ASX: TSO | ACN 106 854 175

Tesoro Commences Infill and Extensional Drill Program at El Zorro

- Drilling has commenced at the Ternera Prospect, El Zorro Project, Chile, with two drill rigs on site and drilling.
- Initial program of 5,000m planned.
- Program of infill and extensional drilling planned to define Ternera mineralisation and follow up **previously reported** wide mineralised zones including multiple 100g/m gold intercepts of*:
  - ***ZDDH0010 - 84.30m @ 1.30g/t Au - 110g/m Au, including 4.00m @ 8.50g/t Au;***
  - ***ZDDH0011 - 98.30m @ 1.58g/t Au - 155g/m Au, including 30.30m @ 3.03 g/t Au;***
  - ***ZDDH0012 - 58.80m @ 1.70g/t Au - 100g/m Au, Including 20.30m @ 4.50g/t Au;***
  - ***ZDDH0017 - 86.45m @ 2.29g/t Au - 198g/m Au, including 23.0m @ 7.20 g/t Au;***
  - ***ZDDH00018 - 34.73m @ 2.94 g/t Au - 102g/m, including 15.00m @ 5.99g/t Au; and***
  - ***ZDDH00025 - 121.55m @ 1.32 g/t Au - 160g/m Au, including 12.27m @ 4.98 g/t Au.***
- Trial Induced Polarisation (**IP**) Survey due to commence at Ternera the week starting 6 July 2020 to assess effectiveness for exploration.
- Follow up surface sampling programs are underway at Ternera and Toro Gordo.
- Assay results expected from surface sampling in 2 to 3 weeks, drilling results to follow.
- Data collection activities have commenced for scoping study inputs including metallurgical, geotechnical, hydrological and environmental studies.

Tesoro Resources Limited (ASX: TSO) (Tesoro or **the Company)** is pleased to announce that drilling has commenced at the Ternera Prospect, El Zorro Gold Project (**El Zorro**), Chile. Two diamond drill rigs have commenced infill and extensional drilling at Ternera, with the program aiming to further delineate the Ternera deposit. An initial 20 holes are planned for approximately 5,000m of drilling.

Tesoro Managing Director Zeff Reeves commented:

"Our team is pleased to be back on the ground at El Zorro drilling and working to delineate further gold mineralisation at El Zorro. We have commenced this program with an initial two diamond drill rigs, drilling infill and extensional holes at Ternera. To date Ternera has produced some encouraging results and we are moving quickly to expand on these to further delineate the deposit. In addition, we are working on several other activities in parallel to our exploration activities to advance the project forward as quickly as possible. We are excited at what lies ahead for El Zorro and Tesoro."

The Company has engaged a geophysical services contractor to conduct an IP survey over the Ternera area (Figure 3) to assess the suitability of the method at identifying mineralised fault zones within the El Zorro Tonalite (EZT – host rock). If successful it is envisaged the IP survey would be

+61 8 9322 1587 | info@tesororesources.com.au | Suite 5, 62 Ord Street, West Perth WA 6005 | www.tesororesources.com.au

expanded northwards to Toro Blanco, where the EZT has been mapped approximately 2km north of Ternera. This will assist with exploration targeting and identifying future drill targets.

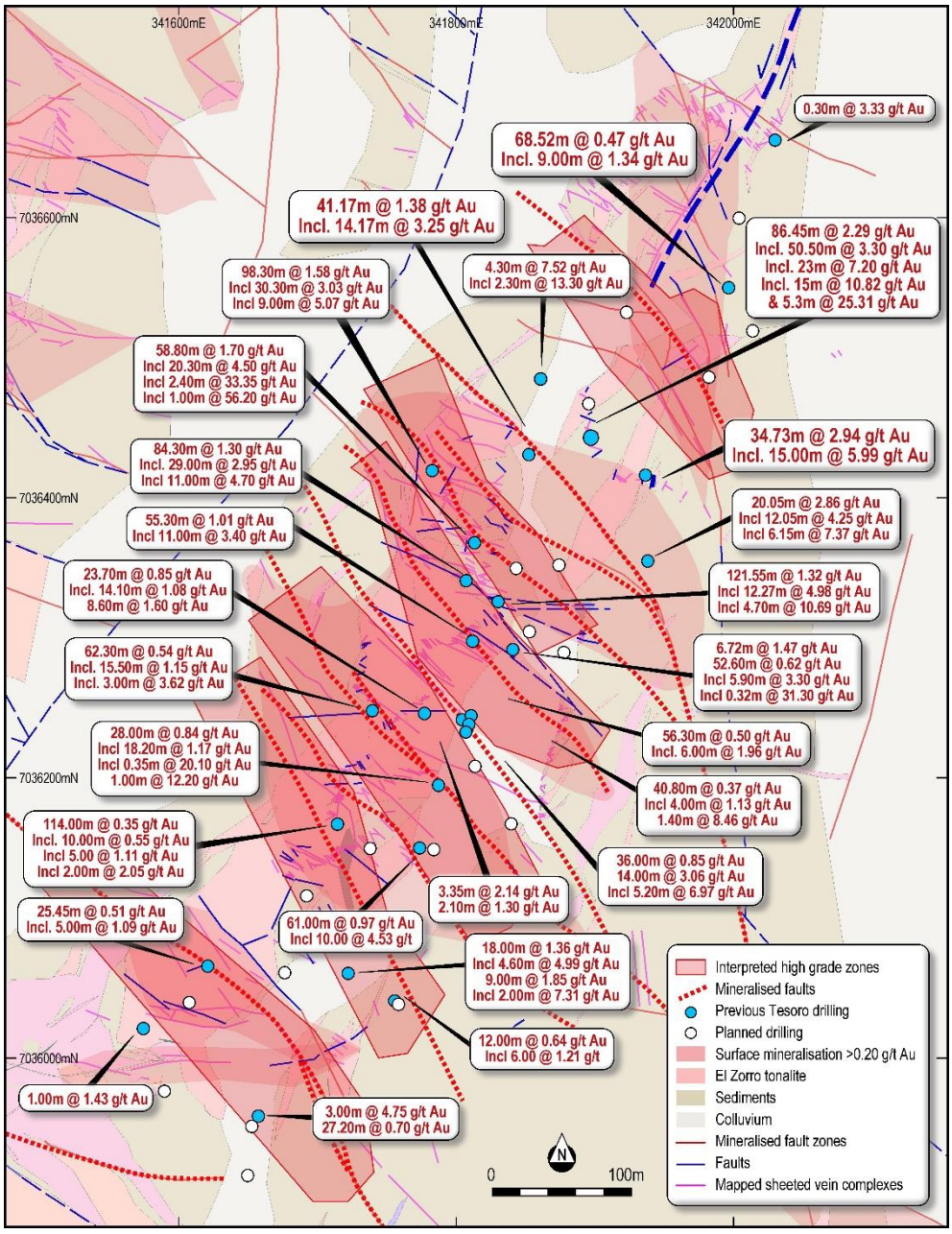

Figure 1 - El Zorro Gold Project – Ternera Prospect geology and mineralisation map showing Tesoro drill results* and planned positions of the first 20 holes of the current drill program (white).

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Figure 2 – Photo looking south at Ternera of drill rig drilling hole ZDDH00028

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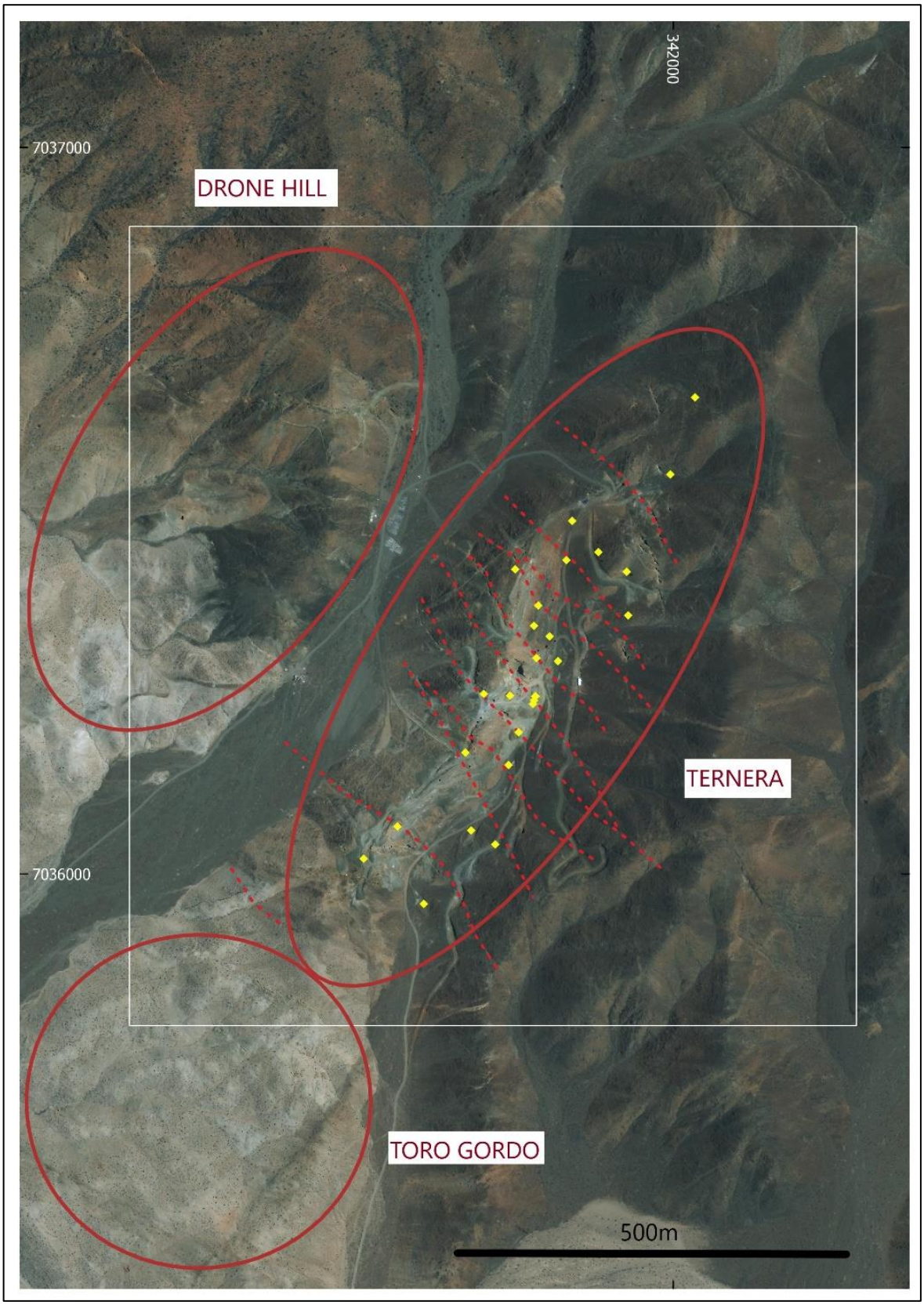

Figure 3 – El Zorro Gold Project aerial photo showing location of planned IP geophysical survey (white outline) over Ternera and Drone Hill. Tesoro drill collars shown in yellow, mineralised faults shown as red dashed lines

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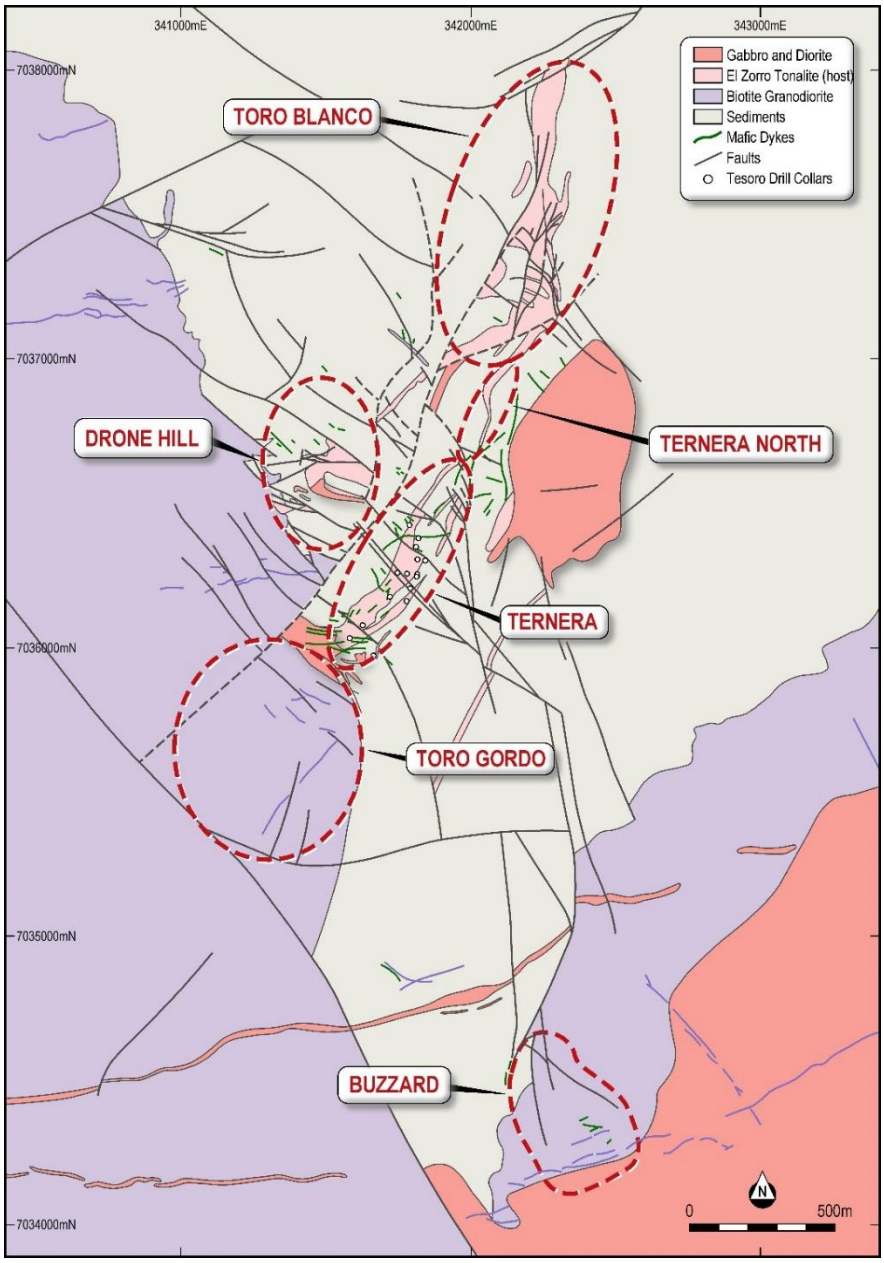

Figure 4 - El Zorro Gold Project district geology and prospect map

*for full drill results see ASX:PKA Announcement of 5 August 2019 and ASX:TSO announcement 12 March, 27 April , 6 May ,27 May 2020 and 10 June

Authorised by the Board of Tesoro Resources Limited.

For more information:

Company:
Zeff Reeves Managing Director
Tesoro Resources Limited
+61 8 9322 1587

Investors:
Peter Taylor
NWR Communications
+61 (0) 412 036 231

peter@nwrcommunications.com.au

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.



Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Zeffron Reeves (B App Sc (Hons) Applied Geology) MBA, MAIG). Mr Reeves is a member of the Australian Institute of Geoscientists and a Director and major shareholder of the Company. Mr Reeves has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Reeves consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Future Performance

This announcement may contain certain forward-looking statements and opinion. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Tesoro.