

Significant high-grade extension confirmed at Ternerera

53.50m @ 1.17g/t Au including 13.50m @ 3.63g/t Au

HIGHLIGHTS

- Assays returned for 7 holes from infill and extensional drilling at the Ternerera Gold Deposit.
- Hole **ZDDH0309** has returned a **wide, high-grade near surface drill intercept** as well as multiple deeper gold zones, approximately 200m south of the existing Ternerera Mineral Resource Estimate (MRE).
- Best results reported include:
 - **53.50m @ 1.17g/t Au from 57.00m** including;
 - **13.50m @ 3.63g/t Au** from 70.50m;
 - 8.50m @ 1.17g/t Au from 275.50m; and
 - 6.37m @ 1.14g/t Au from 344.00m.
- Hole ZDDH0309 is a new, shallow, high-grade gold zone with **potential to increase the 1.1Moz classified MRE 200m to the south.**
- Mineralisation remains open to the south, with hole ZDDH0311 drilled a further 60m to the south and awaiting assays.
- Field mapping and sampling is also ongoing to define future Ternerera “lookalike” drill targets.

Tesoro Managing Director, Zeff Reeves commented:

“These drill results, particularly the result from ZDDH0309, show the huge growth potential at Ternerera. The Tesoro team has successfully found a large, near surface, high-grade mineralised zone which adds another 200m of strike to the already 800m long resource area. Ternerera continues to deliver top class results with significant growth potential ahead.”

Tesoro Gold Limited ("Tesoro" or "the Company") (ASX:TSO, OTCQB:TSORF) is pleased to announce assay results from extensional and infill drilling completed at the Ternera Gold Deposit (Ternera) at the El Zorro Gold Project (El Zorro), Chile.

Results have been received for 7 holes, with all holes returning significant intercepts of gold mineralisation. Hole ZDDH0309 has returned a significant result, having intersected multiple gold zones well outside of the existing Mineral Resource Estimate (MRE) envelope. Importantly, hole ZDDH0309 has located a new, shallow, high-grade gold zone, approximately 200m south of the existing MRE area and commencing at approximately 30m below surface.

Other results include multiple shallow high-grade intercepts defining a consistent near surface gold zone in the west of the Deposit including:

- ZDDH0302
 - 1.00m @ 17.50g/t Au from 69.00m.
- ZDDH0304
 - 16.00m @ 0.67g/t Au from 91.00m including;
 - 1.00m @ 6.73g/t Au from 91.00m.
- ZDDH0305
 - 16.00m @ 1.45g/t Au from 69.00m including;
 - 3.00m @ 5.45g/t Au from 69.00m
- ZDDH0307
 - 2.22m @ 2.39g/t Au from 100.78m; and
 - 0.80m @ 5.40g/t Au from 184.00m.

All significant intercepts are presented in Table 1 below.

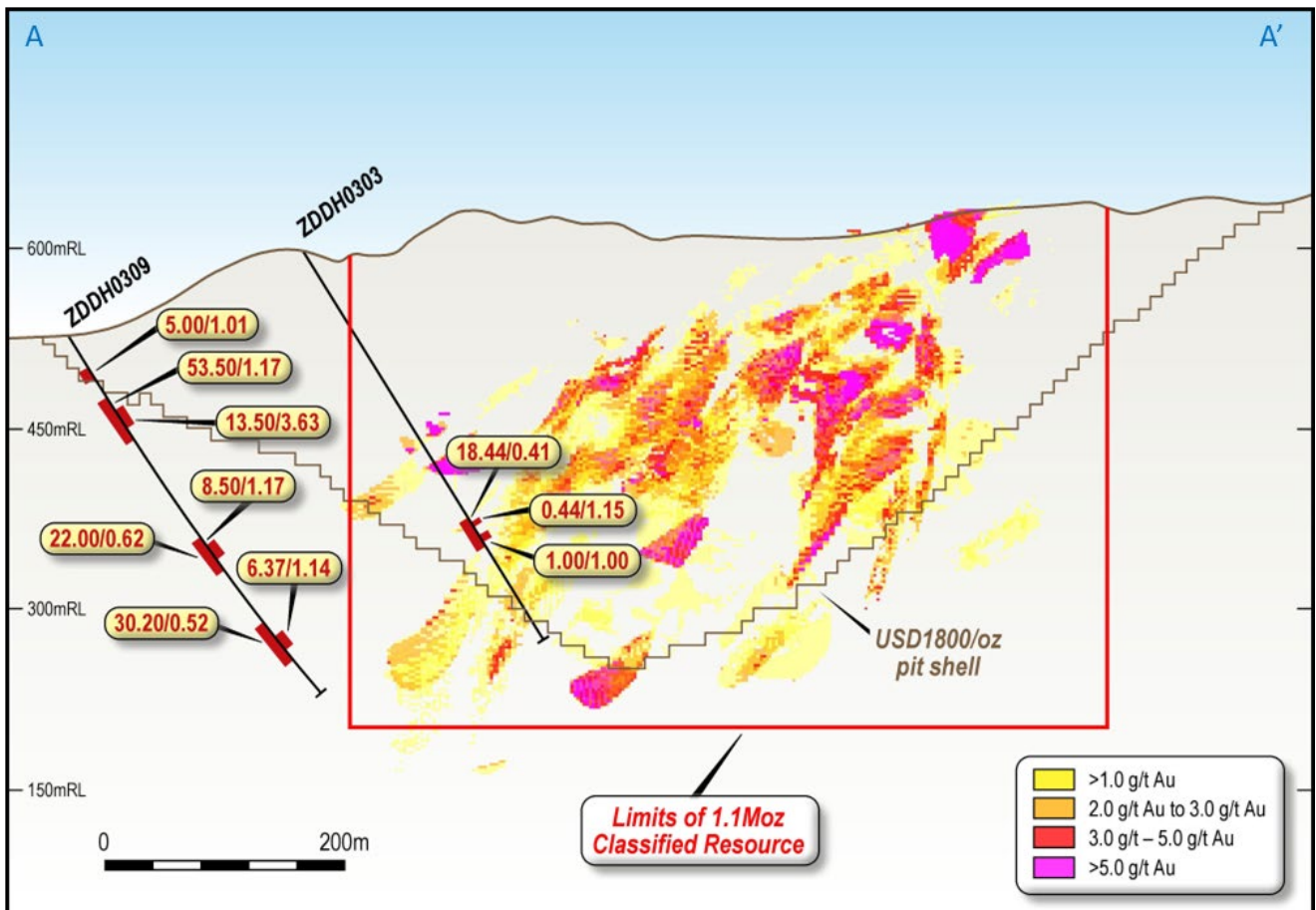


Figure 1 - Drill Section A-A' looking west with MRE block model. Block model coloured to gold grade. Hole ZDDH0309 is drilled approximately 200m outside of the MRE limit. Drill results shown as downhole length/Au g/t. Window +/-25m, datum PSAD56 19S.

Drilling Results

Holes ZDDH0303 and ZDDH0309 were drilled in the south of the Ternerera Gold Deposit, targeting extensions to the existing Mineral Resource. Both holes were designed to test the location of controlling faults and vein systems which are associated with gold mineralisation at Ternerera.

Hole ZDDH0303 returned a broad low-grade intercept, interpreted to be proximal to the main mineralised fault system.

Hole ZDDH0309 returned a shallow, wide, high-grade intercept, having successfully located the main mineralised fault zone. Where the fault passes through the favourable EL Zorro Tonalite, host rock gold mineralisation is well developed. Importantly, the mineralised zone encountered commences approximately 30m below surface and indicates the potential for additional shallow gold resources to be delineated. Mineralisation remains open to the south and at depth.

Holes ZDDH0301, ZDDH0304, ZDDH0305 and ZDDH0307 were drilled in the western part of the Deposit as infill holes targeting shallow, high-grade mineralised zones. All holes returned positive results, evidencing continuity of mineralisation.

Hole ZDDH0306 was drilled as an extensional hole in the northern part of the deposit. The hole intercepted multiple gold zones between 100m and 200m down hole, highlighting the potential to extend the deposit to the north.

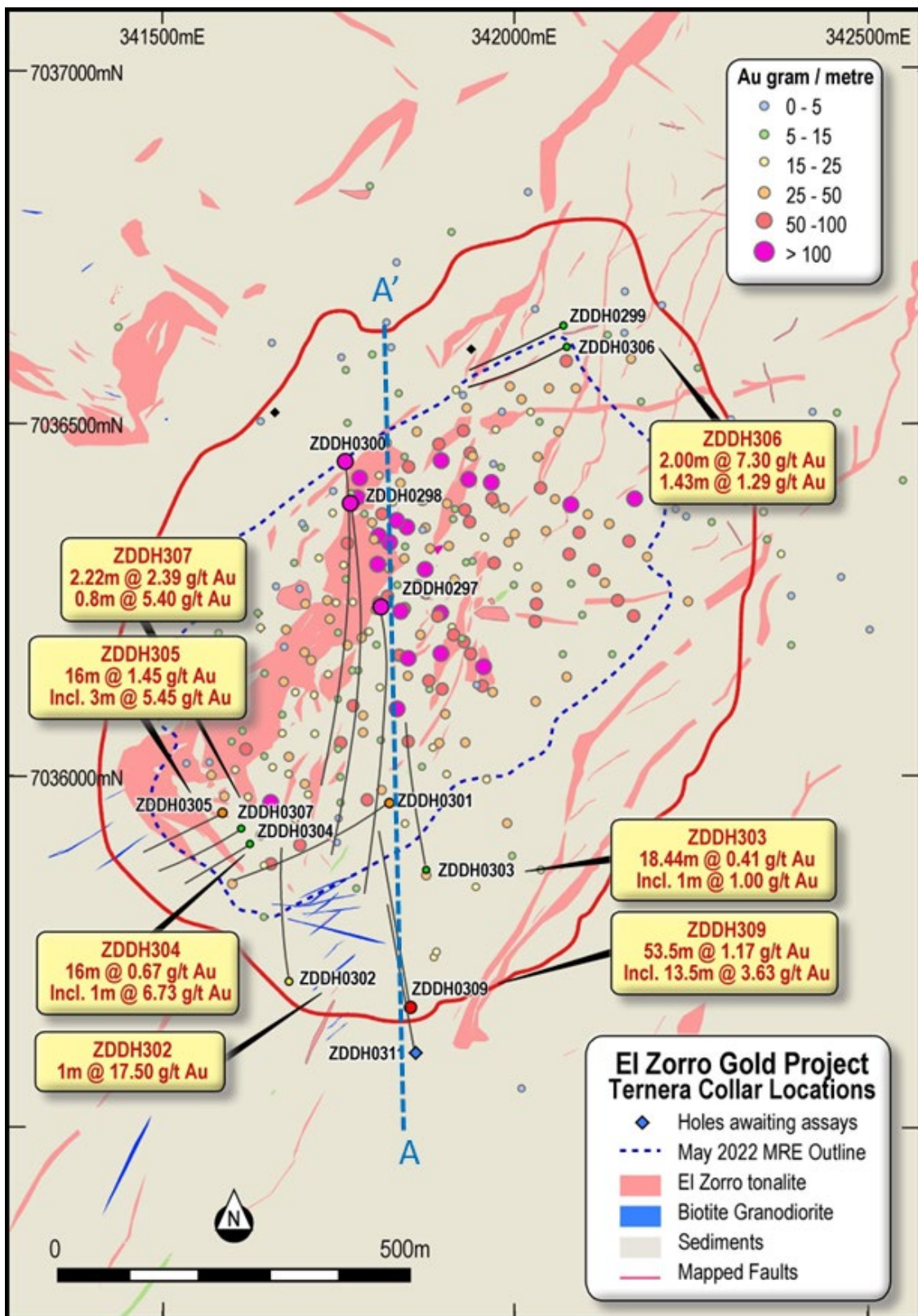


Figure 2 – Ternera Gold Deposit Drilling Plan on geology and results reported in this announcement. Dashed blue lines show approximate section location for Figure 1. Red outline shows USD1800/oz optimised pit location. Datum PSAD56 19S

Table 1 – Significant intercepts for holes reported in this announcement. Results are uncut, no top cut has been applied. Refer Appendix 1 - JORC Tables for data aggregation criteria. Significant intercept is any intercept with grade x width >0.50.

Hole_ID	From (m)	To (m)	Interval	Au (g/t)	Comments
ZDDH0301	40.00	44.00	4.00	1.11	
ZDDH0301	55.10	61.00	5.90	1.79	
ZDDH0301	57.00	61.00	4.00	2.46	including
ZDDH0301	83.10	90.00	6.90	0.88	
ZDDH0301	206.30	207.00	0.70	5.10	
ZDDH0301	231.00	268.00	37.00	0.58	
ZDDH0301	231.00	233.00	2.00	1.65	including
ZDDH0301	247.93	252.00	4.07	2.04	including
ZDDH0301	264.00	268.00	4.00	2.19	including
ZDDH0301	321.13	330.65	9.52	0.82	
ZDDH0301	329.00	330.00	1.00	4.05	including
ZDDH0301	346.00	368.08	22.08	1.98	
ZDDH0301	346.00	363.86	17.86	2.35	including
ZDDH0301	349.14	353.50	4.36	4.67	including
ZDDH0301	359.60	361.93	2.33	7.23	including
ZDDH0301	381.00	382.00	1.00	0.96	
ZDDH0302	69.00	70.00	1.00	17.50	
ZDDH0302	92.53	95.00	2.47	0.60	
ZDDH0302	182.90	184.00	1.10	1.28	
ZDDH0302	300.98	302.10	1.12	2.32	
ZDDH0302	320.00	323.00	3.00	0.43	
ZDDH0303	275.00	276.00	1.00	0.59	
ZDDH0303	295.56	314.00	18.44	0.41	
ZDDH0303	295.56	296.00	0.44	1.15	including
ZDDH0303	302.00	303.00	1.00	1.00	including
ZDDH0304	7.00	8.00	1.00	0.78	
ZDDH0304	13.00	13.70	0.70	1.27	
ZDDH0304	43.00	44.63	1.63	0.52	
ZDDH0304	91.00	107.00	16.00	0.67	
ZDDH0304	91.00	92.00	1.00	6.73	including
ZDDH0304	100.00	101.00	1.00	1.13	including
ZDDH0304	126.00	127.00	1.00	0.78	
ZDDH0304	211.00	212.00	1.00	1.20	
ZDDH0305	11.00	12.00	1.00	0.57	
ZDDH0305	50.00	96.62	46.62	0.77	
ZDDH0305	50.00	59.00	9.00	1.03	including
ZDDH0305	54.50	59.00	4.50	1.80	including
ZDDH0305	69.00	85.00	16.00	1.45	including
ZDDH0305	69.00	72.00	3.00	5.45	including
ZDDH0305	145.00	146.00	1.00	0.79	
ZDDH0305	156.00	157.00	1.00	0.77	
ZDDH0305	206.00	206.39	0.39	2.43	
ZDDH0306	96.00	97.00	1.00	0.56	
ZDDH0306	99.00	100.00	1.00	0.59	
ZDDH0306	164.40	166.39	1.99	0.53	
ZDDH0306	173.00	175.00	2.00	7.30	
ZDDH0306	195.57	197.00	1.43	1.29	
ZDDH0306	201.00	202.00	1.00	1.81	
ZDDH0307	61.00	62.00	1.00	0.44	
ZDDH0307	100.78	103.00	2.22	2.39	
ZDDH0307	109.00	110.00	1.00	1.83	
ZDDH0307	146.10	147.00	0.90	0.75	
ZDDH0307	184.00	184.80	0.80	5.40	
ZDDH0309	40.00	45.00	5.00	1.10	
ZDDH0309	57.00	110.50	53.50	1.17	
ZDDH0309	57.00	57.65	0.65	2.90	including
ZDDH0309	70.50	84.00	13.50	3.63	including
ZDDH0309	70.50	77.60	7.10	6.36	including
ZDDH0309	273.00	295.00	22.00	0.62	
ZDDH0309	275.50	284.00	8.50	1.17	including
ZDDH0309	333.00	363.20	30.20	0.52	
ZDDH0309	344.00	357.00	13.00	0.74	including
ZDDH0309	344.00	350.37	6.37	1.14	including
ZDDH0309	430.00	435.70	5.70	0.89	
ZDDH0309	476.00	480.00	4.00	1.00	
ZDDH0309	476.00	478.00	2.00	2.18	including
ZDDH0309	499.00	500.00	1.00	0.82	

Table 2– El Zorro Drill Hole location details

Hole ID	Hole Location			Hole Orientation		Drill Depth (m)
	Northing	Easting	Elevation	Dip	Azimuth	
ZDDH00297	341810	7036243	599	-50	175	544.30
ZDDH00298	341767	7036394	648	-50	172	634.40
ZDDH00299	342072	7036640	710	-60	240	296.00
ZDDH00300	341760	7036448	623	-50	172	597.00
ZDDH00301	341820	7035960	616	-60	240	450.00
ZDDH00302	341680	7035706	545	-60	350	349.20
ZDDH00303	341873	7035862	610	-60	350	404.50
ZDDH00304	341611	7035923	560	-60	240	240.00
ZDDH00305	341583	7035947	574	-60	240	246.00
ZDDH00306	342074	7036609	696	-60	240	300.00
ZDDH00307	341623	7035902	561	-60	240	240.05
ZDDH00308	341053	7041504	468	-60	270	310.00
ZDDH00309	341850	7035672	530	-60	350	500.00
ZDDH00310	342359	7041209	559	-60	300	297.10
ZDDH00311	341858	7035605	520	-60	350	321.07

Authorised by the Board of Tesoro Gold Ltd.

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About Tesoro

Tesoro Gold Limited was established with a strategy of acquiring, exploring, and developing mining projects in the Coastal Cordillera region of Chile. The Coastal Cordillera region is host to multiple world class copper and gold mines, has well established infrastructure, service providers and an experienced mining workforce. Large areas of the Coastal Cordillera remain unexplored due to the unconsolidated nature of mining concession ownership, but Tesoro, via its in-country network and experience has been able secure rights to a district scale gold project in-line with the Company's strategy. Tesoro's 95% owned Chilean subsidiary owns 85% of the El Zorro Gold Project.

Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr Zeffron Reeves (B App Sc (Hons) Applied Geology) MBA, MAIG). Mr Reeves is a member of the Australasian Institute of Geoscientists and a Director and shareholder of the Company. Mr Reeves has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Reeves consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Lynn Widenbar, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Widenbar is acting as an independent consultant to Tesoro Gold Limited. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcement on 23 May 2022.

Future Performance

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



APPENDIX 1 – JORC TABLES

JORC Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. 	<p>Tesoro has completed 315 diamond drill holes for 105,965m in 2017, 2018, 2020, 2021 and 2022 (ZDDH0001 to ZDDH00311). Diamond drill holes were drilled with HQ. Sampling was half core at geologically defined and significant mineralisation boundaries.</p> <p>Tesoro considers the sampling methodologies to be appropriate for this style of mineralisation.</p>
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<p>Tesoro Diamond drill holes were drilled with HQ. Sampling was half core at geological and significant mineralisation boundaries. Tesoro consider this appropriate for the style of mineralisation.</p>
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done, this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<p>Diamond drilling was used to obtain ½ core samples of various lengths (minimum 0.25m), from which 1kg of material was pulverised passing 200 mesh to produce a 50g charge for fire assay fusion with a gravimetric finish. Multielement assays were completed by 4-acid digest with a 2.5g charge. Tesoro consider these appropriate assay techniques.</p>
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<p>Tesoro has completed 315 diamond drill holes for 105,965m Diamond drill holes were drilled with HQ. Sampling was half core at geological and significant mineralisation boundaries. Standard tube was used.</p>
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	<p>Core recovery was estimated using the drillers recorded depth marks against the length of the core recovered. Reviewing the core photos, there are occasional shears/faults where core is broken. There is however no significant core loss.</p>
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<p>A single tube system was employed and in general core recovery good.</p>
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>There appears to be no potential sample bias as there was no regular loss of core.</p>
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<p>Geological core logging to a resolution of 25 cm was undertaken with a record kept of, inter alia, colour, lithology, weathering, grain size, mineralisation, alteration, geotechnical characteristics etc. Diamond core is stored at the Company's warehouse.</p> <p>Tesoro consider the data to be of an appropriate level of detail to support a future resource estimation.</p>
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. 	<p>Logging of diamond core was qualitative and diamond core was photographed.</p>
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<p>All drilled intervals are logged and recorded.</p>
Subsampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<p>Drill core was cut, and half core was collected for analysis</p>
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. 	<p>Tesoro has not completed any percussion drilling.</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> 	Collection of half core ensured the nature, quality and appropriateness of the collected sample. The sample preparation of crushing half core at the lab to mm size prior to splitting off a 50g charge (either by cone/quarter or riffle) for pulverisation provides an appropriate and representative sample for analysis.
	<ul style="list-style-type: none"> <i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i> 	Half core was collected for the entirety of the Tesoro drilling, as such there was consistency throughout the drilling. Core was logged by a qualified geoscientist. Each subsample is considered to be representative of the interval.
	<ul style="list-style-type: none"> <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i> 	Sampling of half core is representative of the in-situ material. There are field duplicate samples collected from the diamond core with irregular results. Field drill core duplicates are irregular by nature and it has been recommended by Tesoro's consultants to use coarse reject material to monitor the sample preparation.
	<ul style="list-style-type: none"> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	sample sizes collected were considered appropriate to reasonably represent the material being tested.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> 	Assays reported in this report were undertaken at the accredited laboratory of ALS Santiago, which is fully certified. Core samples of various lengths were assayed (minimum 0.25m) from which 1kg of material was pulverized passing 200 mesh to produce a 50 g charge for fire assay fusion with gravimetric finish. Multielement assays were completed by 4-acid digest with a 2.5 g charge. All techniques are appropriate for the element being determined.
	<ul style="list-style-type: none"> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> 	Standard chemical analyses were used for grade determination. There was no reliance on determination of analysis by geophysical tools.
	<ul style="list-style-type: none"> <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	QAQC procedures included the insertion of Certified Reference Materials (CRMs) (5%) and blank material (2%), Check samples (5%) and check assaying 5% Cube Consulting Pty Ltd manage the database for Tesoro. The laboratories used have generally demonstrated analytical accuracy at an acceptable level within 95% confidence limits.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> 	A number of independent consulting geoscientists (Cube Consulting, Oliver, and Cooley) external to Tesoro have verified the intersections for holes ZDDH0001 to ZDDH00296. Holes ZDDH0297 onwards have been verified by multiple appropriately qualified Company personnel.
	<ul style="list-style-type: none"> <i>The use of twinned holes.</i> 	no twinned holes have been completed
	<ul style="list-style-type: none"> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	Tesoro drilling is digitally entered and stored following documented core handling protocols. The protocols are considered adequate.
	<ul style="list-style-type: none"> <i>Discuss any adjustment to assay data.</i> 	No adjustments were made to Tesoro Drilling
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> 	Tesoro drill hole collars have been surveyed accurately using differential GPS for holes ZDDH0001 to ZDDH000296. Holes ZDDH0297 onwards have been surveyed using handheld GPS and will be surveyed using differential GPS once the drill program has concluded.
	<ul style="list-style-type: none"> <i>Specification of the grid system used.</i> 	The grid system used PSAD56 19S
	<ul style="list-style-type: none"> <i>Quality and adequacy of topographic control.</i> 	The topography generated from an accurate topographic survey data completed by a registered surveyor and has been used for the current control.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> 	Drill hole spacing is variable between 25m and 200m
	<ul style="list-style-type: none"> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> 	The spacing of drill holes is variable and satisfactory for reconnaissance level drilling. The holes are not intended to be used for resource estimates at this stage of exploration.
	<ul style="list-style-type: none"> <i>Whether sample compositing has been applied.</i> 	Sample composites was not employed.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	Drill holes have been drilled in multiple directions relative to the orientation of multiple geological features, interpreted to influence gold mineralisation.
	<ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	Tesoro diamond drilling at various orientations does not reveal any bias regarding the orientation of the mineralised horizons.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Chain of Custody of digital data is managed by the Company. Physical material was stored on site and, when necessary, delivered to the assay laboratory. Thereafter laboratory samples were controlled by the nominated laboratory which to date has been Bureau Veritas and ALS Santiago. All sample collection was controlled by digital sample control file(s) and hardcopy ticket books.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	No audits have been undertaken.

(Criteria in this section apply to all succeeding sections)

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	Information regarding tenure is included in the company's June 2022 quarterly half yearly report released to the ASX on 29 July 2022. Tesoro Resources Ltd, 95% owned Chilean subsidiary, Tesoro Mining Chile SpA, owns 85% of the El Zorro Gold Project Concessions.
	<ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	The Concession is believed to be in good standing with the governing authority and there is no known impediment to operating in the area.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	Little historical exploration has been undertaken in either project area. Coeur d'Alene's Chilean exploration division undertook activities on the Ternerera prospect, under an option agreement with the previous owners between April 1990 and January 1993.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	The mineralisation model is likely to be intrusive related gold deposit. The key characteristics that are consistent with this style deposit include: <ul style="list-style-type: none"> Low sulphide content, (typically <5%); reduced ore mineral assemblage that typically comprises pyrite and lacks primary magnetite or hematite Mineralisation occurs as sheeted vein deposits or stockwork assemblages and often combine gold with variably elevated Bi, W, As, Mo, Te, and/or Sb but low concentrations of base metals as seen in the initial four holes by Tesoro at El Zorro Restricted and commonly weak proximal hydrothermal alteration Intrusions of intermediate to felsic composition.
Drillhole information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: <ul style="list-style-type: none"> easting and northing of the drillhole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar dip and azimuth of the hole downhole length and interception depth hole length. 	Information relating to current drill program presented in this report.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. 	No cutting of grades has been undertaken. Downhole intercepts are calculated using a length weighted averaging method.
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	Down hole length weighted average results are calculated using a 0.20g/t Au cut off and a maximum of 5m internal dilution
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	No metal equivalents are reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. 	
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. 	The mineralisation forms sub-vertical sheeted veins and individual veins and may form plunging zones within the mineralised structures. Drilling by Tesoro has been undertaken to test these orientations.
	<ul style="list-style-type: none"> If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known'). 	Exploration results are reported as downhole widths as the true width is not known with any certainty.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views. 	Relevant maps and diagrams are included in the body of the report.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	All assay results from drilling are reported. Reporting of visible gold occurrences in drill core is by visual inspection only and final gold content is not known until assay results have been received.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	All material exploration data is reported in the body of the report.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). 	Further work will be focused on drill testing the Ternera mineralisation and additional prospects as defined in the work program. Core will be used for metallurgical testwork and resource modelling is planned.
	<ul style="list-style-type: none"> Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	Diagrams have been included in the body of this report.