

THIS LETTER OF TRANSMITTAL IS FOR USE ONLY IN CONJUNCTION WITH THE PLAN OF ARRANGEMENT INVOLVING YELLOWHEAD MINING INC. (“YELLOWHEAD”) AND TASEKO MINES LIMITED (“TASEKO”). YOU ARE STRONGLY ENCOURAGED TO READ THE ACCOMPANYING CIRCULAR (AS DEFINED BELOW) BEFORE COMPLETING THIS LETTER OF TRANSMITTAL.

THIS LETTER OF TRANSMITTAL MUST BE VALIDLY COMPLETED, DULY EXECUTED AND RETURNED TO COMPUTERSHARE INVESTOR SERVICES INC. (THE “DEPOSITARY”). IT IS IMPORTANT THAT YOU VALIDLY COMPLETE, DULY EXECUTE AND RETURN THIS LETTER OF TRANSMITTAL ON A TIMELY BASIS IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED HEREIN.

THIS LETTER OF TRANSMITTAL IS FOR USE ONLY BY REGISTERED SHAREHOLDERS. SHAREHOLDERS WHOSE YELLOWHEAD SHARES ARE REGISTERED IN THE NAME OF A BROKER, INVESTMENT DEALER, BANK, TRUST COMPANY, TRUSTEE OR OTHER NOMINEE SHOULD CONTACT THAT NOMINEE FOR ASSISTANCE IN DEPOSITING THOSE YELLOWHEAD SHARES AND SHOULD FOLLOW THE INSTRUCTIONS OF SUCH NOMINEE IN ORDER TO DEPOSIT THEIR YELLOWHEAD SHARES.

LETTER OF TRANSMITTAL

**WITH RESPECT TO THE
COMMON SHARES OF
YELLOWHEAD MINING INC.**

This Letter of Transmittal is for use by registered holders (“**Shareholders**”) of common shares (the “**Yellowhead Shares**”) of Yellowhead in connection with the proposed arrangement (the “**Arrangement**”) involving the acquisition of Yellowhead by Taseko that is being submitted for approval at the special meeting of Shareholders to be held on February 8, 2019 (the “**Meeting**”). Shareholders are referred to the Notice of Meeting of Shareholders of Yellowhead and Management Information Circular (the “**Circular**”) dated January 4, 2019 that accompanies this Letter of Transmittal. Capitalized terms used but not defined in this Letter of Transmittal that are defined in the Circular have the meaning set out in the Circular.

**COMPUTERSHARE INVESTOR SERVICES INC.
(SEE LAST PAGE FOR ADDRESS AND TELEPHONE NUMBER)
OR YOUR BROKER OR OTHER FINANCIAL ADVISOR WILL BE ABLE
TO ASSIST YOU IN COMPLETING THIS LETTER OF TRANSMITTAL**

The Effective Date of the Arrangement will be the date agreed to by Yellowhead and Taseko in writing as the effective date of the Arrangement after all of the conditions precedent to the completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived, including that the Final Order has been granted by the Court. On the Effective Date, all right, title and interest of the Shareholders to the Yellowhead Shares will be transferred to Taseko and Shareholders (other than Taseko and any Dissenting Yellowhead Shareholders) will be entitled to receive certificates representing the Consideration that such Shareholder is entitled to receive in accordance with the terms of the Arrangement. No delivery of any Consideration will be made prior to the Effective Date.

All deposits made under this Letter of Transmittal are irrevocable.

In order for Shareholders to receive the Consideration that such Shareholder is entitled to receive in accordance with the terms of the Arrangement, Shareholders are required to deposit the certificate(s) or DRS Advice representing the Yellowhead Shares held by them with the Depositary. This Letter of Transmittal, properly completed and duly executed, together with all other required documents, must accompany the certificate(s) or DRS Advice for Yellowhead Shares deposited pursuant to the Arrangement.

Please carefully read the Circular and the instructions set out below before completing this Letter of Transmittal. Delivery of this Letter of Transmittal to an address other than as set forth herein will not constitute a valid delivery. If Yellowhead Shares are registered in different names, a separate Letter of Transmittal must be submitted for each different registered owner. See Instructions 1 and 2.

Pursuant to the Arrangement, a Shareholder who is resident in Canada for purposes of the *Income Tax Act* (Canada) (the “**ITA**”) will exchange their Yellowhead Shares for Taseko Shares. Such Resident Holder will generally be deemed to

have disposed of such Yellowhead Shares under a tax-deferred share-for-share exchange pursuant to section 85.1 of the ITA, unless such holder chooses to recognize a capital gain (or capital loss).

A Shareholder who is not resident in Canada for purposes of the ITA will exchange their Yellowhead Shares for Taseko Shares as part of the Arrangement. Such exchange will generally occur on a tax-deferred basis unless the Non-Resident Holder chooses to recognize a capital gain or capital loss as described in the Circular.

A summary of the principal Canadian federal income tax considerations in respect of the Arrangement is included in the Circular under "*Certain Canadian Federal Income Tax Considerations*".

A summary of the principal United States federal income tax considerations in respect of the Arrangement, and the procedure for filing a tax election, is included in the Circular under "*Certain United States Federal Income Tax Considerations*".

Tax matters are complicated and this summary is not intended to be nor should it be construed as tax advice to any particular Shareholder. The tax consequences of the Arrangement to a Shareholder will depend upon the Shareholder's particular circumstances. Shareholders should consult their own tax advisors.

Whether or not the undersigned delivers the required documentation to the Depositary, as of the Effective Time, the undersigned will cease to be a holder of Yellowhead Shares and, subject to the ultimate expiry deadline identified below, will only be entitled to receive the Consideration to which the undersigned is entitled under the Arrangement.

SHAREHOLDERS WHO DO NOT DELIVER THE CERTIFICATE(S) OR DRS ADVICE REPRESENTING THEIR YELLOWHEAD SHARES AND ALL OTHER REQUIRED DOCUMENTS TO THE DEPOSITARY ON OR BEFORE THE SIXTH ANNIVERSARY OF THE EFFECTIVE DATE WILL LOSE THEIR RIGHT TO RECEIVE ANY CONSIDERATION FOR THEIR YELLOWHEAD SHARES.

TO **YELLOWHEAD MINING INC.**
AND TO: **TASEKO MINES LIMITED**
AND TO: **COMPUTERSHARE INVESTOR SERVICES INC.**

In connection with the Arrangement, the undersigned hereby deposits with the Depository for transfer upon the Arrangement becoming effective, the enclosed certificate(s) representing Yellowhead Shares, details of which are as follows: (Please print or type.)

<u>Certificate Number(s) or DRS Advice Account Number</u>	<u>Name(s) in Which Registered</u>	<u>Number of Yellowhead Shares</u>

NOTE: If the space provided is insufficient, details may be listed on a separate schedule and attached to this Letter of Transmittal.

The undersigned hereby instructs the Depository, upon receipt of this Letter of Transmittal (duly executed), the certificate(s) or DRS Advice representing the Yellowhead Shares deposited herewith (the “**Deposited Shares**”) and any other required documentation, and following the Effective Date to send to the undersigned by first-class mail, postage prepaid, a share certificate representing the Consideration for the Deposited Shares or to hold such for pick-up in accordance with the instructions set out below.

The undersigned represents and warrants in favour of Yellowhead and Taseko, as at the date hereof and as at the Effective Time, that (i) the undersigned is the owner of the Deposited Shares; (ii) such shares are owned by the undersigned free and clear of all mortgages, liens, charges, restrictions, encumbrances, security interests and adverse claims; (iii) the undersigned has full power and authority to execute and deliver this Letter of Transmittal and to deposit, sell, assign, transfer and deliver the Deposited Shares; (iv) the Deposited Shares have not been sold, assigned or transferred, nor has any agreement been entered into to sell, assign or transfer any such Deposited Shares to any other person; (v) at the Effective Time, Taseko will acquire good title to the Deposited Shares (as the same are modified pursuant to the Plan of Arrangement) free from all liens, charges, encumbrances, claims and equities (vi) the surrender of the Deposited Shares complies with applicable laws; (vii) all information inserted by the undersigned into this Letter of Transmittal is complete, true and accurate, and (viii) the undersigned will not transfer or permit to be transferred any of such Deposited Shares. The covenants, representations and warranties of the undersigned herein contained will survive the completion of the Arrangement.

The undersigned revokes any and all authority, other than as granted in this Letter of Transmittal and in any proxy granted for use at the Meeting, whether as agent, attorney-in-fact, proxy or otherwise, previously conferred or agreed to be conferred by the undersigned at any time with respect to the Deposited Shares and no subsequent authority, whether as agent, attorney-in-fact, proxy or otherwise will be granted with respect to the Deposited Shares. Each authority conferred or agreed to be conferred by the undersigned in this Letter of Transmittal shall survive the death, legal incapacity, bankruptcy or insolvency of the undersigned and may be exercised during any subsequent legal incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

The undersigned hereby acknowledges that the delivery of the Deposited Shares shall be effected and the risk of loss and title to such Deposited Shares shall pass only upon proper receipt thereof by the Depository. The undersigned will, upon request, execute any signature guarantees and all additional documents deemed by the Depository to be reasonably necessary or desirable to complete the transfer of the Deposited Shares.

The undersigned surrenders to Taseko, effective at the times specified in the Plan of Arrangement, all right, title and interest in and to the Deposited Shares and all shares and rights for or into which the Deposited Shares may be

exchanged or converted pursuant to the Plan of Arrangement, and irrevocably appoints and constitutes the Depositary the lawful attorney of the undersigned, with full power of substitution to deliver the Deposited Shares pursuant to the Arrangement and to effect the transfer of the Deposited Shares and all shares and rights for or into which the Deposited Shares may be exchanged or converted pursuant to the Arrangement, on the books of Yellowhead.

The undersigned acknowledges that, in accordance with the Arrangement, Yellowhead, Taseko and the Depositary shall be entitled to deduct and withhold from any consideration payable to any holder of company shares such amounts as Yellowhead, Taseko or the Depositary is required to deduct and withhold from such consideration under tax laws.

By reason of the use of the undersigned of an English language form of Letter of Transmittal, the undersigned shall be deemed to have required that any contract evidenced by the Arrangement as entered into through this Letter of Transmittal, as well as any documents related thereto, be drawn exclusively in the English language. *En raison de l'utilisation d'une version anglaise de la presente lettre d'envoi, le soussigne, dernier et les destinataires sont reputes avoir demande que tout contrat atteste par l'arrangement, telle qu'il est accepte au moyen de cette lettre d'envoi, de meme que bus les documents qui s'y rapportant, soient rediges exclusivement en anglais.*

If the Arrangement is not completed or proceeded with, the enclosed Deposited Shares and all other ancillary documents will be returned forthwith to the undersigned in accordance with the instructions set out in Box "B" or Box "C", as applicable, or failing which, will be available for pick-up by the undersigned at the office of the Depositary where the Deposited Shares were received.

PLEASE COMPLETE BOX A AND EITHER BOX B OR BOX C.

BOX A TO BE COMPLETED BY ALL SHAREHOLDERS (SEE INSTRUCTIONS 2, 3, 4, AND 5) REGISTER TASEKO SHARES IN THE FOLLOWING NAME AND ADDRESS (please print or type)
(Name)
(Street Address and Number)
(City and Province or State)
(Country and Post (or Zip) Code)
(Telephone - Business Hours)
(Employer Identification, Social Insurance or Social Security Number)

BOX B DELIVERY INSTRUCTIONS
<input type="checkbox"/>
Receive DRS Advice in lieu of share certificate(s).
<input type="checkbox"/>
ISSUE SHARE CERTIFICATE(S) in the name of the undersigned and SEND THE SHARE CERTIFICATE(S) TO THE ADDRESS OF THE UNDERSIGNED AS IT APPEARS IN BOX A OR to the following address (complete the following ONLY if you wish to have certificates sent to an address other than that shown in Box A):
(Name)
(Street Address and Number)
(City and Province or State)
(Country and Postal (or Zip Code)
(Telephone - Business Hours)

OR

BOX C PICK-UP INSTRUCTIONS
<input type="checkbox"/> Vancouver
<input type="checkbox"/> Toronto
ISSUE SHARE CERTIFICATE(S) in the name of the undersigned as it appears in Box A and HOLD THE SHARE CERTIFICATE(S) FOR PICK-UP AT THE OFFICE OF THE DEPOSITARY IN VANCOUVER/TORONTO.
(See last page for address of Depository)

**BOX D
TO BE COMPLETED BY ALL
SHAREHOLDERS BY SELECTING
ONE BOX BELOW**

The undersigned is a resident of Canada for purposes of the ITA.

OR

The undersigned is not a resident of Canada for purposes of the ITA.

**BOX E
TO BE COMPLETED BY ALL
SHAREHOLDERS BY SELECTING ONE BOX
BELOW**

The undersigned is not a U.S. Shareholder and is not acting on behalf of a U.S. Shareholder

OR

The undersigned is a U.S. Shareholder or is acting on behalf of a U.S. Shareholder.

A "U.S. Shareholder" is any Shareholder that is either (A) providing an address in Box "A" or "B" that is located within the United States or any territory or possession thereof, or (B) a U.S. person for U.S. federal income tax purposes.

OR

Signature guaranteed by
(if required under instruction 3):

**BOX F
TO BE COMPLETED
BY ALL
SHAREHOLDERS**

Date: _____, 20__

Authorized Signature of Guarantor

Signature of Shareholder or Authorized Representative-See Instruction 4
Name of Shareholder (please print or type)

Authorized Signature of Guarantor

Signature of Shareholder or Authorized Representative-See Instruction 4
Name of Shareholder (please print or type)

Authorized Signature of Guarantor

Signature of Shareholder or Authorized Representative-See Instruction 4
Name of Shareholder (please print or type)

Daytime telephone number of Shareholder or Authorized Representative

Daytime telephone number of Shareholder or Authorized Representative

INSTRUCTIONS

1. Use of Letter of Transmittal

- (a) In order to receive the Consideration, this Letter of Transmittal with all portions validly completed, together with the certificate(s) or DRS Advice in respect of the Deposited Shares, it is recommended that this Letter of Transmittal (or manually signed facsimile thereof) together with accompanying certificate(s) or DRS Advice representing Yellowhead Shares be received by the Depository at the office specified on the last page hereof as soon as possible.
- (b) The method used to deliver this Letter of Transmittal and any accompanying certificate(s) or DRS Advice representing Yellowhead Shares is at the option and risk of the Shareholder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depository. Yellowhead recommends that the necessary documentation be hand delivered to the Depository at the address specified on the last page hereof, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended. Shareholders whose Yellowhead Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in delivering those Yellowhead Shares.

2. Signatures

This Letter of Transmittal must be filled in, dated and signed in all applicable boxes by the holder of Yellowhead Shares or by such holder's duly authorized representative (in accordance with Instruction 4 below).

- (a) If this Letter of Transmittal is signed by the registered owner(s) of the accompanying certificate(s) or DRS Advice, such signature(s) on this Letter of Transmittal must correspond with the name(s) as registered or as written on the face of such certificate(s) or DRS Advice without any change whatsoever, and the certificate(s) or DRS Statement need not be endorsed. If such transmitted certificate(s) or DRS Advice evidences Yellowhead Shares that are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.
- (b) If this Letter of Transmittal is signed by a person other than the registered owner(s) of the accompanying certificate(s) or DRS Advice, or if share certificates are to be issued to a person other than the registered owner(s):
 - (i) such deposited certificate(s) or DRS Advice must be endorsed or be accompanied by appropriate share transfer power(s) of attorney properly completed by the registered owner(s); and
 - (ii) the signature(s) on such endorsement or power(s) of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on the certificate(s) or DRS Advice and must be guaranteed as noted in Instruction 3 below.
- (c) If any surrendered certificates are registered in different names it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of such certificates.

3. Guarantee of Signatures

No signature guarantee is required on this Letter of Transmittal if this Letter of Transmittal is signed by the registered owner(s) of Yellowhead Shares surrendered herewith. If this Letter of Transmittal is signed by a person other than the registered owner(s) of the Yellowhead Shares or if delivery is to be made to a person other than the registered owner(s) of the Yellowhead Shares, such signature must be guaranteed by an Eligible Institution, or in some other manner satisfactory to the Depository (except that no guarantee is required if the signature is that of an Eligible Institution).

An "**Eligible Institution**" means a member of one of the recognized medallion programs Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP) or New York Stock Exchange, Inc. Medallion Signature Program (MSP) or an acceptable Canadian Schedule I chartered bank.

4. Fiduciaries, Representatives and Authorizations

Where this Letter of Transmittal or any share transfer power(s) of attorney are executed by a person as an executor, administrator, trustee or guardian, or on behalf of a corporation, partnership or association or is executed by any other person acting in a representative capacity, such person should so indicate when signing and, this Letter of Transmittal must be accompanied by satisfactory evidence of authority to act. Any of Yellowhead, Taseko or the Depository, at their discretion, may require additional evidence of authority or additional documentation.

5. **Delivery Instructions**

In all cases, Box "A" and either Box "B" or Box "C" should be completed. If Box "A" and either Box "B" or Box "C" are not completed, the consideration for the Yellowhead Shares (or the certificate(s) or DRS Advice in respect of the Yellowhead Shares if the Arrangement is not completed) will returned to the address on record.

6. **Miscellaneous**

- (a) If the space on this Letter of Transmittal is insufficient to list the certificate(s) or DRS Advice for Yellowhead Shares, additional certificate or DRS account numbers and numbers of Yellowhead Shares may be included on a separate signed list affixed to this Letter of Transmittal.
- (b) If Yellowhead Shares are registered in different forms (e.g. "John Doe" and J. Doe"), a separate Letter of Transmittal should be signed for each different registration.
- (c) No alternative, conditional or contingent deposits of Yellowhead Shares will be accepted.
- (d) Additional copies of this Letter of Transmittal may be obtained from the Depository at its office specified on the last page hereof.
- (e) Yellowhead and Taseko reserve the right, if either so elects in its absolute discretion, to instruct the Depository to waive any defect or irregularity contained in any Letter of Transmittal received by it.
- (f) This Letter of Transmittal will be construed in accordance with and be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

7. **Lost Certificates**

If a certificate representing Yellowhead Shares has been lost or destroyed, this Letter of Transmittal should be completed as fully as possible and forwarded, together with a letter describing the loss, to the Depository. The Depository and/or the registrar and transfer agent for the Yellowhead Shares will respond with the replacement requirements in order for you to receive your entitlement.

8. **Extinction of Rights**

If any Shareholder fails to deliver to the Depository the certificates, documents or instruments required to be delivered to the Depository under the Plan of Arrangement in order for such Shareholder to receive the Consideration which such Shareholder is entitled to receive pursuant to the Plan of Arrangement, on or before the sixth anniversary of the Effective Date, on the sixth anniversary of the Effective Date (i) such Shareholder will be deemed to have donated and forfeited to Taseko or its successor any Consideration held by the Depository in trust for such Shareholder to which such Shareholder is entitled and (ii) any certificate representing Yellowhead Shares formerly held by such Shareholder will cease to represent a claim of any nature whatsoever and will be deemed to have been surrendered to Taseko and will be cancelled. Neither Yellowhead nor Taseko or the Depository, or any of their respective successors, will be liable to any person in respect of any Consideration (including any consideration previously held by the Depository in trust for any such Shareholder) which is forfeited to Yellowhead or Taseko or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

9. **Return of Certificates**

If the Arrangement does not proceed for any reason, the certificate(s) or DRS Advice for Yellowhead Shares received by the Depository will be returned to you forthwith in accordance with your delivery instructions in Box "B" or "C", as applicable. If Box "B" or Box "C" is not completed, the certificate(s) or DRS Advice for Yellowhead Shares received by the Depository will be returned to the address on record.

10. **Privacy Notice**

Computershare is committed to protecting your personal information. In the course of providing services to you and our corporate clients, we receive non-public personal information about you - from transactions we perform for you, forms you send us, other communications we have with you or your representatives, etc. This information could include your name, address, social insurance number, securities holdings and other financial information. We use this to administer your account, to better serve you and our clients' needs and for other lawful purposes relating to our services. Some of your information may be transferred to servicers in the U.S.A. for data processing and/or storage. We have prepared a *Privacy Code* to tell you more about our information practices, how your privacy is protected and how to contact our Chief Privacy Officer. It is available at our website, computershare.com, or by writing us at 100 University Avenue, Toronto, Ontario, M5J 2Y1. Computershare will use the information you are providing in order to process your request and will treat your signature(s) as your consent to us so doing.

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The Depository is:

COMPUTERSHARE INVESTOR SERVICES INC.

By Mail

P.O. Box 7021
31 Adelaide St E
Toronto, ON M5C 3H2
Attention: Corporate Actions

By Registered Mail, Hand or Courier

3rd floor, 510 Burrard Street
Vancouver, B.C.
V6C 3B9

or

100 University Avenue, 8th Floor
Toronto, Ontario
M5J 2Y1

Attention: Corporate Actions

Toll-free Telephone: 1-800-564-6253 (Canada and United States)

International Telephone: 1-514-982-7555
E-mail: corporateactions@computershare.com

Any questions and requests for assistance may be directed by
Shareholders to the Depository at the telephone numbers
and locations set out above.