

29 April 2019

ASX RELEASE

COMMENCEMENT OF DRILLING CAMPAIGN AT ZINC, LEAD & COPPER PROJECT

- TAO has commenced its maiden-drilling program at the Milford Project targeting high grade Zinc, Lead and Copper mineralisation.
- First hole completed with heavy alterations present, samples to be shipped to the laboratory immediately for assaying. Hole two to commence in the coming days.
- Under the Phase 1 drilling program the Company will undertake a minimum of 650m of drilling (approx. 4-5 holes), with a view of completing a planned 1000m (6-7 holes) in consultation with its Geologist during the program.

Tao Commodities Limited (“TAO” or “the Company”) (ASX: TAO) is pleased to announce that drilling has commenced at the 100% owned Milford Project located in Beaver County, Utah, USA. This represents the maiden drill program for TAO’s Milford Project.



Figure 1. Drill rig onsite at Milford Project

The first hole of the campaign has been completed showing heavy alterations present, with samples to be shipped to the laboratory immediately for assaying. The program will now move onto the second hole planned in the coming days.



Figure 2. Core from Hole 1 showing heavy alteration

Drilling is expected to take 45-60 days, inclusive of a break period, with assays to be dispatched systematically during the campaign. The Company has agreed with Titan Drilling to undertake a minimum of 650m of drilling (approx. 4-5 holes), with a view of completing the planned 1000m (6-7 holes) in consultation with its Geologist during the program.

The Company will continue to update shareholders in due course.

END

For further information, please contact

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Appendix 1:

Competent Persons Statement – JORC Code 2012

The information in this Report that relates to Exploration Results of the Company has been reviewed by Bradley C. Peek, MSc. who is a Member of the American Institute of Professional Geologists (CPG #11299). Mr. Peek is a consultant to independent contractor Harrison Land Services, LLC and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (“JORC Code 2012”). Mr. Peek consents to the inclusion in this Report of the matters based on the information in the form and context in which they appear.

Forward looking statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to



any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based