cariboo, 30,987 jobs (or 26,342 FTEs) are projected to be in other parts of British Columbia, and 26,045 jobs (or 22,164 FTEs) are projected to be in the rest of Canada.

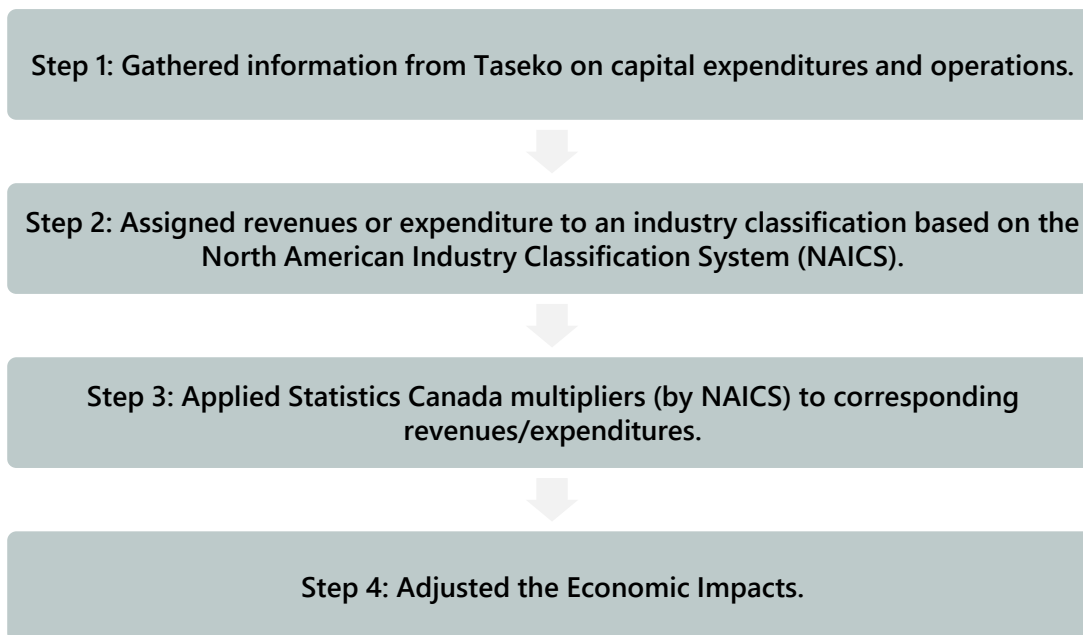
In addition to the economic impacts outlined above, Gibraltar provides broader social and community contributions. These include:

<p>Being a leading employer in the Cariboo region.</p>	<ul style="list-style-type: none"> • Provides a range of employment opportunities from general labour and administrative positions to highly skilled engineers, geologists, metallurgists, and environmental scientists. • Accounts for approximately 2.7 percent of total regional employment and this employment accounts for 15.5 percent of income in the region. • Approximately 97 percent of its workforce resides within the Cariboo. • Approximately 14 percent of its workforce identifies as Indigenous.
<p>Supporting social and community events.</p>	<p>Between 2005 and 2023, Gibraltar and Taseko have jointly invested over \$7.1 million in community development. Most of this support (85 percent) has been provided through direct donations, with the remaining contributions made through sponsorships, in-kind transfers, community events, and fundraising activities. This support has been distributed across various sectors, including health initiatives, education, arts, and cultural events, and local business ventures.</p>

Appendices

Appendix A – Economic Impact Modelling Assumptions

MNP's approach to economic impact modelling is based on published Statistics Canada multipliers and input-output modelling. Below is a step-by-step overview of our approach to estimating the economic impacts.



Step 1: Gathered information from Taseko on capital expenditures and operations.

MNP collected information on:

- Operating revenues and expenditure between 2005 and 2023 by major expenditure category and location.
- Projected operating revenues over the remaining lifecycle of the mine (2024 to 2044) by major expenditure category and location.
- Capital expenditures by major expenditure category. Data were not available for the location of suppliers for capital expenditures. MNP assumed the distribution in-region, in-province and out of province was similar for capital expenditures as it was for operating expenditures.
- Historical and projected direct employment related to the operations of the mine.
- Property taxes.

Step 2: Assigned revenues or expenditure to an industry classification based on the North American Industry Classification System (NAICS).

MNP assigned appropriate NAICS to each of the operating revenues, capital expenditures, and reclamation expenditures.

Step 3: Applied Statistics Canada multipliers (by NAICS) to corresponding revenues/expenditures.

Statistics Canada's input-output multipliers were then used to estimate the economic impacts. To estimate the economic impacts of operations the relevant multipliers were applied to the operating revenues. To estimate the economic impacts generated by capital and reclamation expenditures the relevant multipliers were applied to the expenditures.

Statistics Canada's input-output multipliers produced estimates of direct, indirect and induced impacts within British Columbia and rest of Canada across the economic categories of output, GDP, labour income, employment, and taxes (taxes on products such as sales tax, and taxes on production¹⁰ such as property taxes, capital taxes, natural resource taxes (e.g., mining taxes and fees such as mineral tax)¹¹, and licenses).

Step 4: Adjusted the Economic Impacts

Adjustment to Direct Impacts

The expenditure profiles and information collected in Step 1 were compared with the direct impact estimates generated by the multipliers such as labour income, employment, and taxes. Based on the comparison, appropriate adjustments were then made to the estimated direct economic impacts.

Please note that in general, direct impacts, including employment and associated labour income, are generated in the province or region where the activity takes place, whether through operations or construction and engineering services related to capital expenditures. While labour may be sourced from other parts of Canada, the workers will be employed and compensated in the province or region where the activity occurs.

Adjustment to Indirect Impacts

The indirect economic impacts were adjusted based on the geographic distribution of expenditures on suppliers and services provided.

Adjustment to Induced Impacts

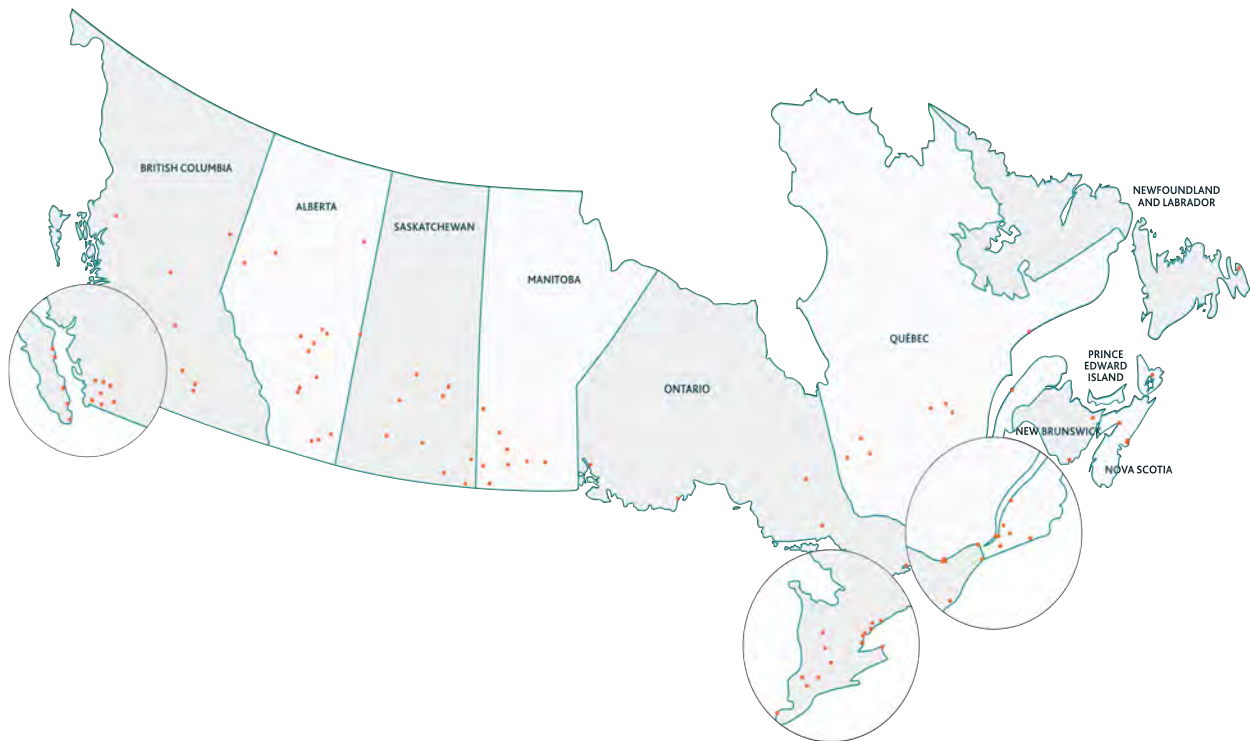
It was assumed that labour income associated with both direct and indirect employment would be spent in the province or region where the labour is procured from. Consequently, similar adjustments were made to the induced economic impacts, taking into account the geographic distribution of spending on suppliers and services provided.

¹⁰ Guide to the Income and Expenditure Accounts, Statistics Canada.

¹¹ <https://www2.gov.bc.ca/gov/content/taxes/natural-resource-taxes/mining>

Appendix B – About MNP

For over 60 years, MNP has proudly served and responded to the needs of clients in the public, private and not-for-profit sectors. Today, MNP is the fifth largest Chartered Professional Accountancy and business consulting firm in Canada and is the only major accounting and business consulting firm with its head office located in Western Canada. MNP has more than 100 locations and over 8,800 team members across the country.



About MNP's Economics and Research Practice

Economic and industry studies are carried out by MNP's Economics and Research practice. The Economics and Research practice consists of a team of professionals with a successful track record of assisting clients with various financial and economic impact studies. Our work has encompassed a wide range of programs, industries, company operations and policy initiatives, and has helped clients with decision-making, communication of economic and financial contributions, documentation of the value of initiatives and activities, and development of public policy.



 **PRAXITY**[™]
Empowering Business Globally



Wherever business takes you

[MNP.ca](https://www.mnp.ca)