Tesoro strengthens Board with two appointments

Tesoro Resources Limited (**Tesoro** or **the Company**) (ASX:TSO) is pleased to announce the appointment of Mr Linton Putland as Executive Director – Mining and Development and Ms Kristie Young as Non-Executive Director to help drive exploration and development of its El Zorro Gold Project in Chile, effective immediately.

Tesoro Chairman, John Toll commented:

"I am delighted to welcome Linton and Kristie to the Board of Tesoro. They both bring relevant industry experience and with backgrounds in Mining Engineering, their appointments are at a pivotal time for the Company. The appointments will bolster the Tesoro Board as the Company continues to rapidly advance the exciting El Zorro Gold project in Chile."

Mr Linton Putland (Executive Director – Mining and Development)

Mr Putland has more than 30 years' experience in mining operations, joint ventures and corporate management in Australia, Africa and the Americas, over a wide range of commodities.

Mr Putland is principal of LJ Putland & Associates, a private mining consultancy company which was founded in 2002, providing advisory and consultancy services in mining project and company evaluation and due diligence appraisals with a focus on corporate growth. During this period, he was Managing Director of a privately-owned exploration company with joint venture interests in Africa.

Prior to this, he held corporate and senior management roles in IAMGOLD, AurionGold, Delta Gold and Pancontinental Mining. He is a Member of AusIMM and a Graduate Member of Australian Institute of Company Directors.

Mr Putland is a Non-Executive Director of Breaker Resources Limited (ASX:BRB) and WA Kaolin Limited (ASX: WAK). Previously, he was Non-Executive Director of Pacific Energy Limited which was acquired by the Queensland Investment Corporation (QIC) for A$422m for its global infrastructure fund.

He holds degrees in Mining Engineering (Bachelor of Engineering, Western Australian School of Mines) and a Masters in Science (Mineral Economics, Western Australian School of Mines).

Ms Kristie Young (Non-Executive Director)

Ms Young's background includes more than 20 years' experience across a range of sectors, including technical engineering, project evaluation, strategy, business development, growth, marketing, commercial, client management, governance and human resources.

Prior to this, she held senior growth and business development executive roles with leading professional services firms PwC and EY.

Ms Young is Non-Executive Chair of ChemX Materials Ltd, Non-Executive Director of Lithium Australia NL (ASX:LIT), and sits on the boards of Wesley College WA and the Energy Club of WA. Ms Young was a Non-Executive Director of Primero Group Limited which was acquired by NRW Holdings for A$100m.

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Ms Young holds a Bachelor of Engineering (Mining) Hons from the University of Queensland and a Postgraduate Diploma of Education (Mathematics & IT) from the University of Western Australia. She is a graduate of the Australian Institute of Company Directors and holds a Cert IV HR from the Australian HR Institute.

An Appendix 3X for each of Mr Putland and Ms Young follows.

The material terms of Mr Putland's Executive Services Agreement are set out in Schedule 1.

The Company proposes to seek shareholder approval in due course for an issue of up to 4.55 million Performance Rights to each of Non-executive Chairman John Toll and Non-executive Director Kristie Young, subject to performance milestones to be determined in due course. The Performance Rights will be issued pursuant to the Company's Incentive Option and Performance Rights Plan, approved by shareholders on 7 November 2019. Any required regulatory and shareholder approval for the proposed issues will be sought in due course.

Appointment of Joint Company Secretary

The Company further advises that Ms Sarah Wilson has joined Ms Shannon Coates as Joint Company Secretary, effective immediately. Ms Wilson is a Corporate Advisor with Evolution Corporate Services Pty Ltd and has over 10 years' experience in company secretarial, corporate advisory and corporate governance roles, which have included the provision of company secretarial services to a number of resource companies. Ms Wilson holds a Certificate in Governance Practice and is a Certified Member of the Governance Institute of Australia.

The Company confirms that this announcement has been approved and authorised for release by the Board.

For more information, please contact:

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About Tesoro Resources

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.

SCHEDULE 1

In accordance with ASX Listing Rule 3.16.4, the material terms of Mr Putland's employment are as follows:

Term
Mr Putland is appointed as Executive Director – Mining and Development (**Executive**), effective 13 September 2021 (**Commencement Date**), on an ongoing basis.

Total Fixed Remuneration (TFR)
$330,000 comprising base salary of $300,000 and superannuation of $30,000.

Performance Based Bonus
The Company may at any time during the Term pay to the Executive a performance-based bonus over and above the Salary (**Performance Based Bonus**).

In determining the extent of any Performance Based Bonus, the Company shall take into consideration the key performance indicators of the Executive and the Company, as the Company may set from time to time, and any other matter that it deems appropriate

Long Term Incentive (LTI)
Subject to shareholder and any required regulatory approvals, the Company has agreed to offer a total of 10,000,000 Performance Rights to the Executive (or his nominee) as a long term performance incentive in connection with his appointment, comprising a proposed:

1,900,000 Performance Rights, which will vest on the Company announcing a positive Definitive Feasibility Study on the El Zorro Gold Project, Chile, within 3 years from the Commencement Date:

2,700,000 Performance Rights, which will vest on the Company announcing it has successfully securing Project Finance for the construction and commissioning of a commercial mining operation at the El Zorro Gold project, within 3 years from the Commencement Date (where **Project Finance** includes but is not limited to a financing such as off-take agreements, debt, equity, streaming, Build Own Operate ('BOO') and Build Own Operate Transfer ('BOOT'));

5,400,000 Performance Rights, which will vest on the Company announcing that it has achieved first production, post commissioning of a commercial mining operation at the El Zorro Gold Project, Chile within 5 years from the Commencement Date.

The Performance Rights will be issued pursuant to the Company's Incentive Option and Performance Rights Plan, approved by shareholders on 7 November 2019. Any required regulatory and shareholder approval for the proposed issues will be sought in due course.

Termination without cause

The Company may at its sole discretion terminate the Employment by giving three (3) months' written notice to the Executive and, at the end of that notice period, making a payment to the Executive equal to the Salary payable over a three (3) month period. The Company may elect to pay the Executive the equivalent of the six (6) months' Salary and dispense with the notice period.