

30th June 2020

ASX RELEASE

FURTHER GOLD EXPLORATION WORK PLANNED AT MILFORD PROJECT

- **Phase 2 follow-up soil sampling and geological mapping/sampling is planned at Milford.**
 - **At Captain Jack Prospect, exploration will focus on extending the gold-silver geochemical anomalies to the NE along strike.**
 - **At Moccasin, planned work aims to extend the silver-lead-zinc-gold geochemical anomaly along two parallel trends to the NE and SW.**
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Tao Commodities Limited (“TAO” or “the Company”) (ASX: TAO) is pleased to announce that further exploration is planned at its Milford Project in Beaver County, Utah, USA.

Following on from previous soil and reconnaissance rock sampling results completed in Q1 2020 as part of the Phase 1 exploration programme, the upcoming exploration work aims to extend the geochemical anomalies along the interpreted strike (Phase 2) and provide sufficient data to plan initial drilling campaigns.

Phase 1 reconnaissance rock chip results returned encouraging gold and silver results which where grades to 17.4 g/t Au and 8760 g/t Ag were recorded¹. Soil sampling that was completed in conjunction with the rock sampling defined anomalous zones over several hundred meters open along strike at both Captain Jack and Moccasin².

The planned Phase 2 exploration work will comprise additional soil and reconnaissance rock sampling/mapping along the interpreted anomalous trends.

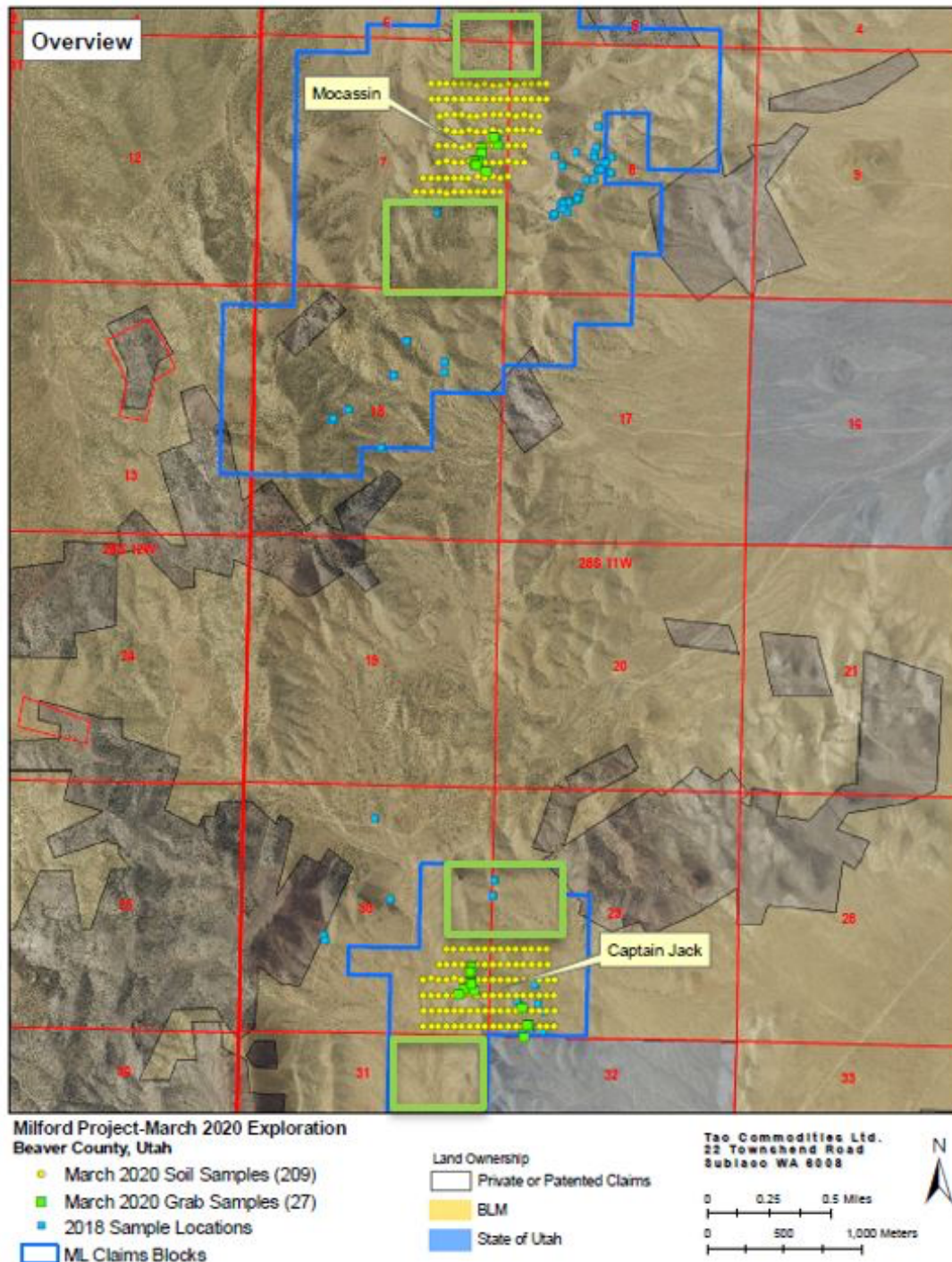


Figure 1 – Overview Map- Milford Project. Green- Rock samples (27), Yellow- Soil Samples, Green squares are approximate Phase 2 work areas.

CAPTAIN JACK

The Captain Jack Project is located in the southern part of the Milford Project.

As part of the Phase 1 programme, total of 102 soil and 14 rock samples were collected at the Captain Jack and Captain Jack West Prospects ^{1,2}. The Captain Jack West prospect is

associated with a series of old shallow workings/pits in altered silicified carbonate and sedimentary rocks with evidence of ex-sulphide textures and copper oxide staining. Reconnaissance rock sampling completed by the Company as part of the Phase 1 programme returned samples with anomalous gold, ranging from 0.99 to 17.4 g/t Au¹. Silver results ranged from 0.25 to 8760 g/t, with four samples assaying >100 g/t (ppm) Ag¹.

Soils sampling has defined partially overlapping NE orientated gold-silver anomalies over several hundred meters in the Captain Jack West prospect area, and a more semi-continuous anomaly over a similar distance at Captain Jack². The soil anomalies appear topographically controlled to some degree, and further detailed mapping is planned along strike from the outcropping mineralisation to better understand the full extent of the anomaly.

MOCCASIN PROSPECT

A total of 107 soil and 13 rock samples were collected as part of the Phase 1 programme at the Moccasin Prospect located in the northern portion of the Milford Project^{1,2}.

Four reconnaissance rock samples collected by the Company as part of the Phase 1 programme returned gold values of +1 g/t. A number of samples also returned elevated base metal assay results with 15.1% Pb, 4.64% Zn and 1.21% Cu¹.

Mineralisation occurring as outcrop to sub crop/float (with evidence of historical shallow pits and shafts) was traced along a north-easterly orientation for over 200m and is hosted within dark grey- to grey-brown altered carbonate to cherty carbonate rocks with moderate to intense ferrugenisation and pitting after sulphide. Some remnant sulphide including pyrite and chalcopyrite together with copper oxides was observed.

Silver results from the soil sampling data have further extended the anomalous trend along strike to the SW from the old workings². Gold results appear more restricted and associated with the locations of the old workings in the main prospect area in the central portion of the soil grid where rock sampling was also completed.

A second parallel trend has also been identified from the gold results NW of the main area which remain open to the NE. No rock samples were collected from this area as part of the Phase 1 programme.

Anomalous Pb (ppm) and Zn (ppm) are also associated with the geochemical response at Moccasin². Further soil and rock sampling together with geological mapping will aim to extend the zones along strike to the NW and SW.

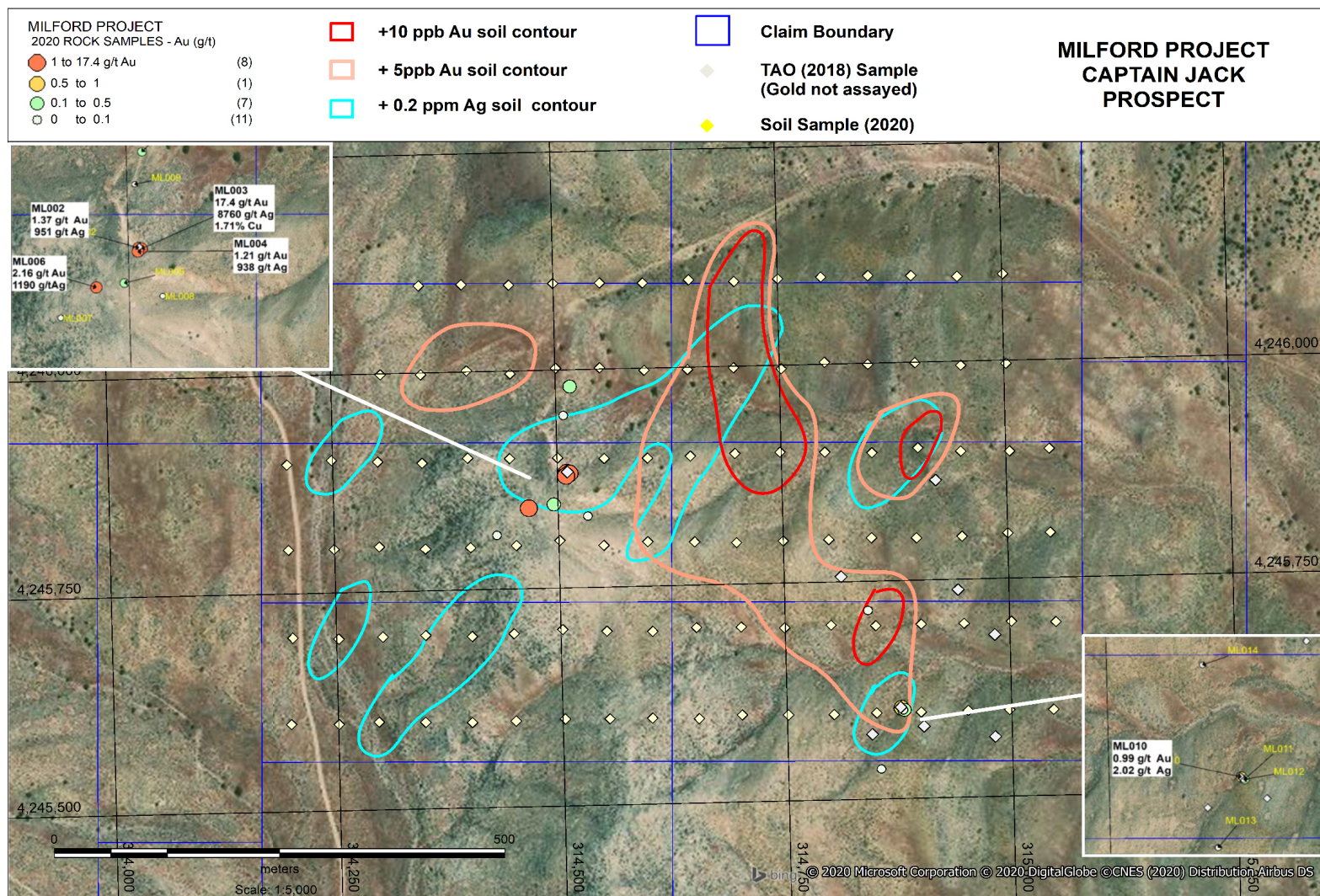


Figure 2 – Captain Jack Prospect- Soil Sampling results - Au (ppb) & Ag (ppm) overlain on recent rock samples

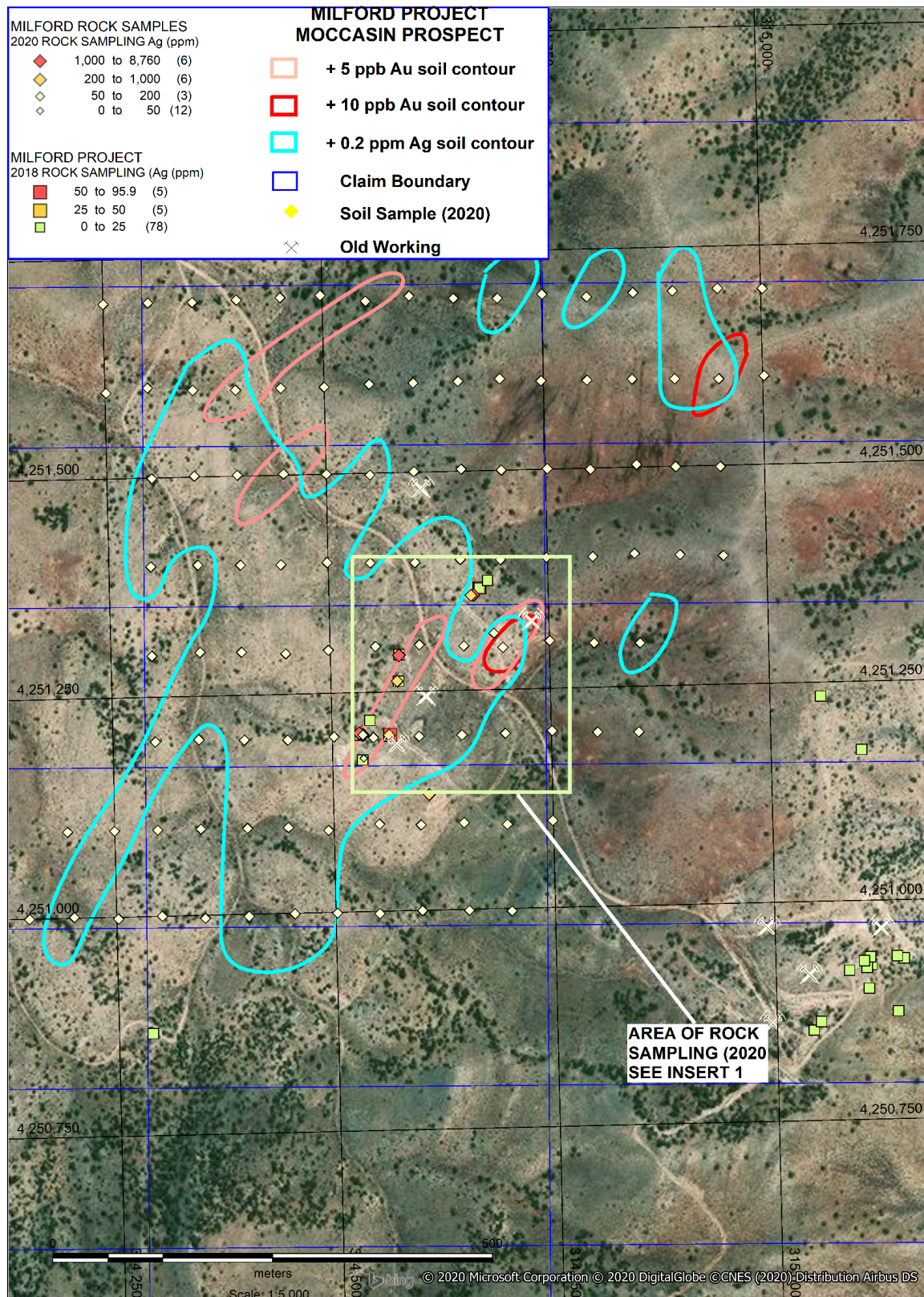


Figure 3 – Moccasin Prospect- Soil Sampling results - Au (ppb) & Ag (ppm) overlain on recent rock samples

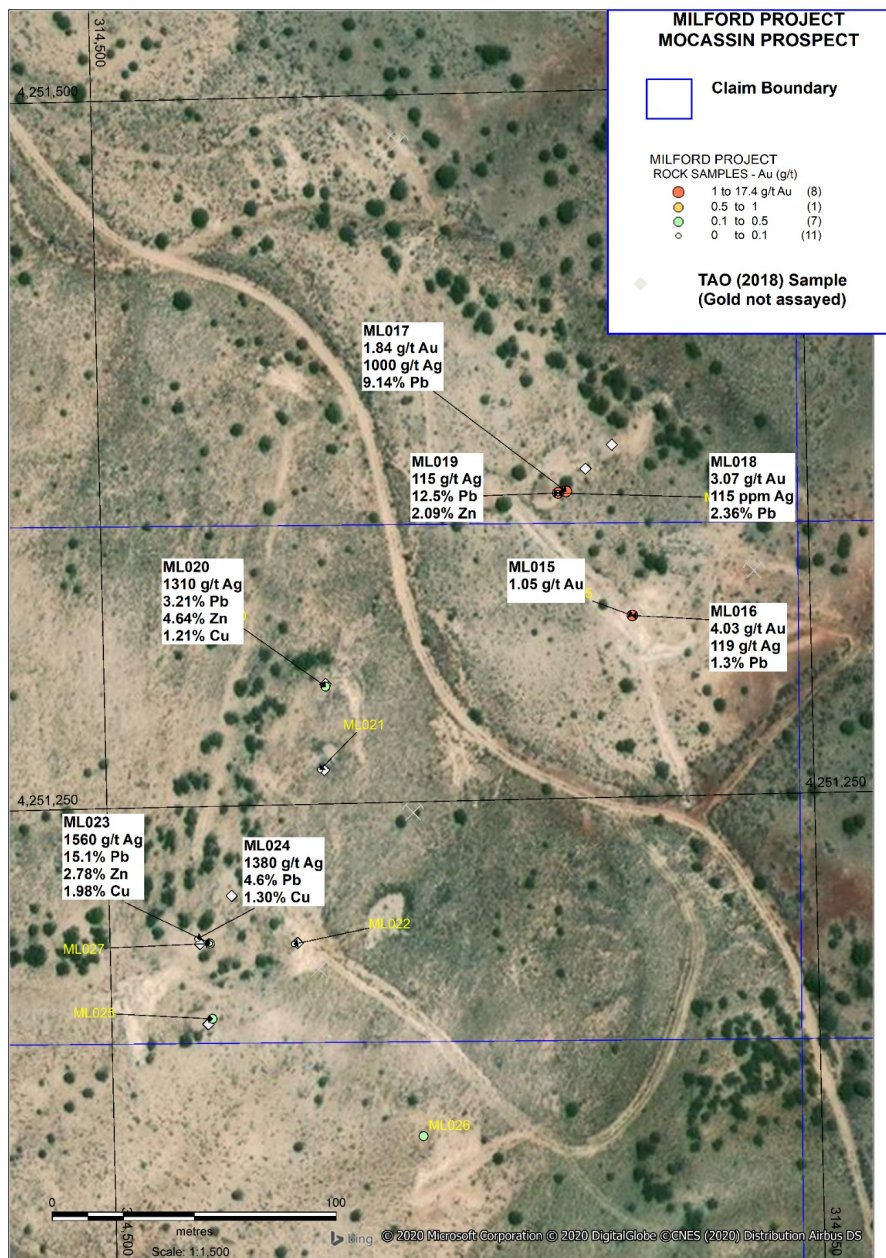


Figure 4 – Moccasin Prospect- Rock Sampling results - Au (g/t)^{1,2}

The phase 2 programme is expected to commence in 4-6 weeks.

This announcement has been authorised for release by the Board.

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For further information, please contact

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Previous ASX Announcements

- 1- 30/04/2020 - TAO Commodities Ltd – ASX Announcement – ROCK SAMPLING RETURNS UP TO 17.4 g/t Au & 8760 g/t Ag.
- 2- 02/06/20 –TAO Commodities Ltd - ASX announcement- Soil Sampling Results enhance prospect areas

Competent Persons Statement – JORC Code 2012

The information in this report that relates to Exploration Results, is based on information compiled and/or reviewed by Mr. Lyle Thorne who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Thorne is an independent consultant to TAO Commodities Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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”. Mr. Thorne consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

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