



18th February 2020

TERMINATION OF DSO MINING PTY LTD ACQUISITION

Tao Commodities Limited (“TAO” or “the Company”) (ASX: TAO) provides the following update regarding the proposed acquisition of DSO Mining Pty Ltd (“DSO”) as announced on 25 October 2019, 14 November 2019 and 10 February 2020.

The Company confirms the A\$2,500,000 capital raising condition precedent was not satisfied by 17 February 2020. Accordingly, the Company has today terminated the binding term sheet and will not be proceeding with the DSO acquisition.

Moving forward

The Company continues to work with its US based geological team on further exploration work at its 100% owned Milford Zn, Pb & Cu Project. Although exploration results to date have not been as positive as expected, the Company is currently awaiting a more detailed geological work program across a new portion of the tenement package. The Company was previously expecting a work program to be provided towards the end of 2019, however due to a lack of availability of contractors, the Company is now expecting the report in the coming weeks. The board will then assess the recommendations and implement accordingly to best unlock value for the Milford Project. Further exploration works are expected to commence in Q2 post the current winter season.

The Company, as previously stated, is also continuing its search sourcing and reviewing new acquisition opportunities. The Company is confident, given its capital structure and cash balance, that it will be able to attract a complimentary quality advanced project, which can increase shareholder value and help diversify its current single Project focus. The Company is focusing the search on advanced gold and base metal projects, in favorable jurisdictions.

This announcement has been authorised for release by the Board.

END

For further information, please contact:

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