Tesoro successfully completes Institutional Entitlement Offer and Placement

- Accelerated Institutional Entitlement Offer component of the Entitlement Offer completed raising $1,132,309 (before costs).
- Placement to institutional, sophisticated and professional investors closed raising $3,264,060 (before costs).
- Strong demand for the Placement was received from existing shareholders and a number of new institutional and sophisticated investors.
- Accelerated exploration and development program at flagship El Zorro Project to commence in July 2020.

Tesoro Resources Limited (Tesoro or **the Company)** (ASX: TSO) is pleased to announce the successful completion of the institutional component of its current entitlement offer and share placement to institutional, sophisticated and professional investors, raising a combined total of $4,396,369 (before costs).

As announced on 12 June 2020, the Company is seeking to raise a maximum of $5.98 million (before costs) comprising a:

a) placement to institutional, sophisticated and professional investors at $0.06 per share to raise up to $3.26 million (before costs) (**Placement**);

b) 1:8 accelerated pro-rata non-renounceable entitlement offer at $0.06 per share to raise up to an additional $2.72 million (before costs), involving;

   i) an accelerated offer to eligible institutional shareholders, expected to comprise the issue of up to 18,979,357 new Shares to raise up to approximately $1.13 million (**Institutional Entitlement Offer**);

   ii) an offer to eligible retail shareholders, expected to comprise the issue of up to 26,354,817 new Shares to raise up to approximately $1.58 million (**Retail Entitlement Offer**).

Institutional Entitlement Offer

The Institutional Entitlement Offer has now closed, raising $1,132,309 (before costs) at an issue price of $0.06 per Share. Accordingly, 18,871,816 new Shares will be issued pursuant to the Institutional Entitlement Offer.

7,500,000 Shares not taken up by Eligible Institutional Shareholders were allocated as shortfall pursuant to the Institutional Bookbuild (as defined in the Prospectus) and are included in the above totals.

Placement

Further to the announcement on 12 June 2020 and contemporaneously with the Institutional

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Entitlement Offer, the Company undertook the Placement at $0.06 per Share raising $3,264,060 (before costs). The Company will issue 54,401,008 new shares to subscribers under the Placement pursuant to its available placement capacity under ASX Listing Rule 7.1.

Tesoro's Managing Director Mr Zeff Reeves commented "*We are extremely pleased with the overwhelming demand for the institutional placement, including from our existing shareholder base. The Company is now well placed to accelerate its work programs at El Zorro which continues to expand with each phase of work we complete. We are currently scheduled to commence drilling at El Zorro again in July and look forward to an exciting phase of the Company's growth.*"

Settlement

Settlement of the Institutional Entitlement Offer and Placement is expected to occur on Friday, 19 June 2020 with the new shares expected to commence trading on ASX on Monday 22 June 2020.

Lead Manager

PAC Partners Securities Pty Limited acted as Lead Manager to the Placement and Institutional Entitlement Offer.

Retail Entitlement Offer Timetable

In accordance with the timetable in the Entitlement Offer Prospectus released on ASX on 12 June 2020 (**Prospectus**), the Retail Entitlement Offer opens on 23 June 2020. Eligible retail shareholders with a registered address in Australia or New Zealand (unless the Company is satisfied that it is permitted to issue shares to a retail shareholder resident in another jurisdiction by the laws of that shareholder's country of residence, either unconditionally or after compliance with conditions which the Company regards as acceptable and not unduly onerous or impracticable) as at 18 June 2020, the Record Date, have the opportunity to take up their entitlement of new shares at $0.06 per share and on the terms and conditions outlined in the Prospectus.

An electronic copy of the Prospectus, along with information with respect to applying for entitlements under the Retail Entitlement Offer, will be accessible on ASX's website (www.asx.com.au), the Company's website (www.tesororesources.com.au) or via the Company's share registry (https://investor.automic.com.au/#/home).

Acceptance of the Retail Entitlement Offer must be made on the Entitlement and Acceptance Form which will be available at https://investor.automic.com.au/#/home from 23 June 2020.

Further information

For further information on the Entitlement Offer and Placement, please refer to the Prospectus, the Company's announcements available on ASX's website (www.asx.com.au) or the Company's website (www.tesororesources.com.au). Alternatively, please contact the Company Secretary by phone on +61 8 9322 1587 or email at info@tesororesources.com.au.

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 has rights to acquire up to 80% of the El Zorro Gold Project.

