

TESORO ADVANCES INFRASTRUCTURE OPTIONS FOR THE EL ZORRO GOLD PROJECT

STRATEGIC MOU SIGNED WITH AGUAS CAP

Tesoro Gold Limited (Tesoro or the Company) (ASX:TSO, OTCQB:TSORF) is pleased to advise that it has executed a non-binding Memorandum of Understanding (**MOU**) with Aguas CAP subsidiary Cleanairtech Sudamérica SA. The MOU contemplates the advancement of water supply to the El Zorro Gold Project (**El Zorro** or the **Project**), Chile (Figure 1).

HIGHLIGHTS

- Non-binding MOU executed to advance long lead infrastructure options to de-risk and support the development of El Zorro.
- Tesoro considering multiple options for water supply to the Project, including from the Aguas CAP desalination plant located approximately 25km from Ternera.
- Separate process to obtain a Maritime Concession from the Chilean Government accessing Punta Obispito's shoreline for seawater is nearing completion.
- Punta Obispito is located approximately 13 km from Ternera.
- Multiple water solutions emphasise the location advantage of El Zorro, being situated at low altitude and within an infrastructure rich region of Chile.

Tesoro's Managing Director, Zeff Reeves, commented:

"We are pleased to have executed an MOU with Aguas CAP, to investigate the possibility of utilising their desalination plant for the supply of water to El Zorro. Reaching a mutually beneficial outcome would provide a major benefit to, and further de-risk the Project."

"Having multiple potential options for water supply emphasises the location advantage of El Zorro, being proximate to existing infrastructure and service providers necessary for the economic development and operation of a gold mine. In our view, El Zorro is located in one of the best locations in the world for development of a gold project and we look forward to continuing to advance and de-risk the Project".

Memorandum of Understanding with Aguas CAP

Tesoro, via its approximately 89% ownership of El Zorro SCM, has entered into an MOU with Cleanairtech Sudamérica SA a subsidiary of Aguas CAP. The MOU establishes an understanding between Tesoro and Aguas CAP (**the Parties**) to jointly investigate the technical and economic feasibility for the eventual execution of a contract for the supply

of water and/or brine (wastewater from the desalination process) and delivery to El Zorro **(the Water Project)**.

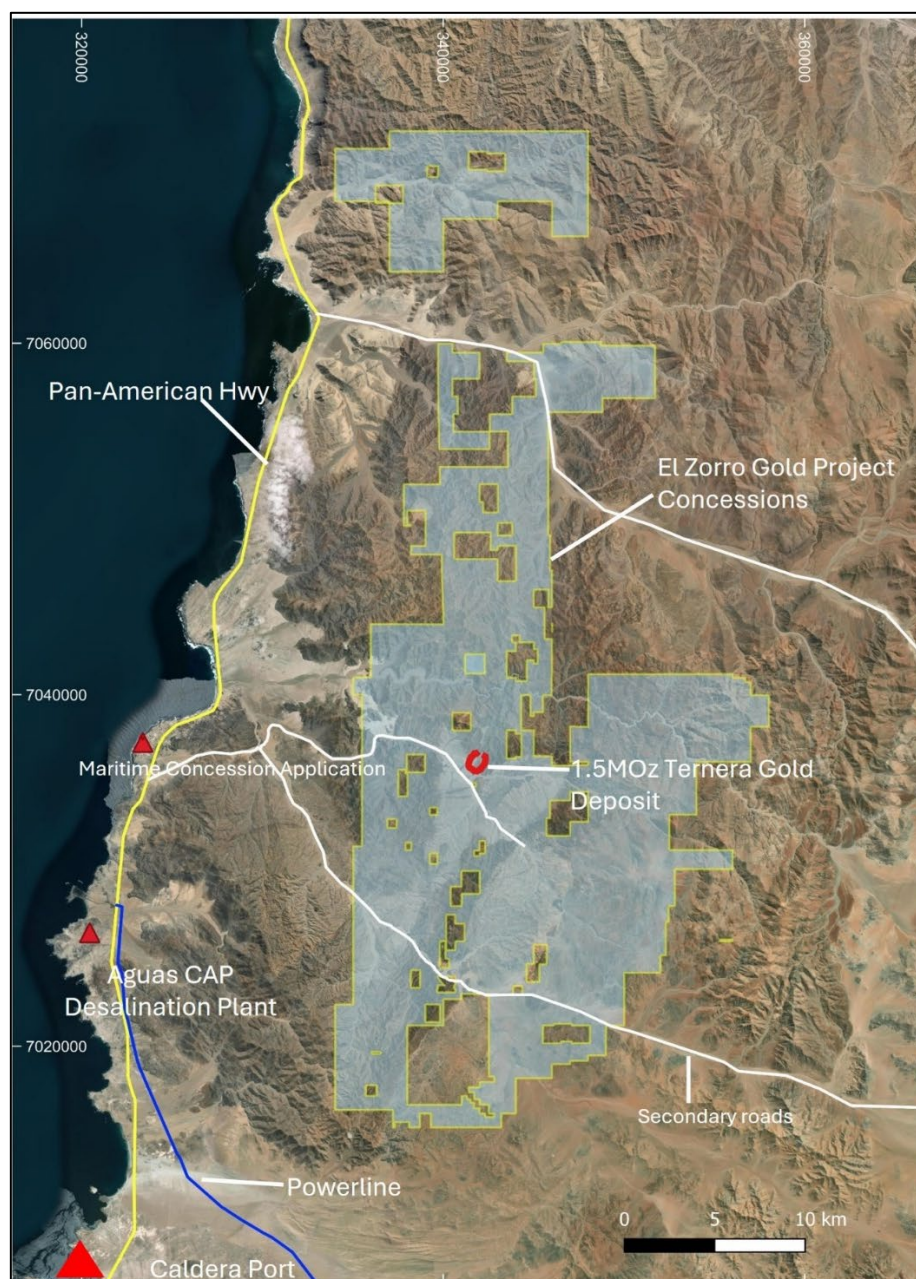


Figure 1: El Zorro Gold Project regional infrastructure map highlighting proximity to Aguas Cap desalination plant, Maritime Concession application and grid power - Datum PSAD56 19S.

Aguas CAP owns and operates a desalination plant (**Plant**) located approximately 28km by road southwest of El Zorro (Figure 1). The Plant provides desalinated water treatment and supply services to industrial customers in the Atacama region. As part of the desalination process it produces wastewater (brine) which is currently discarded to the ocean.

The Parties intend to investigate the technical and economic feasibility of the redirection of the brine waters to El Zorro through development of a draft business plan which considers, among other things:

- the business model of the Project;
- construction of infrastructure;
- Project funding;
- potential for future expansion; and
- operating expenditure for the Water Project.

If a positive outcome is determined from the Water Project, potential benefits to Tesoro include:

- Supply of a clean, filtered water for El Zorro.
- Reduced permitting requirements, positively impacting costs and timelines.
- Establishing an ongoing partnership with a major Chilean infrastructure provider.

Aguas CAP will also potentially benefit by being able to dispose of post desalination brine through an environmentally low impact option.

The MOU is valid for two years and can be terminated at any time by either party without penalty.

Tesoro is planning additional metallurgical test work using the brine water supplied by Aguas CAP. Brine water, with a salinity about twice that of sea water is still significantly less saline than the typical Eastern Goldfields (Western Australia) ground water, which is commonly used in gold processing plants in Western Australia.

Maritime Concession

El Zorro SCM is in the final stages of obtaining its own Maritime Concession at Punta Obispito, approximately 15km west of the Ternera Gold Deposit. The Maritime Concession will allow construction of a seawater pipeline and associated pumping infrastructure to supply El Zorro with seawater.

Additional environmental studies and permitting are required before construction and operation of a seawater pipeline from the Maritime Concession area can be approved, however the granting of the concession will provide a nearby alternative option for the supply of water to El Zorro.

The Company will continue to advance options for water supply to El Zorro over the coming months to select the most beneficial option for the Project.

Authorised by the Board of Tesoro Gold Ltd.

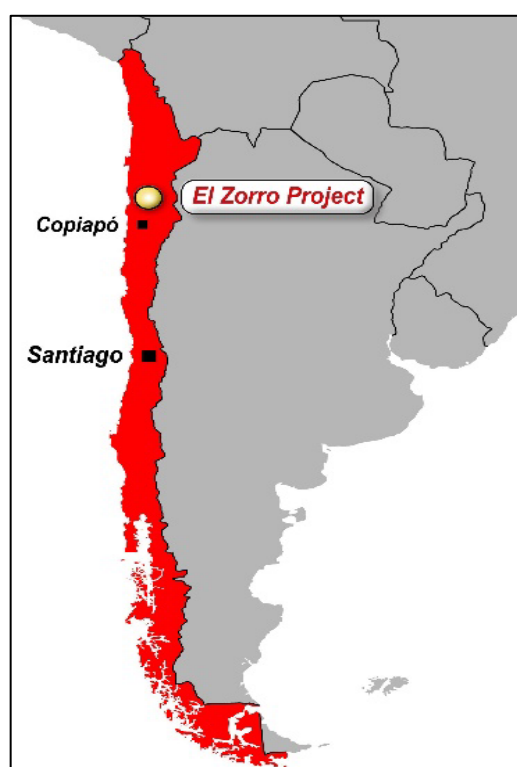
For more information:

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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 93.8% of the El Zorro Gold Project.



Future Performance

This announcement may contain certain forward-looking statements and opinions. 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 Gold.

Competent Persons Statements

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 9 March 2023. The Mineral Resource is comprised of 63% Indicated and 37% Inferred Resources.