



20 January 2021

ASX RELEASE

## **APPOINTMENT OF MR. TODD HANNIGAN AS CHAIRMAN AND \$3.6 MILLION PLACEMENT**

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- Experienced mining company executive, Mr. Todd Hannigan, appointed as Non-Executive Chairman of the Company.
  - Mr. Hannigan and his nominees to participate in an equity raising of A\$3.6 million to accelerate the development of the Titan Project.
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Tao Commodities Limited (“TAO” or “Company”) (ASX: TAO) is pleased to announce that experienced mining company executive Mr. Todd Hannigan has been appointed as Non-Executive Chairman of the Company, effective from 1 February 2021. Mr. Hannigan and his nominees will also participate in a placement by the Company to raise A\$3,645,000.

### **Chairman**

Mr. Hannigan was formerly the Chief Executive Officer of Aston Resources Limited (“Aston”). During this period, he led the growth of Aston into one of Australia’s largest publicly listed resources companies. Aston raised approximately \$2 billion in funding to acquire and develop the Maules Creek coal project through to first production. Aston merged with Whitehaven Coal Limited in a deal valued at over \$5 billion.

Mr. Hannigan will bring extensive industry knowledge, leadership and corporate relationships that will greatly benefit the Company as it progresses its exciting Titan Heavy Mineral Sands Project in Tennessee, USA.

Mr. Hannigan will, subject to shareholder approval, be granted 875,000 incentive options exercisable at A\$0.45 each on or before 31 December 2023 and 875,000 incentive options exercisable at A\$0.55 each on or before 31 December 2023.

Following Mr. Hannigan’s appointment, Mr. Mark Connelly will transition to a Non-Executive Director role and continue his involvement with the Company.

### **Placement**

The Company has received firm commitments for a placement of 12,150,000 shares at an issue price of A\$0.30 per share to institutional and sophisticated investors to raise gross proceeds of A\$3,645,000 (“**Placement**”).

The issue price represents a 13% discount to the 5-day volume weighted average price and a 5% discount to the 20-day volume weighted average price.

Mr. Hannigan is subscribing for 3,333,334 shares to raise A\$1,000,000 and his nominees are subscribing for 3,591,666 shares to raise A\$1,077,500. The remaining shares have been allocated to institutional and sophisticated investors predominately in Australia and the USA.

Proceeds from the Placement will be used to rapidly accelerate the exploration and development of the Company’s Titan Heavy Mineral Sands Project in west Tennessee, USA.

**Incoming Chairman, Todd Hannigan, commented:** *“TAO is in an exciting phase of exploring the Titan HMS Project, which has the potential to be a very large, high grade titanium and zircon rich mineral sand deposit located in Tennessee USA. These titanium minerals are classified by the United States Government as ‘critical minerals that are essential to the economic and national security of the US, with a supply chain vulnerable to disruption’, and are a vital supplier to the world leading US space and defense industries. The large domestic US titanium industry is nearly entirely import dependent.*

*“The discovery of rare earth rich monazite in the initial drilling program has added another valuable dimension to the Titan deposit and potentially adds a wide range of the highest priority US designated ‘critical minerals’ to a valuable product portfolio.*

*“I look forward to joining a strong leadership team and building the leading US critical minerals Company.”*

**Executive Director, Anastasios (Taso) Arima, said:** *“Todd joining the Board is fantastic addition to the Company, with his leadership skills, industry knowledge, extensive connections and development track record a great asset as we seek to rapidly move towards development. Todd’s investment in the Company is a huge show of faith and will enable us to significantly advance the Titan Project throughout 2021.”*

This announcement has been authorised for release by the Board.

**END**

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### **About Tao Commodities**

Tao Commodities Limited (“TAO”) holds a 100% interest in the Titan Project (“the Project”), covering ~3,000 acres of titanium and zircon prospective heavy mineral sands (“HMS”) properties in Tennessee, U.S. The Project is located in an area which saw significant historic exploration from 1960 – 1990 by DuPont, BHP and others, and included over 200 drill holes and a bulk sample mining operation.

The Project is strategically located in the southeast of the U.S., close to significant manufacturing capacity, providing a significant logistical advantage over current U.S. supplies of imported titanium feedstock. Specifically, the Project is ~15 km from Chemours’ New Johnsonville pigment plant, one of the largest pigment plants globally and within a low-cost barge, truck or rail-served distance to all other major U.S. titanium pigment and metal plants.

The U.S. is the second-largest global importer of titanium feedstocks where it is primarily used to produce TiO<sub>2</sub> pigment for the coatings and plastics sector and Ti metal for the defense, aerospace, space and medical sector. Over the last decade the U.S. has seen a significant decrease in production of both titanium feedstocks and zircon with the closure of Iluka’s operations in Virginia in 2016. As a result, import reliance has risen to 95% in 2019, with import values of ~A\$1,200 million.

The Company also holds a 100% interest in the Milford Project in Utah, United States, which is considered prospective for base and precious metals.

### **Competent Persons Statement**

*The information in this announcement that relates to Exploration Results is extracted from the Company’s ASX Announcements dated 7 January 2021 and 3 November 2020 (“Original ASX Announcements”) which are available to view at the Company’s website at [www.taocommodities.com.au](http://www.taocommodities.com.au).*

*The Company confirms that a) it is not aware of any new information or data that materially affects the information included in the Original ASX Announcements; b) all material assumptions included in the Original ASX Announcements continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons’ findings are presented in this report have not been materially changed from the Original ASX Announcements.*