TESORO GOLD TO ADVANCE THE TERNERA GOLD PROJECT TO DEFINITIVE FEASIBILITY

Tesoro Gold Limited (**Tesoro** or the **Company**) (ASX: **TSO**, OTCQB: **TSORF**, FSE: **5D7**) is pleased to advise that, following completion of comprehensive technical trade off studies, the Company has decided to progress directly to a Definitive Feasibility Study (**DFS**) for the 1.82 Moz Ternera Gold Deposit (**Ternera**) at its El Zorro Gold Project in Chile (**El Zorro,** or the **Project**).

This decision reflects the level of technical definition achieved across critical engineering disciplines, the conventional nature of the project and the Board's assessment that the **Project has reached a stage of maturity appropriate for DFS-level evaluation.**

PROJECT ADVANCEMENT HIGHLIGHTS

- Detailed programme of Project trade-off studies completed;
- Project at an advanced stage of technical maturity;
- Decision taken to advance directly to DFS, targeting delivery by end of CY2026;
- Deliberate strategy to advance critical technical workstreams in parallel preserving schedule flexibility;
- DFS acceleration reflects disciplined and efficient capital allocation;
- Multiple DFS level workstreams complete or materially advanced;
- Permitting activities well advanced, with baseline studies 50% complete; and
- Project finance discussions ongoing.

NEW DISCOVERY AND INFILL DRILLING IS ONGOING

- 38,000m of diamond drilling scheduled as part of the current campaign; and
- Infill drilling >50% complete, updated Mineral Resource Estimate scheduled for Q2 2026 to support the final DFS mine plan and initial Ore Reserve for Ternera.

Tesoro Managing Director, Zeff Reeves, commented:

"We are pleased to provide an update on the continued advancement of development activities at the Ternera Gold Deposit. Since completion of the 2025 Scoping Study, substantial technical work has been undertaken, enabling the Board to take the decision to progress directly to Definitive Feasibility Study.

"The completion of targeted trade-off studies has defined a clear, optimised development pathway centred on a simple single open pit mining operation and a 3Mtpa processing plant, capable of delivering over 110koz per annum of gold. Advancing directly to DFS is expected to shorten the overall development timeline while maintaining technical rigour, positioning Ternera for a Final Investment Decision by the end of CY2026."

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Production target: The production target referred to in this announcement is based on a combination of Indicated and Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

The Scoping Study is based on lower-level technical and economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of economic development.

DIRECT DFS ADVANCEMENT RATIONALE

Since completion of the 2025 Scoping Study (refer ASX announcement dated 11 September 2025), Project activities have focused on defining the optimal configuration for a single open pit mine and 3Mtpa processing plant at Ternera.

A structured programme of trade-off studies has been completed by specialist consultants across the principal technical aspects of the Project, including:

- Final process flowsheet selection and process design optimisation (see Appendix 1);
- Site layout, including confirmation of preferred power and water infrastructure corridors (Figure 1);
- Evaluation and selection of tailing disposal method, including preferred dry stack options;
- Seismic risk assessment and associated structural design parameters; and
- Integration of major infrastructure and the mine interfaces.

These studies have determined the primary development alternatives typically addressed at Pre-Feasibility (PFS) stage and materially reduced configuration risk. Outcomes have enabled Tesoro to define a preferred project development pathway with sufficient engineering confidence to proceed directly to DFS.

The Board considers that completing a PFS would not enhance project definition and that **advancing directly to DFS represents both a disciplined and efficient allocation of capital and resources.**

DFS WORKSTREAMS UNDERWAY

Multiple DFS work programmes are currently well advanced, with critical engineering, mining and infrastructure activities progressing in parallel to support delivery of the DFS and taking a Final Investment Decision (**FID**) by the end of 2026.

Key DFS workstreams include:

- Additional metallurgical drilling and sampling to confirm the physical characteristics of the ore from the Ternera pit and complete variability test work;
- Geotechnical drilling to finalise pit wall design parameters and slope stability assumptions;
- Detailed mining studies, with a South American mining contractor engaged to provide DFS-level mine design, production schedules and cost estimates;
- Engineering design, scheduling and costing of power and water supply infrastructure;
- Civil engineering design for all site infrastructure;

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- Vendor quotations for the accommodation village, explosives storage facilities and onsite assay laboratory;
- Key process equipment selection and vendor engagement;
- Design work for a dry stack tailings storage facility; and
- Identification and engagement with suppliers for Long Lead Items.

The level of definition across these workstreams is consistent with DFS standards, including capital cost estimation, operating cost modelling, equipment specification and construction scheduling.

ENVIRONMENTAL AND PERMITTING PROGRESS

Permitting activities are advancing concurrently with technical workstreams. As announced on 22 April 2025, Tesoro commenced preparation for an Environmental Impact Study (**EIA**) to secure Environmental Qualification (**RCA**) and the associated Sectorial Permits (**PAS**) required for construction and operation of a gold mine at El Zorro.

Following initial environmental desktop assessments, baseline field studies commenced in August 2025. These programmes are now well advanced and are scheduled for completion in August 2026. Completion of the baseline data collection will support preparation and submission of the EIA documentation to the Chilean Environmental Impact Assessment System.

The EIA review process will continue into 2027.

Undertaking environmental baseline work in parallel with DFS engineering ensures that project design parameters are aligned with permitting requirements and supports an integrated and coherent development schedule.

DEVELOPMENT PATHWAY AND FUNDING

The decision to advance directly to DFS shortens the overall study timeline while maintaining technical discipline. Major Project value drivers have been materially de-risked as part of the trade-off analysis.

The Company is targeting:

- **Completion of the DFS by the end of CY2026;**
- **Final Investment Decision following DFS completion; and**
- **Continued advancement of permitting through the EIA process in 2027.**

The Board considers that direct progression to DFS reflects the maturity of the Ternera Gold Deposit, the substantial engineering work already completed and the Company's confidence in the defined development pathway.

Further updates will be provided as DFS workstreams advance and key milestones are achieved.

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WORKSTREAMS	CY2026				CY2927				CY2028				CY2029			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Decision Taken to Proceed to DFS	✓															
DFS Workstreams	■	■	■													
DFS Delivery			■													
Approval to Work and FID				■	■											
EIA and RCA Approval						■	■									
Detailed Engineering Design							■	■	■							
Early Works and Long Lead Item Procurement								■	■							
Construction Water Available								■								
Construction and Commissioning									■	■	■	■	■	■	■	
Grid Power Online														■		
Process Water Available														■		
Target First Gold															■	

Figure 1: El Zorro Gold Project – Ternera Gold Deposit Estimated Development and Construction Schedule through to first gold.

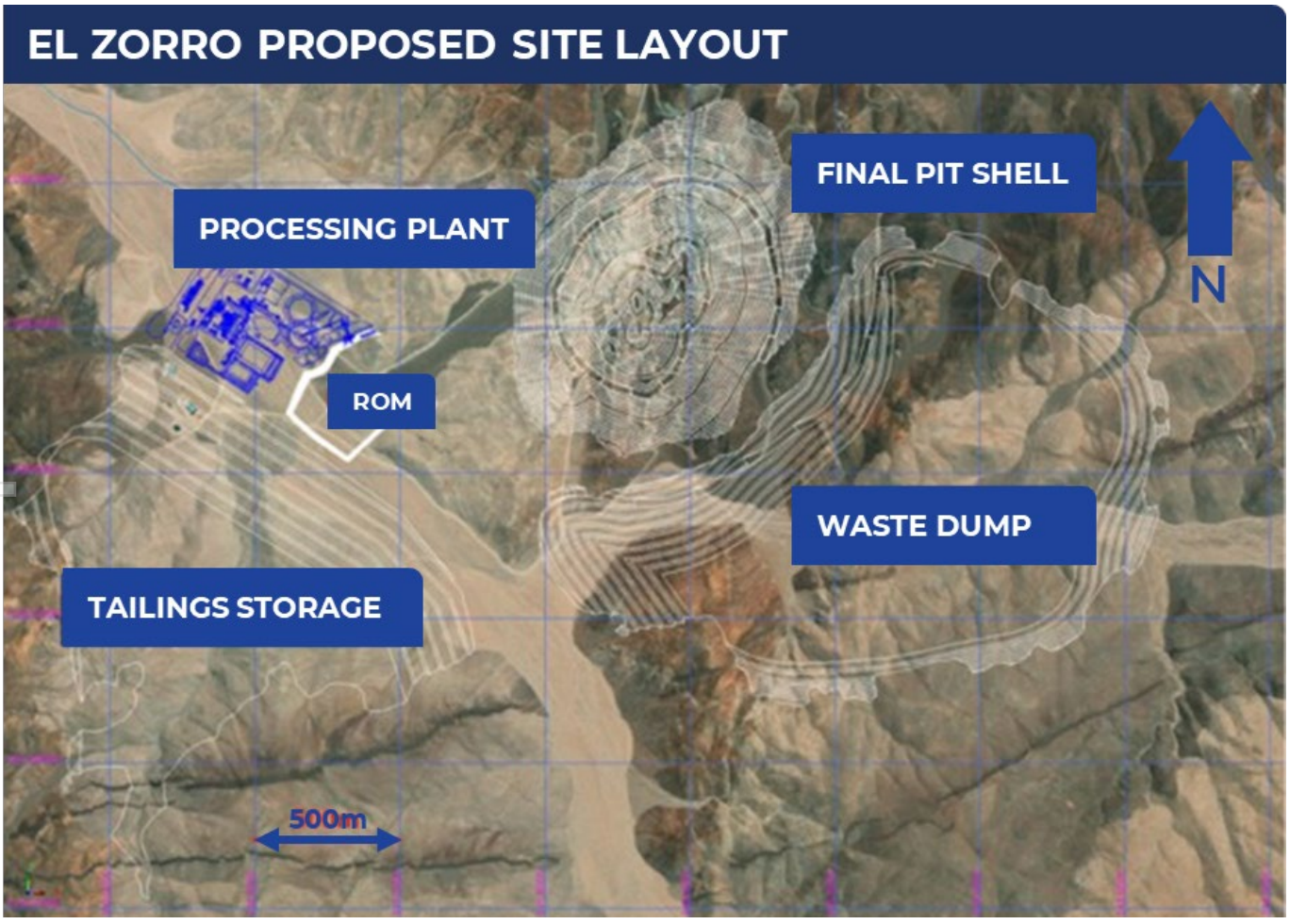


Figure 2: El Zorro Gold Project – Ternera Gold Deposit Proposed site layout.

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Table 1: El Zorro Gold project supporting consultants and service providers

Study Input	Contributor
Study Compilation	Tesoro, GRES
Geology	Tesoro
Resource Estimation	Lynn Widenbar and Associates
Geotechnical	Peter O'Bryan and Associates
Mining Studies	Tesoro, Stracon
Mining Costs	Tesoro, Stracon
Metallurgical Test Work	GRES, ALS Perth
Process Engineering and Design	GRES
Operating Costs	Tesoro, GRES, Stracon, Others
Infrastructure	Tesoro, Aguas CAP, TECNOCAP, Servicios de Ingeniería IMA S.A.
Capital Costs	Tesoro, GRES, Aguas CAP, TECNOCAP.
Environmental, Social and Permitting	Tesoro, Parez & Alverez
Financial Modelling	Tesoro

Table 2: Ternera Mineral Estimates for selected cut-off grades. *Highlighted open pit Mineral Resource has been constrained by an optimised pit shell using a gold price of US$3000/oz and process recovery of 94.5%. The estimates in this table are rounded to reflect their precision; rounding errors are apparent.*

Tenera Updated MRE	Indicated			Inferred			Total		
Au g/t cut-off	Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz
Optimised Open Pit at 0.30	**31.8**	**1.10**	**1,123**	**19.5**	**1.11**	**692**	**51.2**	**1.1**	**1,816**
2.00	3.5	3.55	394	2.5	3.54	280	5.9	3.54	673
1.00	10.5	2.08	705	7.9	2.04	520	18.5	2.06	1,225
0.70	17.5	1.58	891	13	1.57	657	30.5	1.58	1,547
0.30	31.8	1.10	1,128	26.1	1.03	863	58.1	1.07	1,992
0.20	33.8	1.05	1,144	28.7	0.96	885	62.5	1.01	2,028

Refer ASX announcement dated 4 August 2025

Authorised by the Board of Tesoro Gold Ltd.

For more information:

Company:
Zeff Reeves, Managing Director
Tesoro Gold Limited
info@tesorogold.com.au

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About Tesoro

Tesoro Gold Limited has discovered and defined the first Intrusive Related Gold System in Chile. The 1.82M oz Ternera 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 95.4% of the El Zorro Gold Project (see ASX announcement released 12 August 2025).



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.

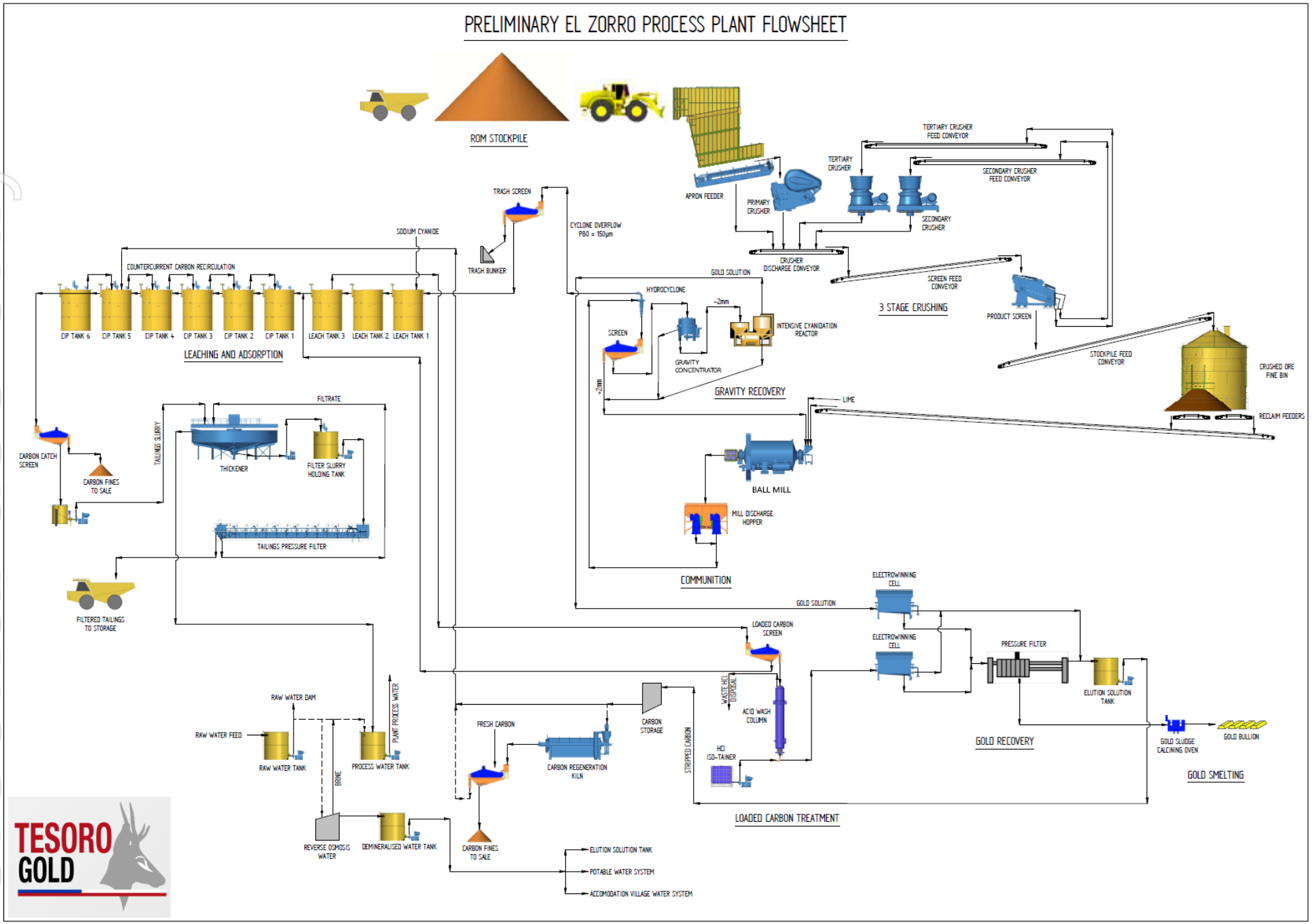
Competent Persons Statements

The information in this report that relates to Mineral Resources is based on information compiled by Mr Lynn Widenbar (B.Sc. (Hons) Geology, M.Sc. FAusIMM, MAIG), a Competent Person who is a Fellow 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 it is not aware of any new information or data that materially affects the information contained the form and context in which the Competent Person's findings are presented have not been materially modified from in the original announcement on 4 August 2025, and all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

The information in this report that relates to the Production Target, assumptions on Modifying Factors and evaluation of other relevant factors are based on and fairly represents information and supporting documentation that has been compiled for this announcement and have been compiled under the supervision of Mr Linton Putland BEng (Mining), MSc (Mineral Economics) & Member AusIMM. Mr Putland is a Director of the Company. Mr Putland is a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). The Company confirms that all material assumptions underpinning the production target and forecast financial information derived from the Scoping Study released on 11 September 2025 continue to apply and have not materially changed.

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 Australian 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.

APPENDIX 1 – PRELIMINARY EL ZORRO PROCESS PLANT FLOWSHEET



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