

25<sup>th</sup> June 2019

ASX RELEASE

## MILFORD PROJECT EXPLORATION UPDATE

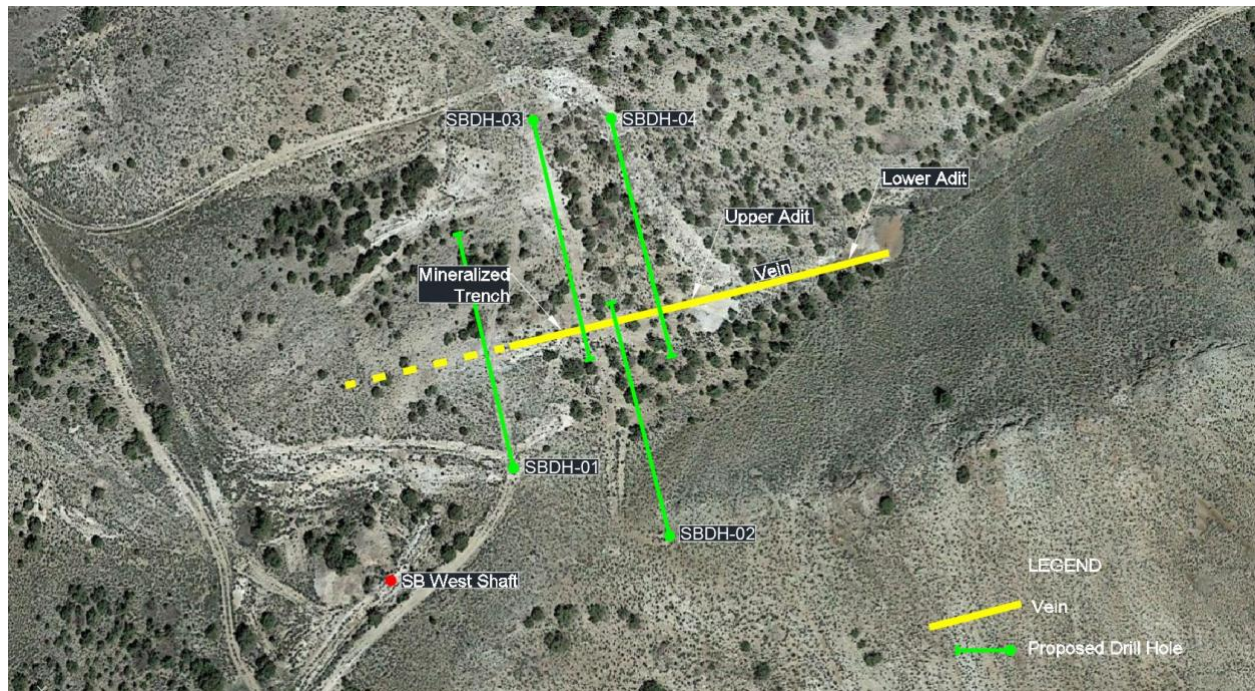
Tao Commodities Limited (“TAO” or “the Company”) (ASX: TAO) is pleased to announce the results of the maiden drilling program at its 100% owned Milford, Utah, USA Project. Drilling commenced on April 17, 2019 and was completed on May 7, 2019. Four HQ core holes were drilled and assays have now been received for all samples.

Prior to drilling, an additional claim (ML-051a) was staked to allow the Company to undertake the planned drilling locations as highlighted in figure 1 showing drill locations on claims ML-050 and ML-051.



Figure 1: Drill locations (ML-050) and additional claim (ML-051a)

All four holes were drilled at a -60° angle and encompassed 1993.5 feet (607.6 metres) of total drilling (Table 1 and Figure 2). Geologically, the drill holes encountered Permian limestones, altered limestones, argillites and numerous faulted and broken zones.



**Figure 2 – Drill hole location map.**

The targeted vein, which was exposed in the entrance to historic mine workings at surface, was intersected in core hole SBDH-02 on the Silver Bear Prospect at a depth of 233.3 feet (71.1 metres). The intercept was 4.4 feet (1.34 metres) involving two samples with a weighted average of 12.38 ppm Ag and 1.39% Zn. The hole was drilled at an angle of -60°, which gives the vein intercept an approximate true width of 2.2 feet (0.7 metres).

The other three holes in the four hole program did not return any significant assays, although several intervals of altered limestone core and faulting were encountered. The geology logged in all four drill holes was quite complex and is still being evaluated. Considering the high-grade values found in surface samples from the prospect area, it is believed that portions of the vein may have been faulted off and may still be present in other locations within the Silver Bear prospect. Only four holes were completed in this round of drilling, which was not sufficient to fully evaluate the prospect and the Company is currently reviewing its next phase of exploration activities.



	Easting UTM	Northing UTM	Elevation (ft)	Elevation (m)	Total Depth (ft)	Total Depth (m)	Azimuth (Degrees)	Dip (Degrees)
<b>SBDH-01</b>	315103	4250890	6,296	1,919	500	152.4	345	-60
<b>SBDH-02</b>	315160	4250873	6,260	1,908	496	151.2	345	-60
<b>SBDH-03</b>	315097	4250986	6,265	1,910	498.5	151.9	168	-60
<b>SBDH-04</b>	315117	4250985	6,256	1,907	499	152.1	168	-60
<b>Total</b>					<b>1993.5</b>	<b>607.6</b>		

**Table 1 – Completed drill hole data. Locations are in UTM NAD83, Zone 12.**

The core was sampled by sawing the core in half and shipping half of the core to ALS Laboratories in Reno, Nevada for assay. The other half of the core was retained for possible future visual inspection or sampling. The assays used the ALS ME-MS61 procedure with a 4-acid digestion for 48-elements. In all, 81 core samples and 9 QC samples were sent for analysis. Some 154.8 feet (47.2 metres) of core were sampled from the four holes. All QC sample results were within their respective limits.

The Company will now review its current exploration activities for the Milford Project with a view of undertaking further sampling, mapping and geophysics ahead of any further drilling.

The Company also continues to advance reviews on several advanced resource assets that would add significant shareholder value through exposure to a larger more advanced Project.

**END**

For further information, please contact

Patrick Glovac  
Managing Director  
TAO Commodities Limited  
[info@taocommodities.com.au](mailto:info@taocommodities.com.au)

## Appendix 1: Table of Results

Sample No.	Hole ID	From (ft)	To (ft)	Interval (ft)	Wt. kg	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Zn %
31557	SBDH-01	236.0	238.5	2.5	2.06	0.37	7	4.1	149	
31558	SBDH-01	238.5	241.0	2.5	1.68	0.62	4	9.3	108	
31559	SBDH-01	241.0	242.0	1.0	1.12	0.62	8.5	7.4	126	
31560	SBDH-01	242.0	243.5	1.5	1.32	0.69	12.8	11.3	118	
31561	SBDH-01	243.5	245.5	2.0	1.74	0.55	4.1	10.9	97	
31562	SBDH-01	245.5	247.5	2.0	1.9	0.36	3.3	9.7	44	
31563	SBDH-01	423.0	424.7	1.7	1.96	1.16	2.8	235	406	
31564	SBDH-01	424.7	425.7	1.0	1.08	37.5	275	5190	3460	
31565	SBDH-01	425.7	427.4	1.7	1.78	1.44	2.2	123	88	
31566	SBDH-01	455.7	458.0	2.3	2.64	0.28	2.6	26.2	31	
31567	SBDH-01	458.0	459.7	1.7	1.54	0.11	3.6	8.3	40	
31568	SBDH-01	459.7	462.2	2.5	1.82	0.11	3.7	14.1	28	
31569	SBDH-01	462.2	464.3	2.1	2.12	0.09	2	12.3	17	
31570	SBDH-01	MEG-Cu-1	Standard		0.06	22.4	4590	966	>10000	2.39
31571	SBDH-01	MEG-Cu-2	Standard		0.06	7.63	1815	260	>10000	1.07
31572	SBDH-02	191.5	193.0	1.5	1.26	0.22	4.2	2.9	32	
31573	SBDH-02	193.0	194.5	1.5	1.2	1.39	34.8	4.8	29	
31574	SBDH-02	194.5	196.0	1.5	1	1.7	11.9	4.8	29	
31575	SBDH-02	196.0	197.0	1.0	0.82	0.5	4.6	8.9	53	
31576	SBDH-02	197.0	199.4	2.4	1.62	0.37	6.8	4.3	30	
31577	SBDH-02	231.3	233.3	2.0	1.36	0.26	3.3	87.9	161	
31578	SBDH-02	233.3	235.2	1.9	1.78	15.45	764	9280	>10000	3.06
31579	SBDH-02	235.2	237.7	2.5	2.68	10.05	72.4	738	1160	
31580	SBDH-02	237.7	239.2	1.5	1.84	1.86	10.7	289	405	
31581	SBDH-02	256.5	258.4	1.9	1.42	0.41	3.6	52.4	88	
31582	SBDH-02	258.4	259.6	1.2	1.1	8.77	39.8	1600	574	
31583	SBDH-02	259.6	260.6	1.0	1.06	1.44	2.7	65.1	111	
31584	SBDH-02	260.6	262.7	2.1	2.36	0.33	2.4	20.5	70	
31585	SBDH-02	336.0	337.9	1.9	1.78	0.17	1.6	1.6	27	
31586	SBDH-02	337.9	340.5	2.6	1.68	0.2	1.6	2.2	28	
31587	SBDH-02	340.5	342.3	1.8	1.8	0.65	9.5	6.4	159	
31588	SBDH-02	342.3	344.0	1.7	1.72	0.48	8.1	12.1	85	
31589	SBDH-02	344.0	345.8	1.8	1.72	0.5	6.6	14.8	53	
31590	SBDH-02	345.8	347.7	1.9	1.5	0.44	2.8	31.2	45	
31591	SBDH-02	MEG-Blank	Standard		0.06	0.01	0.6	<0.5	<2	
31592	SBDH-02	MEG-Cu-2	Standard		0.06	7.79	1900	277	>10000	1.085
31593	SBDH-03	247.0	249.0	2.0	1.45	0.15	5.8	3.2	30	
31594	SBDH-03	249.0	251.0	2.0	1.91	0.26	4.8	10.4	121	
31595	SBDH-03	251.0	253.0	2.0	1.99	0.31	3.4	13	40	
31596	SBDH-03	253.0	255.0	2.0	2.06	0.31	3.9	27.2	47	
31597	SBDH-03	255.0	257.0	2.0	1.96	0.4	5.1	21.4	63	
31598	SBDH-03	257.0	259.0	2.0	1.4	0.52	5.4	18.8	51	

31599	SBDH-03	259.0	261.0	2.0	2.39	0.18	2.2	8.2	46	
31600	SBDH-03	324.0	326.0	2.0	2.28	0.12	1.4	1.8	22	
31601	SBDH-03	326.0	328.0	2.0	1.53	0.18	1.9	3.2	27	
31602	SBDH-03	328.0	330.0	2.0	2.05	0.25	3.7	7	48	
31603	SBDH-03	330.0	332.2	2.2	2.09	0.28	7.6	11	54	
31604	SBDH-03	332.2	334.5	2.3	1.8	0.4	2.9	6.8	24	
31605	SBDH-03	334.5	336.5	2.0	1.98	0.11	1.2	0.5	24	
31606	SBDH-03	424.0	426.2	2.2	2.4	0.12	2.2	4.1	38	
31607	SBDH-03	426.2	428.3	2.1	1.61	0.34	3.6	10.7	168	
31608	SBDH-03	428.3	430.4	2.1	2.35	0.1	3	6	70	
31609	SBDH-03	430.4	432.0	1.6	2.14	0.14	2.6	8.2	67	
31610	SBDH-03	432.0	434.0	2.0	1.9	0.25	4.6	28.2	48	
31611	SBDH-03	434.0	436.0	2.0	2.36	0.28	4	51.6	48	
31612	SBDH-03	464.8	466.8	2.0	1.93	0.06	2	5.6	75	
31613	SBDH-03	466.8	468.9	2.1	2.03	0.62	6.9	18.5	79	
31614	SBDH-03	468.9	471.0	2.1	1.95	0.53	6.4	7.7	91	
31615	SBDH-03	471.0	472.0	1.0	1.24	0.16	2.9	5.8	74	
31616	SBDH-03	472.0	473.0	1.0	0.88	0.19	4.4	7.6	64	
31617	SBDH-03	473.0	474.8	1.8	2.03	0.41	5.5	12.6	101	
31618	SBDH-03	474.8	475.8	1.0	0.86	0.24	7.5	11.4	82	
31619	SBDH-03	475.8	478.0	2.2	2.35	0.09	2.8	4.1	45	
31620	SBDH-03	483.0	485.3	2.3	2.1	0.09	2.9	5.2	56	
31621	SBDH-03	485.3	487.8	2.5	2.35	0.12	4.2	15.2	42	
31622	SBDH-03	487.8	490.0	2.2	1.7	0.11	3	7.1	35	
31623	SBDH-03	490.0	492.0	2.0	1.78	0.21	6.5	12.1	71	
31624	SBDH-03	492.0	493.5	1.5	1.19	0.16	5.1	13.3	38	
31625	SBDH-03	MEG-Cu-2	Standard		0.06	7.42	1870	269	>10000	1.09
31626	SBDH-03	MEG-Blank	Standard		0.05	0.02	3	0.7	14	
31627	SBDH-03	MEG-Cu-1	Standard		0.06	24.5	4690	959	>10000	2.42
31628	SBDH-04	133.6	135.6	2.0	1.88	0.82	2.4	15.1	85	
31629	SBDH-04	135.6	137.7	2.1	1.75	0.9	6.4	5	127	
31630	SBDH-04	137.7	140.0	2.3	2.17	1.11	7.2	13.3	158	
31631	SBDH-04	140.0	142.0	2.0	1.86	0.51	1.4	10.7	199	
31632	SBDH-04	142.0	144.0	2.0	2.24	0.47	2.5	22.3	175	
31633	SBDH-04	144.0	146.0	2.0	1.86	0.26	2.7	12.4	152	
31634	SBDH-04	146.0	148.0	2.0	2.1	0.27	4.2	13.1	109	
31635	SBDH-04	314.0	316.0	2.0	2.09	0.08	2	3.9	54	
31636	SBDH-04	316.0	318.0	2.0	1.56	0.03	0.6	5	87	
31637	SBDH-04	318.0	320.0	2.0	2.58	0.03	0.7	3.3	53	
31638	SBDH-04	320.0	322.0	2.0	1.96	0.08	1.6	5.1	54	
31639	SBDH-04	322.0	324.0	2.0	1.75	0.11	4	3.3	33	
31640	SBDH-04	324.0	326.0	2.0	1.79	0.07	2.4	2.2	40	
31641	SBDH-04	326.0	328.0	2.0	2.07	0.07	2.5	5.4	60	
31642	SBDH-04	328.0	330.0	2.0	1.72	0.08	2.4	6.1	57	
31643	SBDH-04	330.0	332.0	2.0	2.58	0.14	1.1	5.4	40	

31644	SBDH-04	332.0	334.0	2.0	2.02	0.1	2	0.5	124	
31645	SBDH-04	MEG-Blank	Standard		0.05	0.01	1	<0.5	<2	
31646	SBDH-04	MEG-Cu-1	Standard		0.06	23.8	4450	918	>10000	2.35

## Appendix 2: 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.

## Appendix 3: JORC TABLE

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>This announcement deals only with results obtained from core drilling.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Core drilling was employed. Core was HQ size (63.5 mm diameter). Standard 5 ft. (1.52 m) core tube was used. Down-hole orientation surveys were conducted at 100 ft. (30.5 m) intervals. Very little drift in hole direction was noted.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Core recovery was measured with a tape measure and entered into an RQD log. Overall recovery for the 4 core holes was 94.9%, which was considered quite good considering the broken nature of the rock. No sampling bias could be determined.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All core was logged for geology at a scale of 1" = 10'. An RQD (Rock Quality Designation) log was also prepared for each entire hole. The core was photographed, as well.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Core was sawed in half. Half was sent to the lab for analysis and half retained for possible future viewing or sampling. No duplicate samples were collected due to the early stage of the exploration program.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>Assays were prepared and performed by ALS Global – Geochemistry Analytical Labs in Reno, Nevada USA and Vancouver, BC Canada using a four acid</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<p>digestion method with an ICP-MS finish. Average sample weight submitted for prep was 1.81 kg and range from 0.82 kg to 2.68 kg. Samples were pulverized to minus 75 microns before a 250g riffle split was sent to ALS Vancouver lab for analysis. This is an accepted industry analytical process appropriate for the nature and style of mineralization under investigation. Standards and blanks obtained from MEG Labs of Reno, Nevada were inserted into the sample stream in a ratio of 1:10.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Little verification work has been conducted yet due to the preliminary stage of the project. This will be incorporated into the future work programs now that analytical results from this initial sampling are known. No adjustment to the assay data has been performed.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Locations of drill holes were recorded by hand held GPS. The GPS recorded locations used the NAD83 datum UTM Zone 12N. Accuracy is limited to approximately 3 metres.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected from visually altered core. The data is not expected to be incorporated into any Mineral and Ore Reserve estimation and is primarily an initial exploration drilling program.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Company personnel collected the samples and shipped them to the assay laboratory in Reno, Nevada via U. S. Postal Service. The samples remained in the possession of the personnel or under lock and key at all times prior to their shipment to the laboratory. Packaging for shipment included the use of globe-type seals to prevent tampering.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Competent Person and other company personnel have reviewed the data for accuracy and completeness.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<p>The TAO Commodities Ltd. project is located on unpatented Federal lode mining claims in the USA on land administered by the U.S. Bureau of Land Management. The Competent Person has accessed the USA Federal government websites to confirm that all the mining claims are held by the party indicated in the agreement. TAO Commodities Ltd. secured local, state and/or federal permits to conduct the drilling operations.</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Extensive historical mining and exploration activity beginning in the late 1800's is evident within the project area. Limited modern-day exploration techniques and methods have been conducted.</li> <li>Firestrike Resources Ltd and J/V partner Escalante Mines LLC performed rock chip sampling of historic mine dumps and prospect pits during 2011-2013.</li> <li>Agricola Mining Consultants Pty Ltd completed an independent technical review of the project during September 2017.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The project area lies within a structurally controlled Basin &amp; Range type mountain range. Epithermal and replacement type mineralisation occurs</li> </ul>

Criteria	JORC Code explanation	Commentary
		along structural corridors in reactive sedimentary host rocks.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Provided in Table 1.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>One intercept was reported, which involved 2 samples. A weighted average was reported by multiplying the grade times the thickness of the intervals, adding the two products and dividing the result by the combined thickness of the two intervals. No data manipulation methods were used.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>The holes were drilled at dips of -60 degrees and the true width of the intercept was reported.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant</li> </ul>	<ul style="list-style-type: none"> <li>Provided in Figure 1.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All significant results have been reported, unmodified.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>The evaluation of the drilling results is ongoing. The complex geology encountered in the drilling is being reevaluated.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Additional drilling is planned once the current drilling results have been fully evaluated.</li> </ul>

### 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