



Despatch of Offer Documents to Eligible and Ineligible Shareholders

On 12 June 2020, Tesoro Resources Limited (**Tesoro** or **the Company**) announced a non-renounceable accelerated institutional and retail entitlement issue to Eligible Shareholders of the Company of one (1) Share for every eight (8) Shares held by those Eligible Shareholders registered at the Record Date at an issue price of \$0.06 per Share to raise up to \$2,720,050 (**Entitlement Offer**).

Accordingly, the Company has today despatched the attached letter marked Attachment A to Eligible Shareholders and the attached letter marked Attachment B to ineligible shareholders.

The Company also advises that Eligible Shareholders can access their personalised Entitlement and Acceptance Form through the Company's share registry, via the below link:

<https://investor.automic.com.au/#/home>

Authorised by the Board of Tesoro Resources Limited.

For more information:

Company:

Zeff Reeves Managing Director
Tesoro Resources Limited
+61 8 9322 1587

Investors:

Peter Taylor
NWR Communications
+61 (0) 412 036 231
peter@nwrcommunications.com.au

About Tesoro

Tesoro Resources 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 has rights to acquire up to 80% of the El Zorro Gold Project.





23 June 2020

Dear Shareholder

TESORO RESOURCES LIMITED – ACCELERATED PRO-RATA NON-RENOUNCEABLE RIGHTS OFFER

As announced on 12 June 2020, Tesoro Resources Limited (ACN 106 854 175) (**Tesoro**) is undertaking an accelerated pro-rata non-renounceable entitlement offer to eligible retail and institutional shareholders of up to 45,334,174 fully paid ordinary shares (**Shares**) to raise up to \$2,720,050 (before costs) (**Entitlement Offer**). In addition, Tesoro is proposing to conduct an institutional placement to sophisticated and professional investors through the issue of up to 54,401,008 Shares to raise up to \$3,264,060 (before costs) (**Placement**).

Funds raised under the Entitlement Offer and the Placement will be applied towards an accelerated infill and extensional drilling program at the El Zorro Gold Project (**El Zorro Project**), a detailed metallurgical testwork program, commencing a Scoping Study at the Company's El Zorro Project, working capital, as well as satisfying the costs of the Entitlement Offer and the Placement. For further specifics of the use of funds please refer to Section 6.1 of the Prospectus.

The Entitlement Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00pm (WST) on 18 June 2020, whose registered address is in Australia or New Zealand (unless the Company is satisfied that it is permitted to issue Shares to a Shareholder resident in another jurisdiction by the laws of that Shareholder's country of residence, either unconditionally or after compliance with conditions which the Company regards as acceptable and not unduly onerous or impracticable) (**Eligible Shareholders**).

A prospectus in relation to the Entitlement Offer was lodged by Tesoro with ASIC and ASX on 12 June 2020 (**Prospectus**). An electronic copy of the Prospectus, along with information with respect to applying for your entitlement under the Entitlement Offer, is accessible at www.investor.automic.com.au/#/home.

Your acceptance of the Entitlement Offer must be made on your Entitlement and Acceptance Form which you can access www.investor.automic.com.au/#/home. The number of Shares to which you are entitled (your **Entitlement**) is shown on your personalised Entitlement and Acceptance Form which, along with this Prospectus, is accessible at www.investor.automic.com.au/#/home.

You will need to provide your Securityholder Reference Number or Holder Identification Number and postcode to access the online application system and follow the instructions provided including making payment by BPAY®. Your electronic acceptance of the Entitlement Offer should be made using this electronic service, with payment via BPAY® or EFT. Payment by cheque or cash will not be accepted.

If you are unable to access www.investor.automic.com.au/#/home online, then you can obtain a copy of the Prospectus and your entitlement form by calling the Company Secretary on +61 8 9322 1587 and asking them to mail a paper copy of the Prospectus and your entitlement and acceptance form to you free of charge.



Actions required of Eligible Shareholders

If you wish to take up all or part of your entitlement, your acceptance of the Entitlement Offer must be made on the Entitlement and Acceptance Form which can be accessed at www.investor.automic.com.au/#/home.

As an Eligible Shareholder, you may:

- accept your full Entitlement (refer to Section 5.6(a) of the Prospectus); or
- accept your full Entitlement and apply for addition Shortfall Shares (refer to Section 5.6(b) of the Prospectus); or
- accept part of your Entitlement (refer to Section 5.6(c) of the Prospectus); or
- if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Key dates for the Offer

Event	Date
Request for trading halt	12 June 2020
Announcement of Entitlement Offer Lodgement of Appendix 3B with ASX Lodgement of Prospectus with ASIC and ASX Opening date of the Cleansing Offer	12 June 2020
Company conducts Institutional Offer	12 June 2020 – 18 June 2020
Announcement of results of Institutional Offer and the Placement	18 June 2020
Trading halt lifted Trading resumes on an ex-entitlement basis	18 June 2020
Record Date for the Entitlement Offer	5:00pm WST on 18 June 2020
Settlement of Institutional Offer and Placements	19 June 2020
Quotation of Shares issued under the Institutional Offer and Placement	22 June 2020
Prospectus despatched to Shareholders Company announces the despatch has completed Opening Date for Retail Offer	23 June 2020
Last day to extend Retail Offer closing date	29 June 2020
Closing Date of Retail Offer*	2 July 2020
Announcement of results of Retail Offer	7 July 2020



Closing Date of the Cleansing Offer	7 July 2020
Settlement of the Retail Offer Lodgement of an Appendix 2A with ASX	9 July 2020
Quotation of Shares issued under the Retail Offer	10 July 2020
Expected despatch of holding statements for retail holders	14 July 2020

**The Directors may extend the Closing Date of the Retail Offer by giving at least 3 Business Days' notice to ASX prior to the Closing Date of the Retail Offer. As such the date the Securities are expected to commence trading on ASX may vary.*

Yours sincerely

John Toll
Non-executive Chairman



23 June 2020

Dear Shareholder

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Ineligible shareholders

A Shareholder who has a registered address outside Australia and New Zealand (Ineligible Shareholder) will not be eligible to participate in the Entitlement Offer unless the Company is satisfied that it is permitted to issue Shares to a Shareholder resident in another jurisdiction by the laws of that Shareholder's country of residence, either unconditionally or after compliance with conditions which the Company regards as acceptable and not unduly onerous or impracticable.

The Company has determined that you are not eligible to participate in the Entitlement Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand, compared with the small number of Ineligible Shareholders and the number and value of Shares to which they would otherwise be entitled.

If you have any queries concerning the Entitlement Offer, please contact your financial adviser or Shannon Coates, Tesoro's Company Secretary, on +61 8 9322 1587.



Yours sincerely

A handwritten signature in black ink, appearing to read "John Toll".

John Toll
Non-executive Chairman