



Why Taseko Mines Got Knocked Down Again

Description

Although we don't believe in timing the market or panicking over market movements, we do like to keep an eye on big changes — just in case they're material to our investing thesis.

What: Shares of **Taseko Mines** ([TSX:TKO](#)) slumped 10% today after the Canadian government blocked the development of its New Prosperity gold and copper project in British Columbia for the second time in just over three years.

So what: In a statement late Wednesday, Minister of the Environment Leona Aglukkaq concluded that New Prosperity “is likely to cause significant adverse environmental effects that cannot be mitigated,” adding to the already high degree of uncertainty over the project’s future. In fact, Taseko had already changed up its development plan for New Prosperity after the federal government rejected it in 2010, suggesting that management is running out of options as to what it can do to ease the environmental concerns.

Now what: Don't expect New Prosperity to die without a fight. “Saying no to this project, which is so important to so many people, is not an acceptable conclusion,” said Taseko Vice President of Corporate Affairs Brian Battison. “The existing judicial review will continue to run its course. We will be giving consideration to other courses of action which may be available to us.”

So while the stock remains far too risky for average investors, resource-savvy Fools might want to pounce on today's plunge on the hopes that management can keep New Prosperity alive.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:TKO (Taseko Mines Limited)

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