TESORO GOLD LIMITED
ACN 106 854 175

PROSPECTUS

For the offer of:

(a) up to 44,992,502 Options to sophisticated and professional investors who participated in the placement announced by the Company on 14 June 2022 (**Placement**), exercisable at $0.11 each on or before three (3) years from the date of issue (**Placement Options Offer**); and

(b) up to 17,997,001 Options to the Lead Manager (or its nominees) exercisable at $0.11 each on or before three (3) years from the date of issue (**Lead Manager Options Offer**),

(together, the **Offers**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Options being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Options offered by this Prospectus should be considered as highly speculative.

STEINEPREIS PAGANIN
Lawyers & Consultants

IMPORTANT NOTICE

This Prospectus is dated 28 June 2022 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Options offered by this Prospectus should be considered as highly speculative.

Applications for Options offered pursuant to this Prospectus can only be made by an original Application Form.

Any US investor should complete and return a US Investor Certificate that we are providing separately.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

The Offers are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The Offers are not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia, the United States of America or Singapore.

For further information on overseas Shareholders please refer to Section 2.8.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set

out on the Company's website (www.tesorogold.com.au). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.tesorogold.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian, US or Singaporean resident and must only access this Prospectus from within Australia, the United States of America or Singapore.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9322 1587 during office hours or by emailing the Company at info@tesorogold.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 9322 1587.

CORPORATE DIRECTORY

Directors

John Toll
Non-Executive Chairman

Zeffron Reeves
Managing Director

Linton Putland
Executive Director

Geoffrey McNamara
Non-Executive Director

Kristie Young
Non-Executive Director

Joint Company Secretaries

Shannon Coates

Sarah Wilson

Registered Office

Suite 5
62 Ord Street
WEST PERTH WA 6000

Telephone: +61 8 9322 1587

Email: info@tesorogold.com.au
Website: www.tesorogold.com.au

Auditor*

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

Share Registry*

Automic Registry Services
Level 5
191 St Georges Terrace
PERTH WA 6000

Telephone: +61 2 8072 1400

ASX Code

TSO

Legal Advisers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

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1. KEY OFFER INFORMATION

1.1 Timetable*

Lodgement of Prospectus with the ASIC and ASX	28 June 2022
Opening Date	28 June 2022
Closing Date	5 July 2022
Issue of Options	7 July 2022
Quotation of Options**	13 July 2022

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Options are expected to commence trading on ASX may vary with any change in the Closing Date.

** Quotation of the Options is subject to the Company being able to satisfy ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

1.2 Background to the Offers

1.2.1 Placement

On 14 June 2022, the Company announced it had received firm commitments from domestic and institutional investors for a placement of 89,985,003 Shares at an issue price of $0.06 per Share to raise approximately $5,400,000 (before costs) (**Placement**). The Placement Shares were issued between 20 and 27 June 2022 pursuant to the Company's available placement capacity under Listing Rules 7.1 and 7.1A. The Company also agreed to issue the participants in the Placement (**Placement Participants**) one Option for every two Shares subscribed for and issued, exercisable at $0.11 each on or before three years from the date of issue (**Placement Options**).

Use of Funds

The funds raised under the Placement are intended to be applied as set out in the table below.

Item	Amount
Exploration at El Zorro Gold Project	$3.55m
Lead Manager Fees	$0.33m
Working Capital	$1.30m
Repayment of an Unsecured Director's Loan	$0.22m
TOTAL	**$5.40m[1]**

Note:

1. Payment for:

(a) 3,083,333 Placement Shares is due on Friday, 1 July 2022; and

(b) 4,000,000 Placement Shares is due on Friday, 5 August 2022.

Refer to Section 2.1 for further details.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have

the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

Lead Manager

Shaw and Partners Pty Ltd (ACN 612 793 683) (AFSL 236 048) was engaged to act as lead manager to the Placement (**Shaw and Partners** or **Lead Manager**) pursuant to a lead manager mandate (**Lead Manager Mandate**).

Pursuant to the Lead Manager Mandate, the Company agreed to:

(a) pay Shaw and Partners a fee of 6% of the total funds raised under the Placement (plus GST); and

(b) upon successful completion of the Placement (and subject to Shareholder approval, if required) issue Shaw and Partners (or its nominee) 1 Placement Option for every 5 Shares subscribed for under the Placement (being,17,997,001 Placement Options) (**Lead Manager Options**).

Further information in relation to the Placement is set out in the Company's ASX announcement released on 14 June 2022.

2. DETAILS OF THE OFFERS

2.1 The Placement Options Offer

The Placement Options Offer is an offer of one Option for every two Shares subscribed for and issued under the Placement. Based on the number of Shares issued under the Placement, 44,992,502 Options may be issued under the Placement Options Offer. No funds will be raised from the issue of the Placement Options.

The Placement Options will be exercisable at $0.11 each on or before the date that is three years from the date of issue and otherwise on the terms and conditions set out in Section 4.1.

Shares issued upon exercise of the Placement Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

Payment for:

(a) 3,083,333 Placement Shares is due on Friday, 1 July 2022; and

(b) 4,000,000 Placement Shares is due on Friday,5 August 2022.

A total of $424,999.98 remains outstanding in respect of these Placement Shares.

These Placement Shares and the applicable attaching Placement Options (**Escrowed Securities**) will be subject to a holding lock imposed by the Company's share registry, Automic Registry Services, until the relevant portion of the outstanding amount is paid.

In the event that the Company has not received the outstanding amounts by 5pm (Perth time) on the above payment due dates from the relevant Shareholder (**Forfeiting Shareholder**), one of the following will occur (at the Company's election):

(a) within 5 business days after the relevant payment due date:

  (i) the Forfeiting Shareholder will enter into a buy back agreement for the Company to buy back and cancel the Placement Shares forming part of the Escrowed Securities for nil consideration (subject to shareholder approval); and

  (ii) the applicable attaching Placement Options will be cancelled for nil consideration; or

(b) the Forfeiting Shareholder will transfer, within 5 business days after the payment due date, the Escrowed Securities to a third party nominated by the Company, without any consideration being due or payable to the Forfeiting Shareholder.

2.2 Lead Manager Options Offer

The Lead Manager Options Offer is an offer of 17,997,001 Options to the Lead Manager in part consideration for services provided to the Company in respect of the Placement.

The Lead Manager Options will be exercisable at $0.11 each on or before that date that is three years from the date of issue and otherwise on the terms and conditions set out in Section 4.1.

Shares issued upon exercise of the Lead Manager Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

2.3 Application for the Offers

The Offers will only be extended to the Placement Participants and Shaw and Partners (or its nominees). Application Forms will only be provided to these participants on invitation by the Directors.

Any US investor should complete and return a US Investor Certificate that we are providing separately.

No subscription monies are payable for the Options offered under the Offers as the Options are being issued on the basis of one Option for every two Shares subscribed for and issued under the Placement or, in relation to the Lead Manager Options Offer, as a fee for acting as lead manager of the Placement.

2.4 Implications of an acceptance

By completing an Application Form, Applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than 5.00pm (WST) on the Closing Date, which is currently scheduled to occur on 5 July 2022.

If you require assistance in completing an Application Form, please contact the Share Registry on +61 2 8072 1400 or the Company on +61 8 9322 1587.

2.5 Minimum subscription

There is no minimum subscription to the Offers.

2.6 ASX listing

Application for Official Quotation of the Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at Section 1. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Placement Options.

The fact that ASX may grant Official Quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the Options now offered for subscription.

2.7 Issue of Options

Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.1.

2.8 Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, would not be lawful to make such offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Options will not be issued to investors with a registered address which is outside Australia, Singapore or the USA.

Singapore

This document and any other materials relating to the Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore.

Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Options, may not be issued, circulated or distributed, nor may the Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document may be given to "institutional investors" and "accredited investors" (as such terms are defined in the SFA) as well as less than 50 other persons known to the Company in Singapore. If you are not an investor falling within one of these categories, please return this document immediately.

You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the Options being subsequently offered for sale to any other party in Singapore.

There are on-sale restrictions in Singapore that may be applicable to investors who acquire Options and the underlying ordinary shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

In connection with Section 309B of the SFA, the Company has determined that the Options and underlying shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

United States of America

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States.

The Options and the underlying ordinary shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Options may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The Options will only be offered and sold in the United States to a limited number of "institutional accredited investors" within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act.

Any US investor should complete and return a US Investor Certificate that we are providing separately.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The Offers are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Offers (other than funds raised if the Options are subsequently exercised) as the Placement Options are being issued on the basis of one Option for every two Shares subscribed for and issued under the Placement and the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided to the Company by the Lead Manager.

3.2 Effect of the Placement and the Offers

The principal effect of the Offers (assuming that the Options are issued and no other Securities are issued or exercised or converted) will be to increase the number of Options on issue from 0 as at the date of this Prospectus to 62,989,503 Options.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

Shares

	Number
Shares currently on issue	668,435,776
Shares issued pursuant to Placement	89,985,003
Shares to be issued under the Prospectus	Nil
Total Shares on issue after completion of the Offers	**758,420,779**

Options

	Number
Options currently on issue	0
Options to be issued pursuant to the Placement Options Offer	44,992,502
Options to be issued pursuant to the Lead Manager Options Offer	17,997,001
Total Options on issue after completion of the Offers	**62,989,503**

Performance Rights

	Number
Class B Performance Rights	50,060,000
Class C Performance Rights	20,030,000
Class D Performance Rights	20,030,000
Director Performance Rights	14,550,000
Performance Rights to be issued pursuant to the Offers	0
Total Performance Rights on issue after completion of the Offers	**104,670,000**

The capital structure on a fully diluted basis as at the date of this Prospectus would be 863,090,779 Shares and on completion of the Offers (assuming all Options offered under this Prospectus are issued) would be 926,080,282 Shares.

3.4 Pro-forma balance sheet

The audited balance sheet as at 30 June 2021 and the unaudited pro-forma balance sheet as at 31 December 2021 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Options offered under this Prospectus are issued and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Tesoro Audited 30/06/2021	Tesoro Un-audited 31/12/2021	Placement 30 June 2022	Costs of Raisings	Pro Forma Total
CURRENT ASSETS					
Cash	13,728,277	5,561,680	5,399,100[1]	(323,946)	10,636,834
Trade and other receivables	329,534	697,455	-	-	697,455
TOTAL CURRENT ASSETS	**14,057,811**	**6,259,135**	**5,399,100**	**(323,946)**	**11,334,289**
NON-CURRENT ASSETS					
Exploration and evaluation	15,506,028	22,534,402	-	-	22,534,402
Plant and equipment	75,839	157,554	-	-	157,554
Right-of-use Asset	218,954	174,151	-	-	174,151
TOTAL NON-CURRENT ASSETS	**15,800,821**	**22,866,107**	**-**	**-**	**22,866,107**
TOTAL ASSETS	**29,858,632**	**29,125,242**	**5,399,100**	**(323,946)**	**34,200,396**

	Tesoro Audited 30/06/2021	Tesoro Un-audited 31/12/2021	Placement 30 June 2022	Costs of Raisings	Pro Forma Total
CURRENT LIABILITIES					
Creditors and other payables	1,726,468	1,573,931	-	-	1,573,931
Provisions	35,887	53,587	-	-	53,587
Lease liability	2,422	1,862	-	-	1,862
TOTAL CURRENT LIABILITIES	**1,764,777**	**1,629,380**	**-**	**-**	**1,629,380**
NON-CURRENT LIABILITIES					
Lease liability	108,924	107,587	-	-	107,587
TOTAL NON-CURRENT LIABILITIES	**108,924**	**107,587**	**-**	**-**	**107,587**
TOTAL LIABILITIES	**1,873,701**	**1,736,967**	**-**	**-**	**1,736,967**
NET ASSETS (LIABILITIES)	**27,984,931**	**27,388,275**	**5,399,100**	**(323,946)**	**32,463,429**
EQUITY					
Share capital	37,156,675	42,890,402	5,399,100	(323,946)	47,965,556
Equity Based Reserves	2,228,337	748,744	-	-	748,744
Foreign currency translation reserve	194,352	(2,272,180)	-	-	(2,272,180)
Accumulated losses	(13,729,842)	(15,908,962)	-	-	(15,908,962)
Equity Attributable to Owners of the Company	**25,849,522**	**25,458,004**	**5,399,100**	**(323,946)**	**30,533,158**
Non-controlling interest	2,135,409	1,930,271	-	-	1,930,271
TOTAL EQUITY	**27,984,931**	**27,388,275**	**5,399,100**	**(323,946)**	**2,463,429**

Notes:

1. Payment for:

(a) 3,083,333 Placement Shares is due on Friday, 1 July 2022; and

(b) 4,000,000 Placement Shares is due on Friday, 5 August 2022.

Refer to Section 2.1 for further details.

3.5 Details of Substantial Holders

Based on publicly available information as at 16 June 2022, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%[1]
Geoffrey William McNamara, Tanamera Resources Pte Ltd, Linkwood Holdings Pte Ltd and Medea Natural Resources Limited	69,532,230	11.53%
Mr Zeffron Charles Reeves	36,429,797	6.04%

Notes:

1. The above percentages do not take into account the impact of the Shares to be issued under the Placement.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be $0.11 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under Section 4.1(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

4.2 Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus subject to the exercise of the Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. RISK FACTORS

5.1 Introduction

The Options offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Options may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Options. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Risk Category	Risk
Exploration	Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the El Zorro Project, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution

Risk Category	Risk
	in the value of the El Zorro Project, a reduction in the cash reserves of the Company and possible relinquishment of the projects. The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.
Tenement applications and license renewal	The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further, mining and exploration concessions are subject to periodic renewal. There is no guarantee that current or future concessions and/or applications for concessions will be approved. The renewal of the term of a granted concession is also subject to the discretion of the relevant authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the concessions. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The Company has yet to receive regulatory and environmental approval to convert its mineral licences into production permits. There is a risk that these approvals may not be obtained.
Joint Venture Risk	The Company is subject to the risk that changes in the status of any of the Company's joint ventures may adversely affect the operations and performance of the Company. There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss. As noted in Section 6.1, on 26 August 2021, Tesoro was served notice of dispute initiated by the Company's El Zorro Joint Venture partner, Wanaco SpA (**Wanaco**), lodged with the 7th Civil Court de Santiago de Chile.

Risk Category	Risk
	Refer to Section 6.1 and the Company's ASX releases for further details.
Main operations in Chile and land access	While Chile is considered to be one of South America's most politically stable and prosperous nations, it may nevertheless be subject to social and economic uncertainty. Civil and political unrest and outbreaks of hostilities in Chile could affect the Company's access to its projects and subsequent exploration and development. Adverse changes in government policies or legislation in Chile affecting foreign ownership of mineral interests, taxation, profit repatriation, royalties, land access, labour relations, and mining and exploration activities may affect the operations of the Company. In October 2020, an initial referendum was approved to replace the Chilean Constitution and to convene a Constitutional Convention to draft a new Constitution. The final draft Constitution will be submitted for a further national referendum which is scheduled to take place in September 2022. If a new Constitution is approved, it may or may not adversely impact the Company's operations. The Directors will continue to monitor and update the market as necessary.
Earthquake	Chile, including the area in which the El Zorro Project is situated, is seismically active and prone to frequent earthquakes and occasional tsunamis. Any such event may result in operational delays to the Company's operations.
Mine development	Possible future development of a mining operation at the Company's El Zorro Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services. If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve

Risk Category	Risk
	commercial viability through the development or mining of its projects and treatment of ore. The risks associated with the development of a mine will be considered in full should the El Zorro Project or any future projects that the Company acquires an interest in reach that stage and will be managed with ongoing consideration of stakeholder interests.
Limited History	The Company's current business, which was acquired when the Company acquired Tesoro Australia Limited (formerly Tesoro Resources Limited) has limited operating history, although it should be noted that the Directors have between them significant operational experience. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its projects. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Restricted securities reducing liquidity	Certain securities on issue have been classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

5.3 Industry specific

Risk Category	Risk
Gold price	Changes in the market price of gold, which in the past have fluctuated widely, will affect the profitability of the Company's operations and its financial condition in the future, if and when the Company enters production. The Company's revenues, profitability and viability would depend on the market price of gold produced from the Company's El Zorro Project. The market price of gold is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for gold and industrial products containing metals, gold production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of gold and

Risk Category	Risk
	other metals in response to any of the above factors, and global and regional political and economic factors. Should the Company eventually enter a production phase, a decline in the market price of gold below the Company's production costs for any sustained period would have a material adverse impact on the profit, cash flow and results of operations of the Company's El Zorro Project and anticipated future operations. Such a decline also could have a material adverse impact on the ability of the Company to finance the exploration and development of its existing and future mineral projects. A decline in the market price of gold may also require the Company to write-down its material reserves which would have a material adverse effect on the value of the Company's securities. Further, if future revenue from any future gold sales decline, the Company may experience liquidity difficulties. The Company will also have to assess the economic impact of any sustained lower prices on recoverability and therefore, on cut-off grades and the level of any future mineral reserves and resources.
Exploration costs	The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.
Results of studies	Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect to the Projects. These studies may include scoping, prefeasibility, definitive feasibility and bankable feasibility studies. These studies will be completed within parameters designed to determine the economic feasibility of the Projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).
Resource and reserves and exploration targets	The Company has identified a number of exploration targets based on geological mapping and interpretations, geophysical data, geochemical sampling and historical drilling. A maiden mineral resource estimate was announced to ASX on 28 July 2021 and a subsequent, increased mineral resource estimate was announced to the ASX on 23 May 2022. Whilst the Company intends to undertake additional exploratory work with the aim of expanding the current mineral resource, no assurances can be given that additional

Risk Category	Risk
	exploration will result in the determination of additional resources on any of the exploration targets identified. Even if an additional resource is identified no assurance can be provided that this can be economically extracted. Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature Resource and Reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.
Operations	The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.
Environmental	The operations and proposed activities of the Company are subject to Chilean laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or fires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by

Risk Category	Risk
	previous operations or noncompliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

5.4 General risks

Risk Category	Risk
Climate risk	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.
Coronavirus	The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by

Risk Category	Risk
	COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders or the COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its revenue channels and any adverse impact on the Company. If any of these impacts appear material prior to close of the Offers, the Company will notify investors under a supplementary prospectus.
Ukraine Conflict	The current evolving conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict. The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration,

Risk Category	Risk
	development and production activities, as well as on its ability to fund those activities.
Commodity price volatility and exchange rate risk	The Company's revenue will be in US dollars derived from the sale of gold and the Company's operating expenses will be incurred principally in US dollars. Movements in the USD/AUD exchange rate and/or the US dollar gold price may adversely or beneficially affect the Company's results or operations and cash flows.
Market conditions	Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as: (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the value of the Company's quoted securities.
Taxation	The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

Risk Category	Risk
	To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.
Additional requirements for capital	The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the SPP Offer and the Placement. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company
Agents and contractors	The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.
Force majeure	The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
Litigation risks	As set out in Section 6.1, the Company is currently involved in litigation with Wanaco SpA. Refer to Section 6.1 and the Company's ASX announcements for further details. The Company is exposed to other possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.
Insurance	The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with the

Risk Category	Risk
	Company's business may not always be available and where available the costs may be prohibitive.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Options offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Options.

Before deciding whether to subscribe for Options under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings other than as set out below and the Directors are not aware of any legal proceedings pending or threatened against the Company.

On 26 August 2021, Tesoro was served notice of dispute initiated by the Company's El Zorro Joint Venture partner, Wanaco SpA (**Wanaco**), lodged with the 7th Civil Court de Santiago de Chile.

Wanaco is disputing the valuation and the procedure followed for the capital increase approved in the Shareholders Meeting of El Zorro SCM held on 11 February 2021. El Zorro SCM is the El Zorro Gold Project (Project) joint venture company of which Tesoro's 95% owned Chilean subsidiary, Tesoro Mining Chile SpA (**Tesoro Chile**) currently owns 85% (see ASX announcement on 24 March 2021).

The initial proceedings brought by Wanaco SpA were dismissed by the Civil Court as the court deemed that the proceedings were incorrectly brought and that the proceedings should be correctly brought to the appropriate court by Wanaco SpA.

A hearing was held on 2 February 2022 and parties agreed to suspend the legal process for 30 working days (6 weeks) to see if a settlement can be reached for Tesoro to acquire 100% of the Project. No settlement was reached, resulting in the legal process resuming with the next court hearing later in the year at a time yet to be determined. If the parties are unsuccessful in reaching an agreement following the hearing, the timing for the matter to proceed to trial is unknown at this stage.

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

(i) the annual financial report most recently lodged by the Company with the ASIC;

(ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred

to in (i) and before the lodgement of this Prospectus with the ASIC; and

(iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
27/06/2022	Notice pursuant to s708A(5)(e) Corporations Act 2001
27/06/2022	Application for quotation of securities – TSO
20/06/2022	Notice pursuant to s708A(5)(e) Corporations Act 2001
17/06/2022	Application for quotation of securities - TSO
17/06/2022	Change of Director's Interest Notice
14/06/2022	Proposed issue of securities - TSO
14/06/2022	Tesoro raises $5.4 million
9/06/2022	Trading Halt
6/06/2022	Tesoro Gold Presentation
24/05/2022	Ternera Mineral Resource Presentation
23/05/2022	Webinar invitation to shareholders - updated MRE
23/05/2022	Ternera Mineral Resource increased by 66% to 1.1Moz
2/05/2022	Tesoro Presentation - RIU Sydney and Mines and Money
2/05/2022	Change of Company Name
29/04/2022	Quarterly Cashflow Report
29/04/2022	Quarterly Activities Report
28/04/2022	Change of Director's Interest Notice x2
28/04/2022	Notification regarding unquoted securities - TSO
28/04/2022	Results of Meeting
26/04/2022	Outstanding assays received for remaining drill holes
19/04/2022	El Zorro gold district surface gold anomalism expanded
30/03/2022	Notice of General Meeting/Proxy Form
30/03/2022	Webinar Invitation to Shareholders
30/03/2022	Spectacular Gold Intercepts at El Zorro Gold Project

Date	Description of Announcement
22/03/2022	Webinar Invitation to Shareholders
22/03/2022	Tesoro intersects 84.00m at 1.16g/t Au
9/03/2022	Half Yearly Report and Accounts
3/03/2022	Tesoro extends concessions at El Zorro Gold Project
2/03/2022	Application for quotation of securities - TSO
1/03/2022	Tesoro Receives $1 million Commitment for SPP Shortfall
22/02/2022	Ternera gold mineralisation extended 400m south
17/02/2022	Tesoro presenting at OTC Markets Metals & Mining Conference
9/02/2022	Notification regarding unquoted securities - TSO
7/02/2022	Application for quotation of securities - TSO
7/02/2022	Webinar Invitation to Shareholders
4/02/2022	Drilling extends Ternera with high grade gold results
31/01/2022	Upcoming Release from Escrow
31/01/2022	Notification of cessation of securities - TSO
31/01/2022	Tesoro attending AME Roundup 2022 in Vancouver
27/01/2022	Quarterly Cashflow Report
27/01/2022	Quarterly Activities Report
24/01/2022	New discovery at the El Zorro Gold Project
13/01/2022	Webinar Invitation
12/01/2022	Drilling confirms district scale potential at El Zorro
7/01/2022	Tesoro commences trading on OTCQB market in US
20/12/2021	Change of Registry Address
13/12/2021	Application for quotation of securities - TSO
10/12/2021	Phase 2 detailed metallurgical test work results - updated
10/12/2021	Phase 2 detailed metallurgical test work results
9/12/2021	Share Purchase Plan closes
6/12/2021	Webinar Invitation
6/12/2021	Drilling extends Ternera by 400m, more gold at Ternera East
30/11/2021	Tesoro presenting at the RIU Resurgence Conference
23/11/2021	Webinar - El Zorro Gold Project Drilling Results
19/11/2021	Multiple gold intercepts at Ternera East
11/11/2021	Tesoro presenting at Noosa Mining Unearthed
9/11/2021	Tesoro presenting at NewGenGold Conference

Date	Description of Announcement
8/11/2021	Share Purchase Plan Prospectus - Offer Open
3/11/2021	More wide gold zones intercepted at Ternera
1/11/2021	Notice pursuant to s708A(5)(e) Corporations Act 2001
29/10/2021	Application for quotation of securities - TSO
29/10/2021	Quarterly Cashflow Report
29/10/2021	Quarterly Activities Report
28/10/2021	Share Purchase Plan - Early Registration
27/10/2021	Proposed issue of securities - TSO
27/10/2021	$7.3 million capital raising to accelerate El Zorro
25/10/2021	Results of Meeting
25/10/2021	Trading Halt
20/10/2021	Ternera drilling continues to discover high-grade zones
18/10/2021	Mines and Money IMARC Conference Presentation
5/10/2021	More High-Grade Gold at Ternera
29/09/2021	Updated Presentation & retraction of broker coverage
28/09/2021	Presentation
27/09/2021	Tesoro Resources to Present at Virtual Conference
27/09/2021	Metallurgical test work confirms excellent gold recoveries
24/09/2021	Appendix 4G
24/09/2021	Corporate Governance Statement
24/09/2021	Notice of Annual General Meeting/Proxy Form
24/09/2021	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.tesorogold.com.au/.

6.3 Market price of Options

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

There is currently no market for the Options. However, the Company will apply for Official Quotation of the Options within 7 days following the date of this Prospectus.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	($)	Date
Highest	$0.105	30 March 2022
Lowest	$0.044	28 June 2022
Last	$0.044	28 June 2022

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus is set out below.

Director	Shares	Performance Rights
Mr John Toll[1]	3,671,696	Nil
Mr Zeffron Reeves[2]	36,429,797	47,244,620
Mr Geoffrey McNamara[3]	69,532,230	42,875,380
Linton Putland[4]	Nil	10,000,000
Kristie Young	375,710	4,550,000

Notes:

1. 3,671,696 fully paid ordinary shares are held by Mr John Toll as trustee for the Toll Family Discretionary Trust.

2. 36,429,797 fully paid ordinary shares and 47,244,620 performance rights are held by Mr Zeffron Charles Reeves as trustee for the Palin Trust.

3. 25,410,546 fully paid ordinary shares are held by Tanamera Resources Pte Ltd (a company registered in Singapore). Geoffrey McNamara is the sole director and shareholder of Tanamera Resources Pte Ltd. 44,121,684 fully paid ordinary shares and 42,875,380 performance rights are held by Linkwood Holdings Pte Ltd (a company registered in Singapore). Geoffrey McNamara is a director and substantial shareholder of Linkwood Holdings Pte Ltd.

4. 10,000,000 performance rights held by Mr Linton John Putland and Ms Karen Suzanne Putland as trustee for the Putland Family Trust. Mr Putland is a trustee and beneficiary of the Putland Family Trust.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $500,000 per annum.

A Director may be paid fees or other amounts (i.e., non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors.

Director	Year ending 30 June 2022 Salary/Director fees[6] (AUD)	Year ended 30 June 2021 Salary/Director fees (AUD)	Year ended 30 June 2020 Salary/Director fees (AUD)
John Toll	50,000	50,000	$20,834
Zeffron Reeves	262,800	$1,510,358[3]	$304,338[1]
Geoffrey McNamara	50,000	$956,285[4]	$252,283[2]
Linton Putland[5]	323,400[6]	Nil	Nil
Kristie Young[5]	39,861[7]	Nil	Nil

Notes:

1. Includes a cash-based payment of $159,500 and a share-based payment (performance rights) of $144,838.

2. Includes a cash-based payment of $20,834 and a share-based payment (performance rights) of $231,449.

3. Includes a cash-based payment of $262,800 and a share-based payment (shares and performance rights) of $1,247,558.

4. Includes a cash-based payment of $50,000 and a share-based payment (performance rights) of $906,285.

5. Appointed as a director of the Company on 14 September 2021.

6. Includes a superannuation contribution of $24,000 and cash-based payments of:

   (a) $240,000 pursuant to Mr Putland's Executive Services Agreement; and

   (b) $59,400 (including GST) paid to LJ Putland & Associates (an entity controlled by Mr Putland) prior to Mr Putland's appointment as a director of the Company.

7. Includes a cash-based payment of $36,237 and a superannuation contribution of $3,624.

6.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the three years preceding lodgement of this Prospectus with the ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

   (i) its formation or promotion; or

   (ii) the Offers; or

(f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(g) the formation or promotion of the Company; or

(h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin $10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of the Prospectus with ASIC, Steinepreis Paganin has been paid fees totalling $114,346.47 (excluding GST and disbursements) for legal services provided to the Company.

6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the

Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and

(c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

6.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately $35,653 (excluding GST) and are expected to be applied towards the items set out in the table below:

	$
ASIC fees	3,206
ASX fees	17,447
Legal fees[1]	15,000
Total	**35,653**

Notes:

1. Includes foreign legal fees.

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



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John Toll
Chairman
For and on behalf of
Tesoro Gold Limited

GLOSSARY

$ means the lawful currency of the Commonwealth of Australia.

Application Form means the application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Tesoro Gold Limited (ACN 106 854 175).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Lead Manager or **Shaw and Partners** means Shaw and Partners Pty Ltd (ACN 612 793 683) (AFSL 236 048).

Offer means the offer of up to 44,992,502 Options to sophisticated and professional investors who participated in the Placement, exercisable at $0.11 each on or before three (3) years from the date of issue.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the placement of 89,985,003 Shares to sophisticated and professional investors raise approximately $5.4 million announced by the Company on 14 June 2022.

Prospectus means this prospectus.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.