

UPDATE ON LEGAL PROCEEDINGS INVOLVING WANACO SPA CORPORATE UPDATE

Tesoro Gold Limited (Tesoro or the Company) (ASX:TSO, OTCQB:TSORF) provides an update on legal proceedings initiated by Wanaco SpA (**Wanaco**), the joint venture partner in the El Zorro Gold Project (**El Zorro**) (previously disclosed in ASX announcements dated 26 August 2021 and 26 April 2024).

On 31 August 2024, the Company received notice from the 29th Civil Court of Santiago (the **Court**) that certain claims filed by Wanaco in February 2024 relating to an alleged “abandonment” of works under the option and joint venture agreement between Wanaco and Tesoro's 95% owned Chilean subsidiary have been dismissed. The Court ordered Wanaco to pay costs in favour of Tesoro, with Wanaco retaining the right to appeal this decision.

KEY COURT OUTCOMES

- Certain claims by Wanaco SpA against Tesoro's Chilean subsidiary, Tesoro Mining Chile SpA, have been rejected by the 29th Civil Court of Santiago.
- The Court's dismissal represents a further rejection of Wanaco SpA's attempts to have mining concessions, currently owned by Tesoro subsidiary El Zorro S.C.M., transferred.

EL ZORRO DRILLING UPDATE

- Diamond drilling is ongoing at the high-priority targets within 1.5 km of the existing Ternera Deposit, with rigs currently operating at Ternera East and Ternera.
- Assay results from 10 completed holes remain outstanding and are expected to be returned by the end of September 2024.

Tesoro Managing Director, Zeff Reeves, commented:

“We welcome the dismissal of Wanaco's additional claims by the 29th Civil Court of Santiago, which serves to reaffirm our strong legal position. The team remain focused on advancing the El Zorro Gold Project, where diamond drilling is ongoing at high-priority targets close to the existing Ternera Gold Deposit. There is currently a large batch of core samples with the lab, and we expect assay results to be returned by the end of September. We remain extremely confident that our systematic exploration efforts will continue to unlock the large potential of this district-scale gold system and look forward to sharing the drill results as soon as they become available. Tesoro will continue to defend the Project against all baseless claims while driving forward our exploration and development strategy”.

BACKGROUND TO THE LEGAL CLAIMS BROUGHT BY WANACO

In July 2023, Tesoro's 95% owned Chilean subsidiary, Tesoro Mining Chile SpA (**TMC**) increased its ownership El Zorro S.C.M. (the joint venture company that holds the El Zorro concessions) to approximately 94.42%, up from 85% (refer to ASX announcement 3 July 2023).

At a Shareholder Meeting on 7 June 2023, the directors of El Zorro S.C.M. resolved to increase its capital base via a pro-rata capital increase (**Capital Increase**). TMC subscribed for its full entitlement for CLP14,539,379,845 (approximately A\$26.87 million), reflecting its funding of exploration and development activities at El Zorro since March 2021. Wanaco, as the minority Shareholder in El Zorro S.C.M. declined to participate in the Capital Increase, leading to TMC's increased proportional ownership to 94.42%. Consequently, Tesoro Gold Limited's effective ownership interest in El Zorro is currently approximately 89.7%.

Wanaco filed claims disputing the valuation and procedures followed for the Capital Increase. Initial proceedings were dismissed by the Court as they were filed incorrectly and required correction. Wanaco refiled correctly on 13 October 2023.

During February and March of 2023, several procedural hearings took place in relation to other existing claims by Wanaco, providing all parties with the opportunity to present evidence and expert witnesses. These hearings aimed to determine whether the existing proceedings brought by Wanaco (prior to the Capital Increase) warranted progression to a trial.

In February 2024, Wanaco filed additional claims to the Court (**Additional Claims**), alleging an abandonment of works under the option and joint venture agreement between TMC and Wanaco. Wanaco sought orders that TMC:

- stop drilling;
- deliver the land (excluding concessions) to Wanaco in the best possible condition;
- provide all the information to Wanaco regarding any management or matter that may have been carried out by TMC prior to the abandonment; and
- provide restitution for the mining concessions to Wanaco.

On 31 August 2024, the Court dismissed these Additional Claims ordering Wanaco to pay the costs associated with the procedure.

Other claims relating to El Zorro S.C.M. (including in relation to the Capital Increase) remain outstanding, and Tesoro is committed to vigorously defending all spurious claims brought by Wanaco.

Further background information on the Wanaco claims can be found in ASX announcements dated 26 August 2021 and 26 April 2024

Authorised by the Board of Tesoro Gold Ltd.

For more information:

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About Tesoro

Tesoro Gold Limited has discovered and defined the first Intrusive Related Gold System in Chile. The 1.3M oz Terner discovery is 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 the district-scale El Zorro 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 comprises 802koz in the Indicated and 479koz in the Inferred category.