Announcement Summary

Entity name

TESORO GOLD LTD

Announcement Type

New announcement

Date of this announcement

17/11/2022

The Proposed issue is:

☑ A standard pro rata issue (including non-renounceable or renounceable)
☑ A placement or other type of issue

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unlisted options exercisable at $0.07 each and expiring 3 years from the date of issue	54,498,799
TSO	ORDINARY FULLY PAID	108,997,597

Ex date

21/11/2022

+Record date

22/11/2022

Offer closing date

6/12/2022

Issue date

13/12/2022

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unlisted options exercisable at $0.07, expiring 3 years from issue of Entitlement Offer options	60,000,000
New class-code to be confirmed	Unlisted options exercisable at $0.07, expiring 3 years from issue of Entitlement Offer options	21,799,519

TSO	ORDINARY FULLY PAID	120,000,000

Proposed +issue date

24/11/2022

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

TESORO GOLD LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

91106854175

1.3 ASX issuer code

TSO

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

17/11/2022

1.6 The Proposed issue is:

☑ A standard +pro rata issue (non-renounceable or renounceable)
☑ A placement or other type of issue

1.6a The proposed standard +pro rata issue is:

☑ + Non-renounceable

Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?
☑ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

TSO : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?
☑ Yes

Details of +securities proposed to be issued

ASX +security code and description

TSO : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued	For a given quantity of +securities held
1	8

What will be done with fractional entitlements?	Maximum number of +securities proposed to be issued (subject to rounding)
Fractions rounded up to the next whole number	108,997,597

Offer price details for retail security holders

In what currency will the offer be made?	What is the offer price per +security for the retail offer?
AUD - Australian Dollar	AUD 0.03500

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?
Yes

Describe the limits on over-subscription

Eligible Shareholders are able to subscribe for Securities above their Entitlement up to a maximum of $5,000 under the Shortfall Offer

Will a scale back be applied if the offer is over-subscribed?
Yes

Describe the scale back arrangements

Scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☑ Yes

ASX +security code

New class-code to be confirmed

+Security description

Unlisted options exercisable at $0.07 each and expiring 3 years from the date of issue

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

54,498,799

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☑ Yes

Describe the limits on over-subscription

Eligible Shareholders are able to subscribe for Securities above their Entitlement up to a maximum of $5,000 under the Shortfall Offer

Will a scale back be applied if the offer is over-subscribed?

☑ Yes

Describe the scale back arrangements

Scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders

Will all the +securities issued in this class rank equally in all respects from their issue date?

☑ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0700

Expiry date

13/12/2025

Details of the type of +security that will be issued if the option is exercised

TSO : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX.TSO)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Details of company options where holders entitled to participate in the offer

ASX +security code and description

TSOO : OPTION EXPIRING 07-JUL-2025

Date Option must be exercised by

18/11/2022

Part 3C - Timetable

3C.1 +Record date

22/11/2022

3C.2 Ex date

21/11/2022

3C.4 Record date

22/11/2022

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

25/11/2022

3C.6 Offer closing date

6/12/2022

3C.7 Last day to extend the offer closing date

1/12/2022

3C.9 Trading in new +securities commences on a deferred settlement basis

7/12/2022

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

13/12/2022

3C.12 Date trading starts on a normal T+2 basis

14/12/2022

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

16/12/2022

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☑ Yes

3E.1a Who is the lead manager/broker?

Shaw and Partners Limited

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

As consideration for underwriting the Entitlement Offer and for lead manager services provided to the Company, Shaw and Partners (or its nominee) will receive a management fee of 3.0% of proceeds from the Entitlement Offer (excluding GST); and a selling fee of 3.0% of proceeds from the Entitlement Offer, excluding proceeds received from sub-underwriters introduced by the Company (including Gold Fields); and under the Shortfall Offer from investors introduced by the Company, should the Entitlement Offer not be underwritten (excluding GST).

3E.2 Is the proposed offer to be underwritten?

☑ Yes

3E.2a Who are the underwriter(s)?

Shaw and Partners Limited. Shaw and Partners has entered into a number of sub-underwriting agreements in respect of the Entitlement Offer with various sub-underwriters

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

100%

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

As above in 3E.1a

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Please refer to the Termination Events summary as set out in section 6.4.1 the Prospectus released on ASX on 17 November 2022.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☑ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☑ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

On successful completion of the Entitlement Offer, the Company will issue to Shaw and Partners (or its nominee/s) 1 Option for every 5 Shares issued under the Entitlement Offer, on the same terms as the Attaching Options

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Refer to Section 3 of the Prospectus as released on ASX on 17 November 2022.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☑ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☑ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

All countries other than Australia, New Zealand or Singapore, or as set out in Section 2.12 of the Prospectus

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☑ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Nominees with registered addresses in the eligible jurisdictions may also be able to participate in the Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Shares, provided that the applicable beneficiary would satisfy the criteria for an 'Eligible Shareholder'

3F.6 URL on the entity's website where investors can download information about the proposed issue

https://announcements.tesorogold.com.au/

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☑ Yes

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a +disclosure document or +PDS for the +securities proposed to be issued

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
☑ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ Yes

Details of +securities proposed to be issued

ASX +security code and description

TSO : ORDINARY FULLY PAID

Number of +securities proposed to be issued

120,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.03500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
☑ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
☑ Yes

ASX +security code

New class-code to be confirmed

+Security description

Unlisted options exercisable at $0.07, expiring 3 years from issue of Entitlement Offer options

+Security type

Options

Number of +securities proposed to be issued

60,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ No

Please describe the consideration being provided for the +securities

Free attaching options

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?
☑ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0700

Expiry date

13/12/2025

Details of the type of +security that will be issued if the option is exercised

TSO : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX.TSO)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer to Prospectus as released on ASX on 17 November 2022

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☑ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☑ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☑ Yes

ASX +security code	+Security description
New class-code to be confirmed	Unlisted options exercisable at $0.07, expiring 3 years from issue of Entitlement Offer options

+Security type

Options

Number of +securities proposed to be issued

21,799,519

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☑ No

Please describe the consideration being provided for the +securities

Issued as a success fee pursuant to the Lead Manager Agreement with Shaw and Partners Limited.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

☑ Yes

Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0700	13/12/2025

Details of the type of +security that will be issued if the option is exercised

TSO : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX.TSO)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Part 7C - Timetable

7C.1 Proposed +issue date

24/11/2022

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☑ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☑ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

38,851,922

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☑ Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

81,148,078

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☑ No

7E.2 Is the proposed issue to be underwritten?

☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Refer to Section 3 of Prospectus released on ASX on 17 November 2022

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

60,000,000 Attaching Options to the Placement will be issued subject to Shareholder approval at a General Meeting to be convened within 3 months

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)