

Tesoro Increases Ownership of El Zorro to 85%

- Tesoro's 95% owned Chilean subsidiary has increased its ownership of the El Zorro Gold Project via a capital contribution of approximately A\$7.6 million into El Zorro S.C.M., the Joint Venture (JV) company that holds the El Zorro Gold Project.
- Tesoro's minority JV partner elected not to contribute, meaning Tesoro's Chilean subsidiary will increase its ownership interest to 85%.
- The capital contribution will be deployed directly into exploration and development activities at the El Zorro Gold Project.

Tesoro Resources Limited (Tesoro or the Company) is pleased to advise that its 95% owned Chilean subsidiary, Tesoro Mining Chile SpA (**TMC**), has increased its ownership of the El Zorro Gold Project (**El Zorro**) in Chile to 85%.

Tesoro previously advised on 1 March 2021 that the original Purchase Option Agreement had been terminated and the JV company, El Zorro S.C.M., would operate on a fully diluting basis going forward.

At a shareholders' meeting of El Zorro S.C.M. held on the 11 February 2021, it was resolved that an additional capital contribution of approximately CLP\$4.3 billion in total (approximately A\$7.6 million) be made to the El Zorro S.C.M. to support the approved workplan and budget. The minority shareholder in the JV company elected not to participate and TMC has now contributed the A\$7.6 million to increase its ownership to 85%.

Tesoro Managing Director, Zeff Reeves commented:

"We are delighted to increase our ownership interest in the El Zorro Gold Project. We see this as a major milestone which provides a clear pathway for capital contributions into the JV company to be deployed effectively for exploration and development of what is proving to be a new gold district at El Zorro."

He further added, *"This capital contribution will be funded from Tesoro's existing cash reserves and utilised for resource definition and extensional drill programs at Ternera, initial drilling at the exciting new Ternera East Prospect as well as the acceleration of conceptual and scoping studies for the development of the El Zorro Gold Project. Work is also due to commence on regional exploration activities in the expanded El Zorro concession holdings. Our in-country team continues to execute our plans successfully and the next 6 months is shaping up to be a very exciting time in Tesoro's evolution."*

Authorised by the Board of Tesoro Resources Limited.

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About Tesoro

Tesoro Resources Limited was established with a strategy of acquiring, exploring, and developing mining projects in the Coastal Cordillera region of Chile. The Coastal Cordillera region is host to multiple world class copper and gold mines, has well established infrastructure, service providers and an experienced mining workforce. Large areas of the Coastal Cordillera remain unexplored due to the unconsolidated nature of mining concession ownership, but Tesoro, via its in-country network and experience has been able secure rights to a district scale gold project in-line with the Company's strategy. Tesoro's 95% owned Chilean Subsidiary owns 85% of the El Zorro Gold Project.

