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**Tesoro Gold Ltd**

*(Previously Tesoro Resources Limited)*

**ABN 91 106 854 175**

**Annual Report**

**for the year ended 30 June 2022**

## TABLE OF CONTENTS

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<i>Corporate Directory</i>	2
<i>Chairman's Letter</i>	3
<i>Directors' Report</i>	5
<i>Auditor's Independence Declaration</i>	33
<i>Consolidated Statement of Profit or Loss and Other Comprehensive Income</i>	34
<i>Consolidated Statement of Financial Position</i>	35
<i>Consolidated Statement of Changes in Equity</i>	36
<i>Consolidated Statement of Cash Flows</i>	37
<i>Notes to the Financial Statements</i>	38
<i>Directors' Declaration</i>	67
<i>Independent Auditor's Report</i>	68
<i>ASX Additional Shareholder Information</i>	72
<i>Tenements Schedule</i>	76

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## CORPORATE DIRECTORY

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Tesoro Gold Ltd (previously Tesoro Resources Limited) is an Australian listed company focused on the acquisition, exploration and development of commercially significant resource projects in Chile, with a focus on gold. For more details visit [www.tesorogold.com.au](http://www.tesorogold.com.au).

### **DIRECTORS**

Mr John Toll  
(Non-Executive Chairman)

Mr Zeffron Reeves  
(Managing Director)

Mr Linton Putland  
(Executive Director – Mining and Development)

Mr Geoffrey McNamara  
(Non-Executive Director)

Ms Kristie Young  
(Non-Executive Director)

### **JOINT COMPANY SECRETARIES**

Ms Shannon Coates  
Ms Sarah Wilson

### **REGISTERED OFFICE**

Suite 5  
62 Ord Street  
WEST PERTH WA 6005

### **AUDITORS**

RSM Australia Partners  
Level 32 Exchange Tower  
2 The Esplanade  
PERTH WA 6000

### **SHARE REGISTRAR**

Automic Pty Ltd  
Level 5  
191 St Georges Terrace  
PERTH WA 6000

GPO Box 5193,  
SYDNEY, NSW 2000  
Telephone: 1300 288 664 (within Australia)  
Email: [hello@automic.com.au](mailto:hello@automic.com.au)

### **SECURITIES EXCHANGE LISTING**

Australian Securities Exchange Limited  
(Home Exchange: PERTH, Western Australia)  
Codes: ASX: TSO, TSOO  
OTCQB: TSORF

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Dear Fellow Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the 2022 Annual Report for Tesoro Gold Ltd ("Tesoro" or "the Company").

The Company's El Zorro Gold Project ("El Zorro") has continued to deliver outstanding exploration success during the year, which resulted in a material update to the Mineral Resource Estimate ("MRE") at the Ternera Gold Deposit, as well as identification of numerous new exploration targets across the Company's significant landholding in Chile.

Building on the significant momentum created during the prior year, exploration activities continued throughout 2022 at an accelerated rate, with a total of 307 holes for 103,510 metres now having been drilled at El Zorro, since Tesoro commenced exploration in 2017. In parallel with this work, the Company also undertook an extensive regional mapping and sampling program which has identified wide zones of surface gold anomalism similar to the Ternera Gold Deposit over a prospective strike length of 33km, confirming El Zorro as a new Chilean Intrusive Related Gold System ("IRGS") district.

On the back of successful infill and extensional drilling programs completed since July 2021 when the Company's maiden MRE was published, Tesoro delivered an updated MRE at the Ternera Gold Deposit in May 2022, totalling 30.5Mt @ 1.12 g/t for 1.1Mozs (0.3g/t Au cut-off) ("Updated Mineral Resource Estimate"). These highlights included the following:

- Increased total ounces by +66% to 1.1 Moz;
- Increased mineral resource grade by +36% to 1.12g/t Au;
- Increased indicated resources by +570% to 503koz at 1.18g/t; and
- 46% of the mineral resource estimated classified as Indicated.

The Updated Mineral Resource Estimate also included multiple continuous higher grade gold zones, resulting in an MRE of 715Koz at 2.31g/t when using a 1g/t cut-off, demonstrating the potential for high-grade open pit mining at the Ternera Gold Project. Drilling activities have recently recommenced with the objective of further increasing the Ternera Gold Deposit MRE, as well as testing several of the recently identified regional targets, to better understand the potential scale of the broader El Zorro Gold Project.

Whilst a significant amount of activity has occurred over the past 12 months, it has done so against a challenging operating environment with everyone in the global community having to continue to deal with the on-going impacts of COVID-19. I am pleased to report that the policies and procedures that the Company's staff put in place, have enabled us to safely navigate these challenges to date, however it is critical that we remain vigilant and agile to continue to address new challenges as they inevitably arise.

Another key focus over the past 12 months has been ensuring the framework is in place, and necessary steps taken to ensure the Company's environmental, social and governance responsibilities are being upheld. Although this is a long-term commitment, and on-going process which will continue to evolve as the Company grows, our projects are advancing and with it, our footprint is increasing. The Company is proud of the advancements we have made to date in this regard.

I would like to take this opportunity, on behalf of the Board, to thank all our Shareholders for their ongoing support. I would also like to thank the staff, management, contractors, and my fellow Directors, particularly our newest Directors, Linton Putland and Kristie Young, for their ongoing efforts. We are committed to progressing the El Zorro Gold Project and growing the Company by identifying and testing new targets, increasing our resources, and progressing towards development, through high-quality exploration and technical studies for the benefit of all Tesoro shareholders.



John Toll  
Chairman

Tesoro Gold Ltd

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The Directors present their report, together with the financial statements, of the Group (referred to hereafter as the "Consolidated Entity" or "the Group") and the entities it controlled at the end of, or during, the financial year ended 30 June 2022.

### Directors

The following persons were Directors of Tesoro Gold Ltd (*previously Tesoro Resources Limited*) during, or since the end of the financial year:

John Toll	Non-Executive Chairman
Zeffron Reeves	Managing Director
Linton Putland	Executive Director – Mining and Development ( <i>appointed 14 September 2021</i> )
Geoffrey McNamara	Non-Executive Director
Kristie Young	Non-Executive Director ( <i>appointed 14 September 2021</i> )

### Information on Directors

**John Toll** Non-Executive Chairman

#### **B Comm, CA**

Mr Toll brings valuable experience as a partner of Azure Capital Limited, a leading corporate advisory firm based in Perth, Western Australia. Mr Toll has over 15 years' experience in corporate advisory across a range of industries including mining, technology and, general industrials. He has advised local and international clients on transactions ranging from mergers and acquisitions, private capital raisings for early stage companies through to strategic and transformation financings for established businesses. Mr Toll has a Bachelor of Commerce, has completed the Institute of Chartered Accountants CA Program and a Graduate Diploma in Applied Finance.

**Zeffron Reeves** Managing Director

#### **BSc (Hons) (Applied Geology), MBA, MAIG**

Mr Reeves is a geologist with over 20 years' experience in the resources sector working on mineral resource projects through all facets of development from greenfield exploration, discovery, definition and feasibility, construction, production to closure. Mr Reeves was Managing Director of ASX listed Metallum Ltd (now Kopore Metals Ltd) which had several development and operational projects in Chile. He has also held senior management positions with Cleveland Mining Ltd and Ashburton Minerals Ltd, developing projects in Brazil. Mr Reeves has a Bachelor of Applied Geology (Honours), a Master of Business Administration from Curtin University and is a member of the Australia Institute of Geoscientists.

**Linton Putland** Executive Director – Mining and Development (*appointed 14 September 2021*)

#### **BEng, MSc (Economics)**

Mr Putland holds degrees in Mining Engineering (Bachelor of Engineering, Western Australian School of Mines) and a Masters of Science (Mineral Economics, Western Australian School of Mines) with more than 30 years' experience in mining operations, joint ventures and corporate management in Australia, Africa and the Americas, over a wide range of commodities. Mr Putland is principal of LJ Putland & Associates, a private mining consultancy company which was founded in 2002, providing advisory and consultancy services in mining project and company evaluation and due diligence appraisals with a focus on corporate growth. During this period, he has also been Managing Director of a privately-owned exploration company with joint venture interests in Africa. Prior to this he held corporate and senior management roles in IAMGOLD, Aurion Gold, Delta Gold and Pancontinental Mining. He is a Member of AusIMM and a Graduate Member of AICD.

**Geoffrey McNamara** Non-Executive Director  
**BSc (Applied Geology), AusIMM, FINSIA, AICD**

Mr McNamara is a geologist with over 30 years of international resource sector experience, operational roles include Project Manager, Senior Mine Geologist and Mine Geologist for Ivanhoe Mines, Lion Ore International and Western Mining Corporation. Previously he worked in Private Equity (FUM USD800 million) and as a Director of Societe General's Mining Finance team in New York. Geoffrey holds a Bachelors degree in Geology and a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australasia. He is a member of the Australian Institute of Company Directors (AICD) and the Australasian Institute of Mining and Metallurgy (AusIMM).

**Kristie Young** Non-Executive Director (*appointed 14 September 2021*)  
**BEng (Mining) Hons, GAICD**

Ms Young holds a Bachelor of Engineering (Mining) Hons from the University of Queensland and a Post Graduate Diploma of Education (Mathematics & IT) from the University of Western Australia. She is a graduate of the AICD and holds a Cert IV HR from the Australian HR Institute. Ms Young's more than 20 years' experience includes technical engineering, project evaluation, strategy, business development, growth, marketing, commercial, client management, consulting, governance and human resources. Prior to her Non-Executive Director portfolio career, she held senior growth and Business Development Director roles with leading professional services firms PwC and EY. As a mining engineer she worked with Mt Isa Mines, Plutonic Gold, Hammersley Iron, Gunpowder Copper, New Hampton Goldfields and Surpac.

**Joint Company Secretaries**

**Shannon Coates**

**LLB, BJuris, AGIA, ACIS, GAICD**

Ms Coates is a qualified lawyer, Chartered Secretary and graduate of the AICD's Company Directors course. She has more than 25 years' experience in corporate law and compliance, is an Executive Director of national corporate advisory firm Emerson CoSec, and is currently company secretary to a number of ASX listed companies with a strong focus on resources.

**Sarah Wilson** (*appointed 14 September 2021*)

Ms Wilson is a Company Secretary with national corporate advisory firm Emerson CoSec and has over 10 years' experience in company secretarial, corporate advisory and corporate governance roles, which have included the provision of company secretarial services to a number of resource companies. Ms Wilson holds a Certificate in Governance Practice and is a Certified Member of the Governance Institute of Australia. She is currently company secretary to a number of ASX listed companies with a strong focus on resources.

**Directorships of Other Listed Companies**

Directorships of other listed companies held by Directors currently and in the 3 years immediately before the end of the financial year are as follows:

Director	Company	Period of Directorship
John Toll	-	-
Zeffron Reeves	Culpeo Minerals Ltd	25 July 2018 - current
	Rincon Resources Ltd	07 August 2018 – 15 November 2021
Linton Putland	WA Kaolin Limited	20 May 2020 – 20 September 2022
	Breaker Resources Limited	16 August 2018 – current
	Pacific Energy Limited	18 October 2016 – 28 November 2019
	Azumah Resources Limited	18 July 2018 – 14 November 2019
Geoffrey McNamara	Culpeo Minerals Ltd	25 July 2018 - current
	Rincon Resources Ltd	07 August 2018 – 6 December 2021
	Cora Gold Ltd	09 October 2017 - 19 November 2019
	Alita Resources Ltd	14 December 2018 – 18 December 2019
Kristie Young	Lithium Australia Limited	22 December 2020 – current
	ChemX Materials Ltd	26 May 2021 - current
	Primero Group Ltd	18 August 2020 – 24 February 2021

**Principal activities**

The principal activities of the Company and its subsidiaries are the acquisition, exploration and development of commercially significant resource projects in Chile. The Company currently holds interests in Chile, namely the El Zorro Gold Project in Chile, which is prospective for gold.

### Operating results

The loss, after tax, attributable to the Group for the financial year ended 30 June 2022, amounted to \$5,349,228 (2021: \$5,570,786).

### Dividends

No dividends were paid or declared since the start of the financial year. No recommendations for payment of dividends have been made.

### Directors' Interests in Shares, Options and Performance Rights

At the date of this report, the following represents the shares, options and performance rights holdings of the Directors of the Company:

	Ordinary shares		Performance Rights	
	Direct	Indirect	Direct	Indirect
<b>Directors</b>				
John Toll <sup>1</sup>	-	3,671,696	-	-
Zeffron Reeves <sup>2</sup>	-	65,224,417	-	18,450,000
Linton Putland <sup>3</sup>	-	-	-	10,000,000
Geoffrey McNamara <sup>4</sup>	-	33,610,546	-	21,610,000
Kristie Young	375,710	-	4,550,000	-
<b>Total</b>	<b>375,710</b>	<b>102,506,659</b>	<b>4,550,000</b>	<b>50,060,000</b>

- 3,671,696 Fully Paid Ordinary Shares are held by Mr John Toll as trustee for the Toll Family Discretionary Trust.
- 65,224,417 Fully Paid Ordinary Shares and 18,450,000 performance rights are held by Mr Zeffron Charles Reeves as trustee for the Palin Trust.
- 10,000,000 performance rights are held by Mr Linton Putland as trustee for the Putland Family Trust.
- 33,610,546 Fully Paid Ordinary Shares are held by Tanamera Resources Pte Ltd (a company registered in Singapore). Geoffrey McNamara is the sole director and shareholder of Tanamera Resources Pte Ltd. 21,610,000 performance rights are held by Linkwood Holdings Pte Ltd (a company registered in Singapore). Geoffrey McNamara is a director and substantial shareholder of Linkwood Holdings Pte Ltd.



## REVIEW OF OPERATIONS

Tesoro holds interests in the highly prospective El Zorro Gold Project ("El Zorro" or "The Project") located within the Coastal Cordillera of Chile. El Zorro is favourably located and demonstrates significant scale and gold grades. Throughout FY2022, Tesoro has focussed on delineating and expanding existing gold resources at El Zorro. Drilling has produced exceptional results culminating in the delivery of an updated Mineral Resource Estimate (MRE) at the Ternera Gold Deposit (Ternera) of 1.1 million ounces of gold, as announced on 23 May 2022.

Throughout the year, the Company also completed first pass mapping and sampling work, significantly expanding the district potential for delineating additional gold resources at El Zorro.

Work also progressed on mining and development studies including the completion of detailed metallurgical test work programs and preliminary mining studies.

### El Zorro Project

#### Ternera Updated Mineral Resource

Ternera occurs within Tesoro's El Zorro Project which covers a total concession holding area of approximately 570km<sup>2</sup>, located approximately 130km north of Copiapo City, in Region III (Atacama) in northern Chile. The Ternera Deposit is 13km inland from the Pacific Ocean, 57km by road from the port of Caldera and is well supported by existing road, power, and water infrastructure.



**Figure 1** – El Zorro Project Location Map – El Zorro Gold Project Concessions in red, Ternera Gold Deposit shown at the yellow diamond.

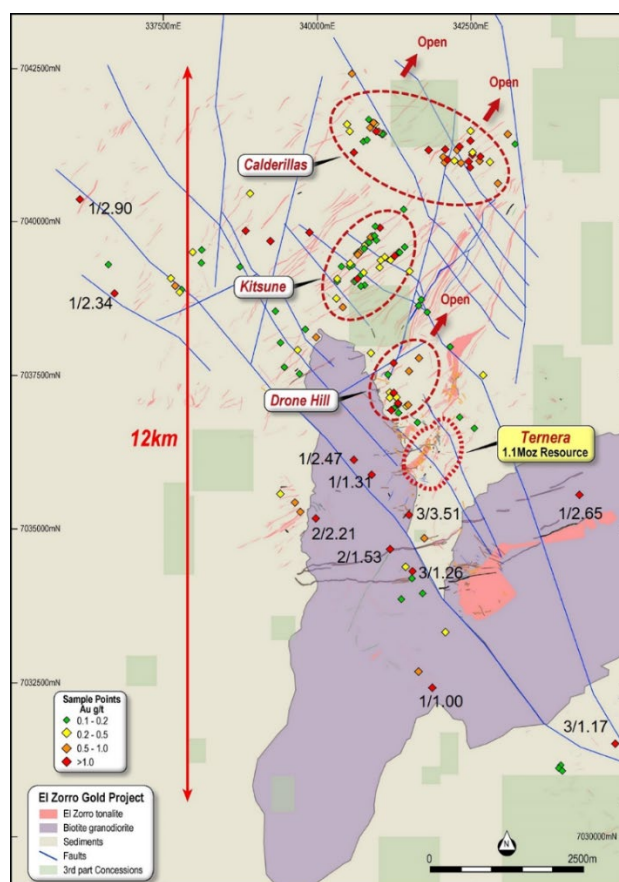
Tesoro commenced work on the Project in 2017 and has subsequently drilled 300 diamond drill holes (>100,000m), at El Zorro and defined 1.1Moz of gold resources at Ternera.

The Ternera updated MRE was announced on the 23 May 2022 and now stands at **1.1 million ounces at a grade of 1.12g/t Au** using a 0.3g/t Au cut-off grade with 46% of the MRE being classified as Indicated, refer Table 1.

Cutoff Au g/t	Indicated			Inferred			Total		
	Mt	Au g/t	koz	Mt	Au g/t	koz	Mt	Au g/t	koz
2.00	1.8	3.93	223	2.0	3.63	230	3.7	3.77	453
1.00	4.4	2.41	341	5.2	2.23	373	9.6	2.31	715
0.50	9.3	1.51	453	12.0	1.36	527	21.4	1.43	980
0.30	13.3	1.18	503	17.2	1.07	593	30.5	1.12	1,096

**Table 1** – El Zorro Gold Project, Ternera Gold Deposit updated MRE reported at various cut-offs within a AU\$2,500 (US\$1,800) per ounce optimised pit shell.

El Zorro is located within the Coastal Cordillera of Chile where Tesoro has delineated the Ternera Gold Deposit. At Ternera, gold mineralisation is predominately hosted within numerous intermediate intrusions and associated quartz and sulphide veins, veinlets, and alteration within faulted and strongly altered tonalitic intrusions (El Zorro Tonalite or EZT). The EZT intrusions have intruded Permian aged basement sedimentary sequences. Gold mineralisation at Ternera has been classified as an Intrusive Related Gold System (IRGS) which is a new style of gold mineralisation, previously undescribed in Chile. Tesoro has discovered additional gold targets in the El Zorro District which exhibit similar styles of gold mineralisation.



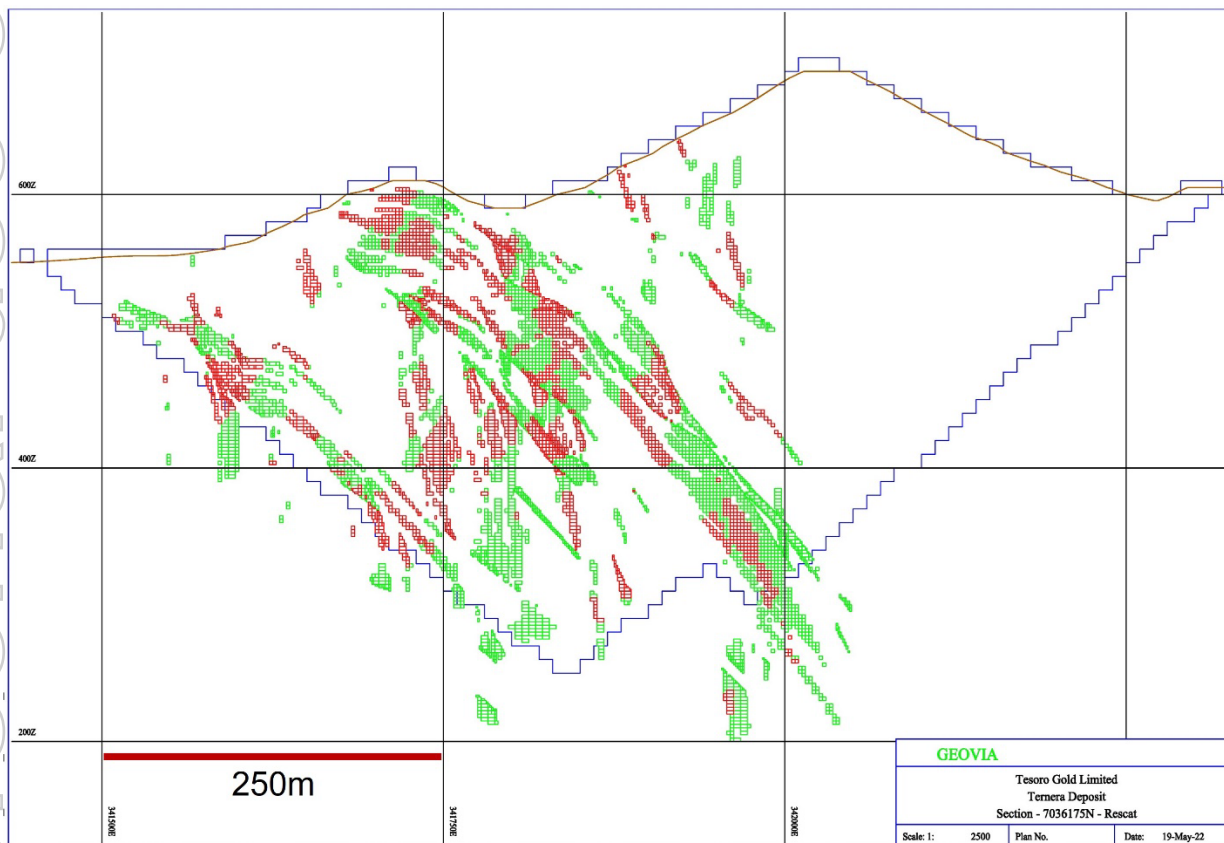
**Figure 2** – El Zorro Gold Project Ternera District Map and targets showing highlighted >1g/t first pass channel sample results reported in this announcement (width/Au g/t), demonstrating the large-scale nature of the El Zorro mineralisation system.

Mineralisation within the updated MRE has been classified according to JORC 2012 code and has been reported with an US\$1,800/oz optimised pit shell.

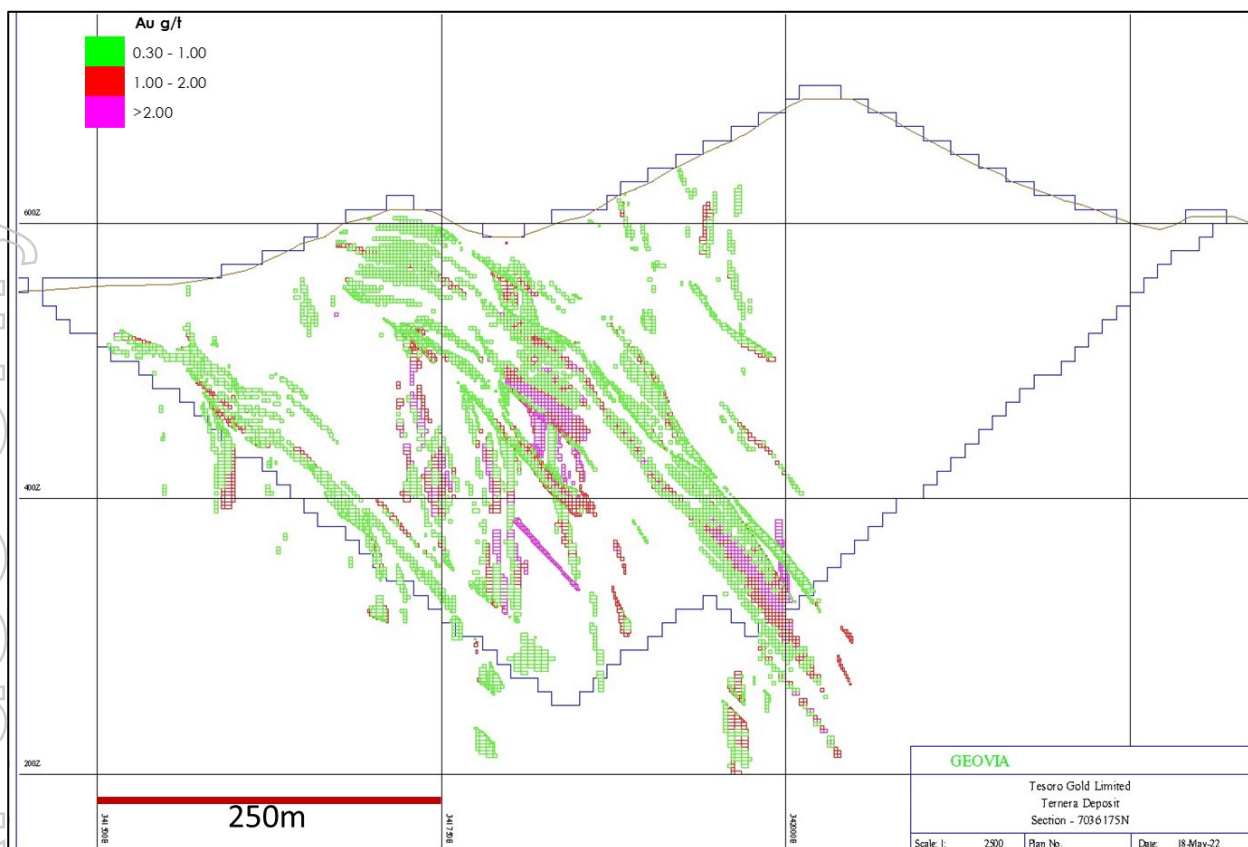
The MRE area has been drilled at sufficient drill density to be classified as indicated resources with 503koz's or 46% of the total resource being classified as indicated.

In addition, multiple, continuous, higher-grade gold zones have been defined, resulting in a Mineral Resource Estimate of **715koz's at 2.31g/t using a 1g/t Au cut-off**, demonstrating the potential of Ternera being suited to high-grade open pit mining scenarios.

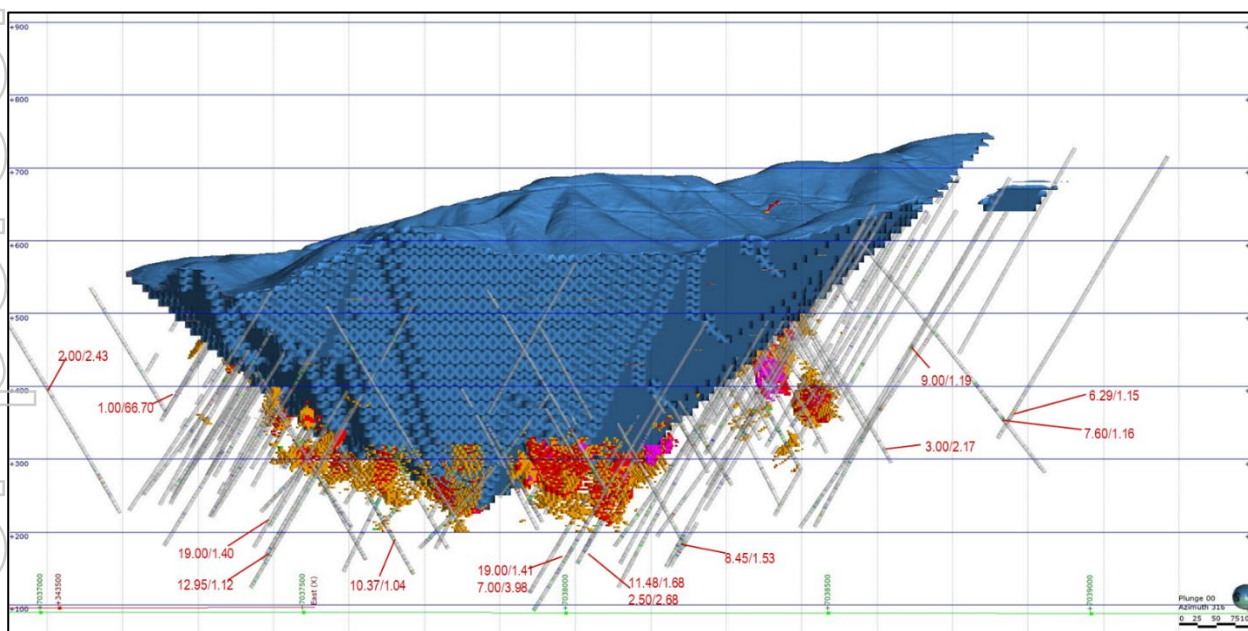
Gold mineralisation remains open in all directions and further drilling is planned to continue resource expansion and test potential Ternera repeats.



**Figure 3** – Ternera Gold Deposit Block Model Section 7036175N (looking north) showing MRE block model and US\$1,800/oz optimised open pit shell. Red = indicated classification, green = inferred classification



**Figure 4** – Ternera Gold Deposit Block Model Section 7036175N (looking north) showing MRE block model and US\$1,800/oz optimised open pit shell. Block model coloured to gold grade.



**Figure 5** – 3D view looking northwest of the Ternera updated MRE block model, US\$1,800 pit shell and drilling with selected drill highlights (downhole width/Au g/t) showing extensions requiring further drilling for resource classification. Orange, red and pink blocks below the optimised pit shell are >1.50g/t and currently are not reported in this MRE. These areas highlight high grade extensions with future underground mining potential below the optimised pit shell. 100m grid.

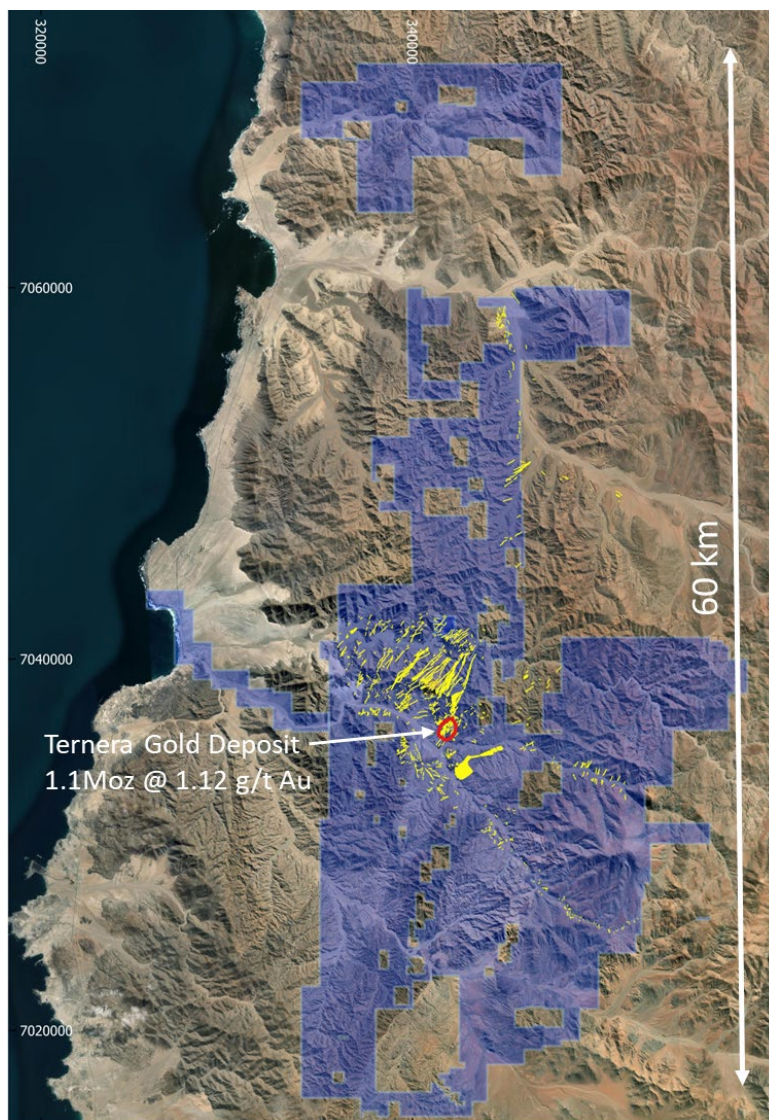
## Exploration Potential

During the year the Tesoro exploration team undertook significant surface mapping and sampling programs to further expand the prospectivity of the Project.

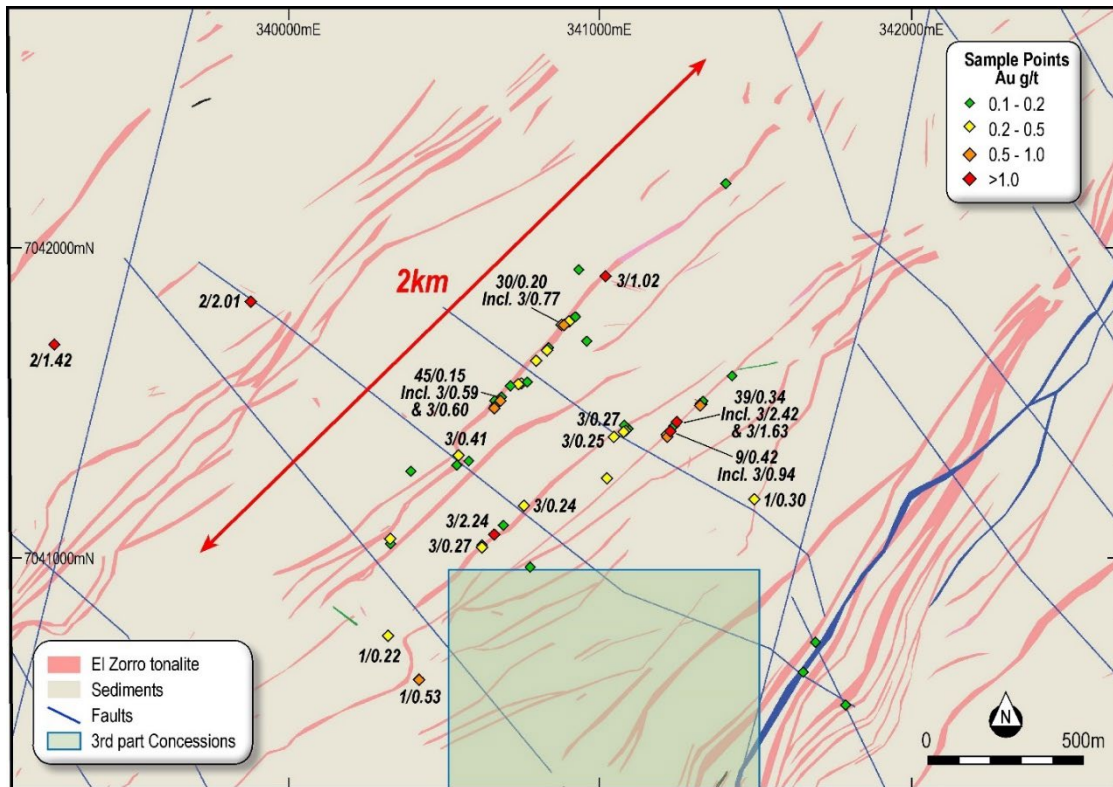
Gold mineralisation at El Zorro, and within the Ternera Gold Deposit is associated with a series of intrusive rocks called the El Zorro Tonalite (EZT). The EZT occurs as intrusions, typically as dykes, sills and as swarms. The 1.1-million-ounce Ternera Gold Deposit is predominantly hosted within a swarm of EZT dykes.

District and regional mapping at El Zorro has identified outcropping EZT intrusive rocks extending over 33km, the EZT is the favourable host and likely source of gold mineralisation at El Zorro. The widespread occurrence of the rocks confirms El Zorro as a new Chilean IRGS Gold District, the first of its kind discovered in Chile. Tesoro's concessions cover approximately 60km of prospective strike (Figure 6).

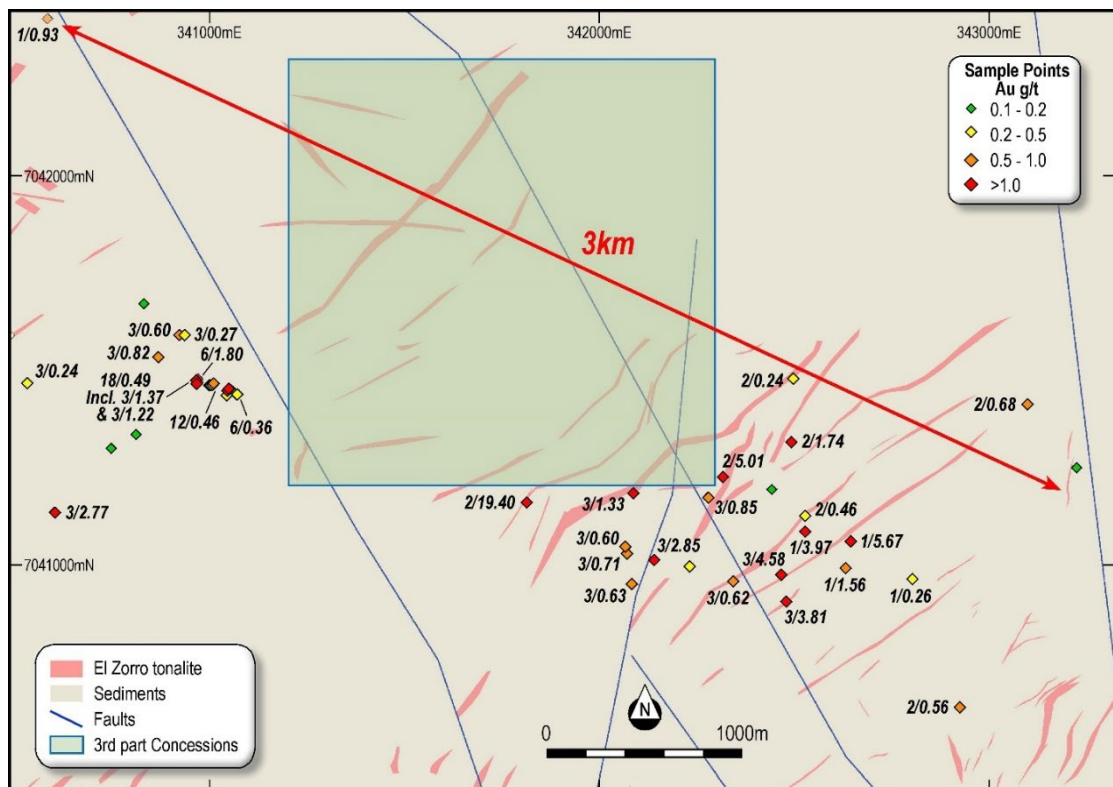
Work completed during the year confirmed that the EZT is fertile for gold over at least a 12km strike (Figure 2) with two new, highlight prospective targets having been defined, Kitsune and Calderillas (Figure 7 and 8). These targets are characterised by strike extensive dyke swarms of the EZT coincident with broad gold zones up to 45m wide in outcrop. Both targets exhibit similar gold anomaly patterns and tenor to the surface expression of gold mineralisation at Ternera.



**Figure 6** – El Zorro Gold Project Concession Area (blue). Yellow indicates mapped surface outcrop of El Zorro Tonalite bodies, the main gold host rock at El Zorro. Datum PSAD56 19.S



**Figure 7** – Kitsune simplified geology and surface gold channel samples >0.10g/t Au map showing large scale gold anomalism associated with EZT outcrops and NW trending faults. Datum PSAD56 19S.



**Figure 8** – Calderillas simplified geology and surface gold channel samples >0.10g/t Au map showing large scale gold anomalism associated with EZT outcrops. Datum PSAD56 19S.

## Metallurgical Test Work

The Company completed a second program of detailed metallurgical test work program (Phase 2) from the Ternerera Gold Deposit, which was designed to assess the gravity recovered gold component and cyanide leaching characteristics over a range of gold grades using different grind sizes to allow the selection of the most appropriate grind size for future processing. The Phase 2 test work was completed using sea water.

The Phase 2 test work was conducted on representative samples from the various mineralised zones at Ternerera over a range of grades. A total of 526kg of samples selected from the various mineralised zones that lie within the optimisation pit shell that was used to constrain the Ternerera MRE.

- The test programme successfully determined a simple processing method for recovering gold from the Ternerera gold deposit with the optimal results being:
  - Bond Ball Mill work index (Bwi) = 20.4 kWh/t (from Phase 1 Test Work Program);
  - A leach feed grind size distribution of P80 = 150µm;
  - Cyanide consumptions of 0.5kg/t;
  - Lime consumption of 4.0kg/t;
  - Gravity recovery of 45%;
  - Overall Au recovery of 94.5%; and
  - Test work undertaken using seawater.

The Phase 2 metallurgical results confirm high gravity and cyanide leach gold recoveries from Ternerera material using conventional gravity and CIL processes at a coarse grind size. Information was also produced to provide guidance on expected reagent usage to achieve these recoveries at a level appropriate for use in a Scoping Study level of assessment for the project.

These results provide the basis for a very simple, generic, preliminary processing flowsheet for the project (Figure 9).

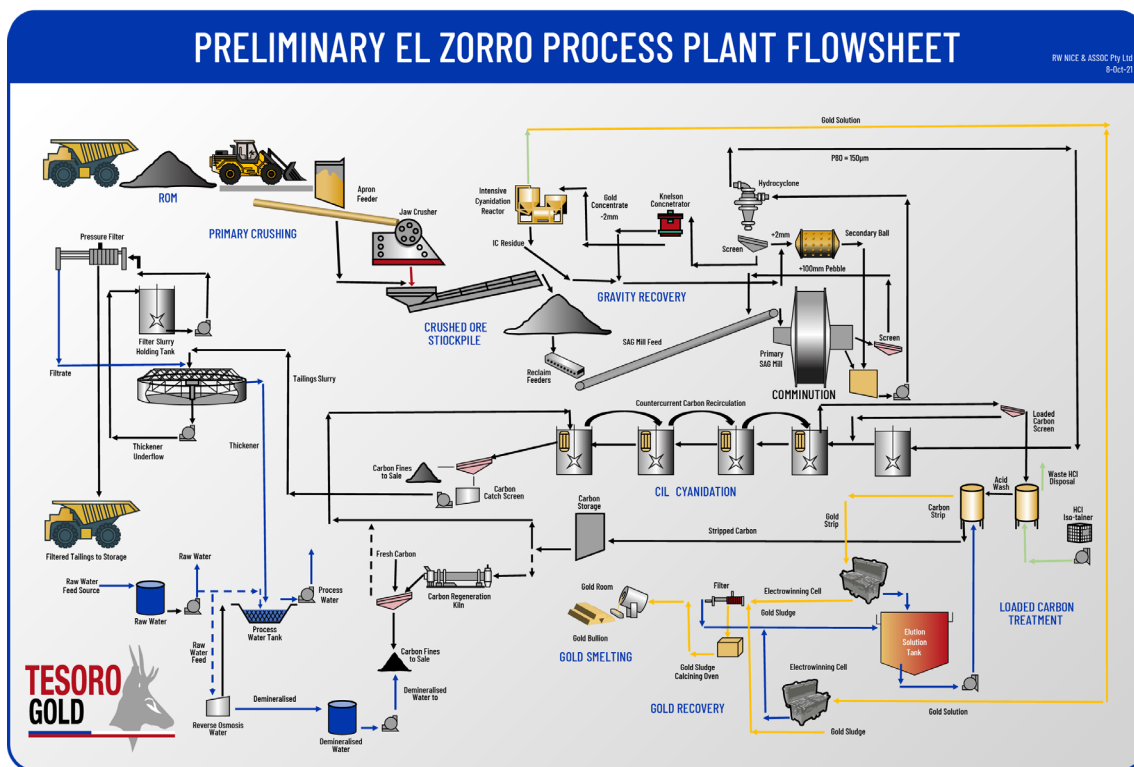


Figure 9 – El Zorro Gold project – preliminary Process Plant Flowsheet

## CORPORATE

### El Zorro Ownership

On 24 March 2021, Tesoro advised that its 95% owned Chilean subsidiary, Tesoro Mining Chile SpA (TMC), has increased its ownership of El Zorro to 85%.

Tesoro previously advised on 1 March 2021 that the original Purchase Option Agreement had been terminated and the JV company, El Zorro S.C.M., would operate on a fully diluting basis going forward.

At a shareholders' meeting of El Zorro S.C.M. held on 11 February 2021, it was resolved that an additional capital contribution of approximately CLP\$4.3 billion in total (approximately AU\$7.6 million) be made to the El Zorro S.C.M. to support the approved workplan and budget. The minority shareholder (Wanaco SpA) in the JV company elected not to participate and TMC has now contributed AU\$7.6 million to increase its ownership to 85%.

On 26 August 2021, the Company announced that it had been served notice of dispute initiated by Wanaco SpA, lodged with 7<sup>th</sup> Civil Court de Santiago de Chile.

Wanaco is disputing the valuation and the procedure followed for the capital increase approved in the Shareholders Meeting of El Zorro S.C.M held on 11 February 2021.

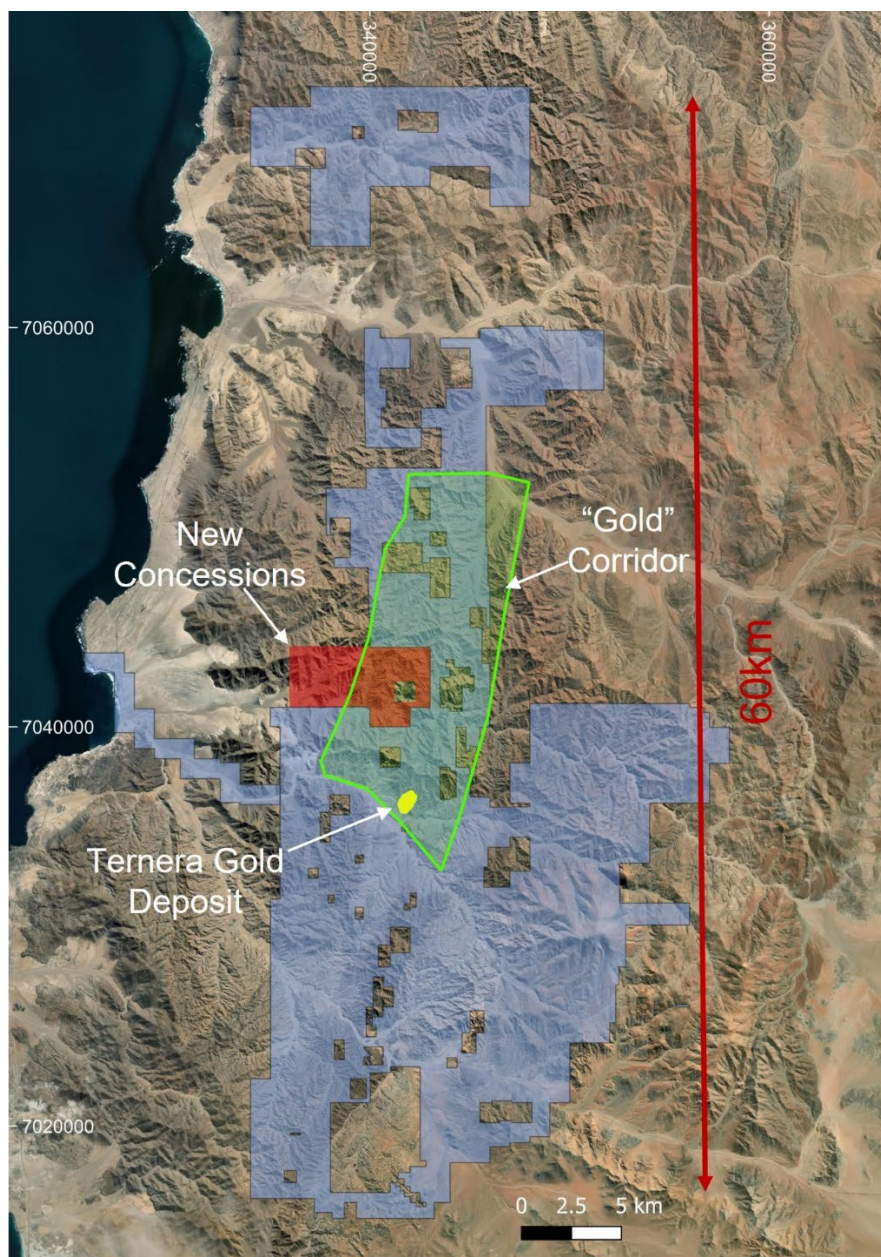
Tesoro is confident that the capital increases were appropriately valued and duly approved under Chilean corporate and mining law and the dispute initiated by Wanaco is vexatious and with no legal basis.

### El Zorro Concession Holdings

During the year the El Zorro concession holding area was increased by approximately 22km<sup>2</sup>. Tesoro Mining Chile Ltda's 85% owned El Zorro S.C.M has purchased a group of contiguous concessions adjoining the existing El Zorro concessions which cover the northern extensions of the highly prospective El Zorro Tonalite (Figure 10). The El Zorro Tonalite is the main gold host rock at El Zorro.

El Zorro S.C.M acquired 100% of the new concessions for a total consideration of CLP56 million (approximately AU\$96,000).





**Figure 10** – El Zorro Gold Project concession map. Pale blue are existing El Zorro Project concessions, red are newly acquired concessions and green highlights the gold prospective zone, PSAD56/19S datum.

### Capital Raising Activities

On 27 October 2021, the Company announced it had received firm commitments for a private placement to raise approximately AU\$4.3 million at \$0.085 per share, and a Share Purchase Plan (SPP) to raise up to \$3 million on the same terms.

The Company closed the SPP on 6 December 2021 having received valid applications for \$211,454.

On 14 June 2022, the Company announced it had received firm commitments for a private placement to raise approximately \$5.4 million. In conjunction with the Placement, on 7 July 2022 the Company issued subscribers in the Placement, one (1) attaching option exercisable at \$0.11 each and expiring 7 July 2025, for every two (2) shares issued pursuant to the Placement.

## Change of name

As approved by Shareholders at a General Meeting on 28 April 2022, the Company changed its name from Tesoro Resources Limited to Tesoro Gold Ltd.

## Director Appointments

On 14 September 2021, Mr Linton Putland and Ms Kristie Young were appointed as Executive Director – Mining and Development and Non-Executive Director, respectively. A summary of Mr Putland's and Ms Young's experience is on pages 5 and 6.

## COVID-19 Impact

All the Company's staff and contractors, including those on site at the El Zorro Project in Chile are safe. The Company has implemented procedures to ensure all staff and contractors remain safe and healthy during the COVID-19 pandemic, including regular testing, altered rosters and strict quarantining procedures. As at the date of this report, the Company's operations at the El Zorro Project have not been directly affected by COVID-19 restrictions in Chile, however the Company continues to monitor this closely with the health and wellbeing of all staff and contractors' priority.

## Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022 were:

	Board meetings	
	Attended	Eligible to attend
John Toll	8	8
Zeffron Reeves	8	8
Linton Putland <sup>1</sup>	7	7
Geoffrey McNamara	8	8
Kristie Young <sup>1</sup>	7	7

1. Appointed 14 September 2021.

The full Board currently undertakes all nomination, remuneration, audit and risk functions.

## Shares

As at the date of this report, there are 853,480,779 fully paid ordinary shares on issue.

## Options

As at the date of this report, there are 62,989,494 unissued ordinary shares of Tesoro Gold Ltd under option as detailed below:

Issued Date	Number on Issue	Expiry date	Exercise Price
7 July 2022	62,989,494	7 July 2025	\$0.11

During the year ended 30 June 2022, nil shares were issued upon the exercise of options.

## Performance Rights

As at the date of this report, there are 54,610,000 performance rights on issue which will vest subject to meeting applicable performance criteria.

During the year ended 30 June 2022, 98,262,854 performance rights vested. 48,202,854 were converted into fully paid ordinary shares prior to 30 June 2022 with 50,060,000 converting to fully paid ordinary shares on 11 July 2022. 7,908,551 performance rights issued to Chilean employees lapsed unvested on 31 January 2022.

## Financial Position

The Group had a total issued capital of \$48,945,881 (2021: \$37,156,675) at the end of the reporting period.

During the financial year, the Group had a net increase in contributed equity of \$11,789,206 (2021: \$22,657,495) net of share issue costs as a result of capital raisings during the year.

As at 30 June 2022, the total assets for the Group are \$31,106,942 (2021: \$29,858,632) and total liabilities (being trade and other payables, lease liabilities and provisions) amount to \$987,238 (2021: \$1,873,701).

The Directors believe the Group is in a strong financial position to pursue the current operations.

## Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

## Matters subsequent to the end of the financial year

On 4 July 2022, the Company announced an update to the surface sampling and mapping programs at the Company's El Zorro Gold Project.

On 8 July 2022, the Company announced the commencement of a drilling program at the Ternera Gold Deposit, El Zorro Gold Project.

On 18 July 2022, the Company announced a notice of meeting for 17 August 2022, to seek ratification for recent share and option issues.

On 23 August 2022, the Company entered into an At-the-Market Subscription Agreement (ATM) with Acuity Capital. The ATM provides Tesoro with up to \$5,000,000 of standby equity capital over the coming 30 months.

On 25 August 2022, the Company announced the granting of provisional surface easement rights over the El Zorro Gold Project area and the Chilean regulations allowing the recovery of Value Added Tax (VAT) credit for expenditure made on the acquisition of fixed assets of the El Zorro Gold Project.

On 31 August 2022, the Company announced assay results from two holes from the current drilling program at the El Zorro Gold Project.

On 12 September 2022, the Company announced assays have been received for detailed surface mapping and sampling work at the Calderillas target, 4km north of the Ternera Gold Deposit returning multiple wide, high-grade gold results.

As the impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as

maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than as discussed above, no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

### Future developments, prospects and business strategies

The Group intends to continue with the advancement of exploration at its current projects located in Chile and seek out further exploration, acquisition and development gold projects in Chile.

### Annual Mineral Resource and Ore Reserves Statement

The Company's Exploration Results, Mineral Resource and Ore Reserve estimates are reported in accordance with the ASX Listing Rules and the requirements and guidelines of the 2012 edition of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code').

The Company's Mineral Resource Estimate for the Ternera Gold Deposit at the El Zorro Project as at 30 June 2022 and the comparatives to 28 July 2021, being the release date of the Company's maiden Mineral Resource Estimate, are listed in the tables below. The Competent Person Statement for the estimate is included on page 20 of this Annual Report.

The Company's Mineral Resources inventory increased during FY2022 due to infill and extensional drilling programs as announced to ASX 23 May 2022. The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource as reported on 23 May 2022 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The Company carries out an annual review of its Mineral Resources and Ore Reserves, as required by the ASX Listing Rules. The review was carried out as at 30 June 2022.

### Mineral Resource Estimate as at 30 June 2022

	Indicated			Inferred			Total		
	Mt	Au g/t	koz	Mt	Au g/t	koz	Mt	Au g/t	koz
Ternera Gold Deposit	13.3	1.18	503	17.2	1.07	593	30.5	1.12	1,096

**Table 2** – El Zorro Gold Project, Ternera Gold Deposit updated Mineral Resource Estimate reported at a cut-off of 0.30 Au g/t within a USD1,800 per ounce optimised pit shell.

### Comparison to previous Mineral Resource Estimate (as released on 28 July 2021)

	Indicated			Inferred			Total		
	Mt	Au g/t	koz	Mt	Au g/t	koz	Mt	Au g/t	koz
Ternera Gold Deposit	2.7	0.88	75	22.4	0.81	586	25.1	0.82	661

**Table 3** – El Zorro Gold Project, Ternera Gold Deposit maiden Mineral Resource Estimate reported at a cut-off of 0.30 Au g/t within a USD2,500 per ounce optimised pit shell.

### Estimation Governance Statement

The Company ensures that all Mineral Resource and Ore Reserves estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource and Ore Reserves estimates are prepared by appropriately qualified, independent Competent Persons. If there is a material change in the estimate of a Mineral Resource or Ore Reserves, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons and announced to the ASX in accordance with the Listing Rules.

The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with JORC Code 2012.

### Competent Person's Statement

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.

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 Ltd. 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.

The information in this report that relates to Metallurgical Test Work Results is based on information compiled by Mr Linton Putland (B Eng – Mining, MSc – Mineral Economics, MAUSIMM, MAICD). Mr Putland is a member of the Australasian Institute of Mining and Metallurgy and a Director and employee of the Company. Mr Putland has sufficient experience that is relevant to the results 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 Metallurgical Results. 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 10 December 2021.

This Annual Mineral Resource and Ore Reserves Statement is based on and fairly represents the information and supporting documentation prepared by the above-mentioned Competent Persons. It is approved as a whole by Mr Zeffron Reeves.

## REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for the Key Management Personnel of the Company for the financial year ended 30 June 2022. The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

The remuneration report details the remuneration arrangements for Key Management Personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the parent company, and includes the executives in the Group.

### Key Management Personnel

The following are classified as Key Management Personnel:

#### Directors

John Toll	Non-Executive Chairman
Zeffron Reeves	Managing Director
Linton Putland	Executive Director – Mining and Development (appointed 14 September 2021)
Geoffrey McNamara	Non-Executive Director
Kristie Young	Non-Executive Director (appointed 14 September 2021)

There were no other Key Management Personnel as at 30 June 2022.

The Remuneration Report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Equity-based remuneration
- Equity instruments issued on exercise of remuneration options
- Equity instruments issued on the conversion of remuneration performance rights
- Loans to/from Key Management Personnel
- Other transactions with Key Management Personnel

#### a) Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group. The remuneration framework is designed to align executive reward to shareholders' interests. The Board considers that it should seek to enhance shareholders' interests by:

## REMUNERATION REPORT (AUDITED) (cont.)

- implementing coherent remuneration policies and practices to attract, motivate and retain executives and directors who will create value for shareholders and who are appropriately skilled and diverse;
- observing those remuneration policies and practices;
- fairly and responsibly rewards executives having regard to Group and individual performance; the performance of the executives and the general external pay environment; and
- integrating human capital and organisational issues into its overall business strategy.

Additionally, the remuneration framework must refer to the following principles when developing recommendations to the Board regarding executive remuneration:

- motivating management to pursue the Group's long-term growth and success;
- demonstrating a clear relationship between the Group's overall performance and the performance of individuals; and
- complying with all relevant legal and regulatory provisions.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

The Company has an Incentive Option and Performance Rights Plan ("IOPR") to provide incentive and reward for Eligible Participants and align the interests to participants more closely with the interests of the Shareholders. During the year ended 30 June 2022 the Company issued 14,550,000 performance rights under the IOPR to key management personnel as part of remuneration.

The Board encourages directors to hold shares in the Company. The Company has a Share Trading Policy which directors and employees are required to comply with. No shares or options were acquired by key management personnel during the year as part of remuneration other than performance rights issued under the IOPR

All remuneration paid to directors and executives is valued at the cost to the Company and expensed.

All performance rights have been valued in accordance with AASB 2, which takes into account factors such as the underlying share price, the expected vesting date and vesting probability in achieving the specified vesting hurdles at the reporting date.

### Executive Remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which may have both fixed and variable components. In respect of executive remuneration, remuneration packages should include an appropriate balance of fixed and performance-based remuneration and may contain any, or all of the following:

#### *Fixed remuneration*

Any fixed remuneration component should:

- be reasonable and fair;
- take into account the Group's legal and industrial obligations and labour market condition;
- be relative to the scale of the Group's business; and
- reflect core performance requirements and expectations.

## REMUNERATION REPORT (AUDITED) (cont.)

### *Performance-based remuneration*

Any performance-based remuneration should:

- take into account individual and corporate performance; and
- be linked to clearly specified performance targets, which should be;
- aligned to the Group's short and long-term performance objectives; and
- appropriate to its circumstances, goals and risk appetite.

### *Equity-based remuneration*

Equity-based remuneration can include options or performance rights or shares and is especially effective when linked to hurdles that are aligned to the Group's longer-term performance objectives. However, they should be designed so that they do not lead to 'short-termism' on the part of senior executives or the taking of undue risks. The Board is of the opinion that the adoption of performance-based compensation for executives is necessary to reward executives consistent with increases in shareholder returns.

### *Termination payments*

Termination payments should be agreed in advance, and any agreement should clearly address what will happen in the case of early termination. There should be no payment for removal for misconduct.

### **Non-Executive Director's Remuneration**

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

In respect of non-executive director remuneration, remuneration packages could contain cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity) and may contain any or all of the following:

- fixed remuneration – this should reflect the time commitment and responsibilities of the role;
- performance-based remuneration – The Company acknowledges that the ASX Corporate Governance Council recommends that non-executive directors should generally not receive performance-based remuneration as it may lead to bias in their decision-making and compromise their objectivity. However, the Board may from time to time form the view that an award of performance-based remuneration is appropriate in light of the Company's current position, and strategic objectives;
- equity-based remuneration – non-executive directors can receive equity-based remuneration if shareholders have approved such an allocation in accordance with the ASX Listing Rules; and
- termination payments – non-executive directors should not be provided with retirement benefit other than superannuation.

ASX Listing Rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The maximum aggregate remuneration payable to Non-Executive Directors currently stands at \$500,000 per annum.

### **Use of Remuneration Consultants**

During the financial year ended 30 June 2022, there is no use of remuneration consultants by the Group.



## REMUNERATION REPORT (AUDITED) (cont.)

### b) Details of Remuneration

Remuneration of Key Management Personnel is set out below.

Director and other KMP	Year	Short-term employee benefits		Post-employment benefits	Share-based payments		Total	Performance based % of remuneration %
		Cash salary and fees	Other fees	Superannuation	Shares	Performance Rights		
		\$	\$	\$	\$	\$	\$	
<b>Non-Executive Chairman</b>								
John Toll	2022	50,000	-	-	-	-	50,000	0.0%
	2021	50,000	-	-	-	-	50,000	0.0%
<b>Managing Director</b>								
Zeffron Reeves	2022	240,000	-	24,000	-	677,703	941,703	72.0%
	2021	240,000	-	22,800	633,333	614,225	1,510,358	40.7%
<b>Executive Director – Mining and Development</b>								
Linton Putland <sup>1,2</sup>	2022	299,400	-	24,000	-	12,857	336,257	3.8%
	2021	-	-	-	-	-	-	-
<b>Non-Executive Director</b>								
Geoffrey McNamara	2022	50,000	-	-	-	544,834	594,834	91.6%
	2021	50,000	-	-	-	906,285	956,285	94.8%
<b>Non-Executive Director</b>								
Kristie Young <sup>1</sup>	2022	36,237	-	3,624	-	6,702	46,563	14.4%
	2021	-	-	-	-	-	-	-
<b>Total</b>	<b>2022</b>	<b>675,637</b>	<b>-</b>	<b>51,624</b>	<b>-</b>	<b>1,242,096</b>	<b>1,969,357</b>	
	<b>2021</b>	<b>340,000</b>	<b>-</b>	<b>22,800</b>	<b>633,333</b>	<b>1,520,510</b>	<b>2,516,643</b>	

1. Appointed 14 September 2021

2. During the year prior to Mr Putland's appointment as a Director, LJ Putland & Associates, an entity associated with Mr Putland, was paid \$54,000 for consulting services and \$4,735 in software licence fees for the 9 months ended 30 June 2022.

### Performance Income as a Proportion of Total Income

Performance income as a proportion of total income for Key Management Personnel is disclosed in the Remuneration Report. The Managing Director's performance related income comprised 72% of his total income for FY2022. The performance related component resulted from the vesting period value ascribed to performance rights issued during the year.

## REMUNERATION REPORT (AUDITED) (cont.)

### Share-based payments

During the year, the Company issued 10,000,000 Performance Rights ("Director Performance Rights") to Executive Director of Mining and Development Mr Linton Putland and 4,550,000 Performance Rights ("NED Performance Rights") to Non-Executive Director Ms Kristie Young under the Company's Incentive Option and Performance Rights Plan. Details are as follows:

Class of Performance Right	Number issued	Vesting Condition	Expiry date
<b>Director Performance Rights</b>			
Milestone 1	1,900,000	The Company announcing a positive Definitive Feasibility Study on the El Zorro Gold Project, by 14 September 2024.	27 April 2027
Milestone 2	2,700,000	The Company announcing it has successfully entered into an agreement (or agreements) for Project Finance for the construction and commissioning of a commercial mining operation at El Zorro, by 14 September 2024 (where Project Finance includes but is not limited to a financing such as off-take agreements, debt, equity, streaming, Build Own Operate ('BOO') and Build Own Operate Transfer ('BOOT')).	27 April 2027
Milestone 3	5,400,000	The Company announcing that it has achieved first production, post commissioning of a commercial mining operation at El Zorro, by 14 September 2026	27 April 2027
<b>NED Performance Rights</b>			
NED Milestone 1	910,000	Announcement of a 2 million ounce Mineral Resource Estimate or equivalent of a gold grade of 1 gram per tonne or greater, as defined by the JORC Code at El Zorro 5 February 2024.	27 April 2027
NED Milestone 2	910,000	The Company announcing a positive Definitive Feasibility Study on the El Zorro Gold Project, by 14 September 2024.	27 April 2027
NED Milestone 3	910,000	The Company announcing it has successfully entered into an agreement (or agreements) for Project Finance for the construction and commissioning of a commercial mining operation at El Zorro, by 14 September 2024 (where Project Finance includes but is not limited to a financing such as off-take agreements, debt, equity, streaming, Build Own Operate ('BOO') and Build Own Operate Transfer ('BOOT')).	27 April 2027
NED Milestone 4	1,820,000	The Company announcing that it has achieved first production, post commissioning of a commercial mining operation at El Zorro, by 14 September 2026.	27 April 2027

## REMUNERATION REPORT (AUDITED) (cont.)

### Share-based payments (cont.)

The terms and conditions of each grant of performance rights affecting remuneration of directors in this financial year or future reporting years are as follow:

Name	Number of performance rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per performance right at grant date
Linton Putland	1,900,000	28 April 2022	14 September 2024	27 April 2027	\$0.07
	2,700,000	28 April 2022	14 September 2024	27 April 2027	\$0.07
	5,400,000	28 April 2022	14 September 2026	27 April 2027	\$0.07
Kristie Young	910,000	28 April 2022	5 February 2024	27 April 2027	\$0.07
	910,000	28 April 2022	14 September 2024	27 April 2027	\$0.07
	910,000	28 April 2022	14 September 2024	27 April 2027	\$0.07
	1,820,000	28 April 2022	14 September 2026	27 April 2027	\$0.07
Zeffron Reeves	28,794,620	29 November 2019	29 January 2023	29 January 2023	\$0.03
	9,225,000	29 November 2019	29 January 2024	29 January 2024	\$0.03
	9,225,000	29 November 2019	29 January 2025	29 January 2025	\$0.03
Geoffrey McNamara	21,265,380	29 November 2019	29 January 2023	29 January 2023	\$0.03
	10,805,000	29 November 2019	29 January 2024	29 January 2024	\$0.03
	10,805,000	29 November 2019	29 January 2025	29 January 2025	\$0.03

All performance rights were granted over unissued fully paid ordinary shares in the Company. Performance rights vest based on the provision of service over the vesting period and meeting of the vesting conditions. Performance rights are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such performance rights.

## REMUNERATION REPORT (AUDITED) (cont.)

### Additional information

The earnings/(loss) of the Group for the five years to 30 June 2022 are summarised below:

	2022	2021	2020	2019*	2018*
	\$	\$	\$	\$	\$
Sales revenue	-	-	-	-	506,188
EBITDA	(5,436,185)	(5,523,545)	(4,645,503)	(540,793)	(1,455,032)
EBIT	(5,373,738)	(5,568,163)	(4,645,831)	(540,793)	(1,455,032)
Loss before tax	(5,349,228)	(5,570,786)	(4,707,766)	(540,540)	(1,454,601)

\*In FY2018 and FY2019, the principal activities of the Group (formerly Tesoro Australia Limited) was jewellery business. On 29 January 2020, Tesoro Resources Limited completed the reverse acquisition of Tesoro Australia Pty Ltd (formerly Tesoro Australia Limited) and relisted on the ASX on 7 February 2020. From FY2020, the principal activities of the Group are the acquisition, exploration and development of commercially significant resource projects in Chile.

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2022	2021	2020	2019	2018
	\$	\$	\$	\$	\$
Share price at financial year end	0.05	0.15	0.07	0.01	0.01
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.79)	(1.03)	(3.05)	(0.31)	(0.85)

## REMUNERATION REPORT (AUDITED) (cont.)

### Equity holdings

All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the Company would have adopted if dealing at arm's length. The relevant interests of each director in share capital at the end of the reporting period are as follows:

#### Fully Paid ordinary Shares

##### Movement in shareholdings of key management personnel

	Opening balance 1 July 2021	At appointment /resignation	Granted as remuneration	On Exercise of conversion of performance rights	Other changes*	Balance at 30 June 2022
<b>Directors</b>						
John Toll <sup>1</sup>	3,671,696	-	-	-	-	<b>3,671,696</b>
Zeffron Reeves <sup>2</sup>	20,647,222	-	-	15,782,575	-	<b>36,429,797</b>
Linton Putland <sup>4</sup>	-	-	-	-	-	-
Geoffrey McNamara <sup>3</sup>	36,594,805	-	-	30,937,425	2,000,000	<b>69,532,230</b>
Kristie Young <sup>4</sup>	-	24,833	-	-	350,877	<b>375,710</b>
<b>Total</b>	<b>60,913,723</b>	<b>24,833</b>	-	<b>46,720,000</b>	<b>2,350,877</b>	<b>110,009,433</b>

\*Other changes are on-market purchases on arm's length terms

- 3,671,696 Fully Paid Ordinary Shares are held by John Toll as trustee for the Toll Family Discretionary Trust.
- 36,429,797 Fully Paid Ordinary Shares are held by Zeffron Charles Reeves as trustee for the Palin Trust.
- 25,410,546 Fully Paid Ordinary Shares are held by Tanamera Resources Pte Ltd (a company registered in Singapore). Geoffrey McNamara is the sole director and shareholder of Tanamera Resources Pte Ltd. 44,121,684 Fully Paid Ordinary Shares are held by Linkwood Holdings Pte Ltd (a company registered in Singapore). Geoffrey McNamara is a director and substantial shareholder of Linkwood Holdings Pte Ltd.
- Appointed 14 September 2021

### Performance Rights

##### Movement in Performance Rights of key management personnel

	Opening Balance 1 July 2021	Granted	Converted	Balance at 30 June 2022	Total vested at 30 June 2022
<b>Directors</b>					
John Toll	-	-	-	-	-
Zeffron Reeves <sup>5</sup>	63,027,195	-	(15,782,575)	<b>47,244,620</b>	<b>28,794,620</b>
Linton Putland <sup>6,8</sup>	-	10,000,000	-	<b>10,000,000</b>	-
Geoffrey McNamara <sup>7</sup>	73,812,805	-	(30,937,425)	<b>42,875,380</b>	<b>21,265,380</b>
Kristie Young <sup>8</sup>	-	4,550,000	-	<b>4,550,000</b>	-
<b>Total</b>	<b>136,840,000</b>	<b>14,550,000</b>	<b>(46,720,000)</b>	<b>104,670,000</b>	<b>50,060,000</b>

- 47,244,620 performance rights are held by Zeffron Charles Reeves as trustee for the Palin Trust. 28,794,620 Class B performance rights vested 23 May 2022 and subsequently converted to shares on 11 July 2022.
- 10,000,000 performance rights are held by Linton Putland as trustee for the Putland Family Trust
- 42,875,380 performance rights are held by Linkwood Holdings Pte Ltd (a company registered in Singapore). Geoffrey McNamara is a director and substantial shareholder of Linkwood Holdings Pte Ltd. 21,265,380 Class B performance rights vested 23 May 2022 and subsequently converted to shares on 11 July 2022.
- Appointed 14 September 2021

## REMUNERATION REPORT (AUDITED) (cont.)

### c) Service Agreements

Key Management Personnel employment terms are formalised in a service agreement, a summary of which is set out below.

Name	Base Salary/Fees	Terms of Agreement	Termination Notice Period
Mr Zeffron Reeves (Managing Director)	\$240,000 per annum plus superannuation	Until terminated	3 months written notice
Mr Linton Putland (Executive Director – Mining and Development) (appointed 14 September 2021)	\$330,000 per annum inclusive of superannuation	Until terminated	3 months written notice

#### Non-Executive Directors

All non-executive directors were appointed by a letter of appointment. Directors can retire in writing as set out in the Constitution.

### d) Equity-Based Remuneration

The Company rewards Directors for their performance and aligns their remuneration with the creation of shareholder wealth by issuing performance rights. Equity-based remuneration is at the discretion of the Board and no individual has a contractual right to receive any guaranteed benefits.

During the year, the Company issued 10,000,000 performance rights to Mr Linton Putland pursuant to the Executive Services Agreement dated 14 September 2021 and 4,550,000 performance rights to Ms Kristie Young as approved by shareholders at a general meeting held 28 April 2022.

There were no other equity-based issues to key management personnel during the year.

### e) Equity instruments issued on exercise of remuneration options

No remuneration options were exercised during the financial year.

### f) Equity Instruments Issued on the Conversion of Remuneration Performance Rights

On 5 August 2021, the Company issued 46,720,000 fully paid ordinary shares upon the conversion of Class A Performance Rights issued to Zeffron Reeves and Geoffrey McNamara.

On 23 May 2022, 50,060,000 Class B performance rights vested and subsequently converted to 50,060,000 fully paid ordinary shares on 11 July 2022. Refer Note 13.

### g) Loans to/from Key Management Personnel

On 27 May 2022, Tanamera Pte Ltd, an entity of which Mr Geoffrey McNamara is a director, loaned \$200,000 to the Company with a \$16,000 finance charge of 8%. On 21 June 2022, the Company made repayment in full.

There were no other loans with key management personnel of the Company during the financial year.

## REMUNERATION REPORT (AUDITED) (cont.)

### h) Other Transactions with Key Management Personnel

An entity associated with Mr Geoffrey McNamara, a Director, Tanamera Resources Pte Ltd, was paid \$115,500 (2021: \$87,000) in consulting fees.

An entity associated with Mr Linton Putland, a Director, LJ Putland & Associates was paid \$54,000 (2021: nil) for consulting fees prior to appointment as a Director of the Company and \$4,735 (2021: nil) in software licence fees.

Tesoro Gold Ltd provided administrative support services to Culpeo Minerals Limited, a company associated with directors, Mr Geoffrey McNamara and Mr Zeffron Reeves, for \$16,640 (2021: \$2,538).

Tesoro Gold Ltd provided administrative support services and office space to Rincon Resources Limited, a company previously associated with directors, Mr Geoffrey McNamara and Mr Zeffron Reeves, for \$24,460 (2021: \$7,910). Rincon Resources Limited is no longer a related party of the Group as of 30 June 2022.

#### Outstanding balances with related parties during the year ended:

	30 June 2022 \$	30 June 2021 \$
Tanamera Pte Ltd, an entity associated with Mr Geoffrey McNamara	170,344	-
LJ Putland & Associates, an entity associated with Mr Linton Putland	579	-

#### Voting and Comments at the Company's 2021 Annual General Meeting

The adoption of the Remuneration Report for the financial year ended 30 June 2021 was put to the shareholders of the Company at the Annual General Meeting held on 25 October 2021. The Company received 99.25% of the vote, of those shareholders who exercised their right to vote, in favour of the remuneration report for the 2021 financial year. The resolution was passed without amendment on a poll. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration policies.

#### END OF REMUNERATION REPORT

##### Diversity

The Company believes that the promotion of diversity on its Board and within the organisation generally is good practice and is committed to managing diversity as a means of enhancing the Company's performance. As at 30 June 2022, there is one woman on the Company's Board, in addition, the contract Joint Company Secretaries and CFO are female.

The Company as set out in the Diversity Policy, (accessible from the Company's website) will focus on participation of women on its Board and within senior management and intends to set measurable objectives for achieving gender diversity which will be adhered to once the size and scale of the Company increases sufficiently to permit further additions to the Board or senior management.

## Environmental Regulation

The Directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act will have no effect on the Company for the current or subsequent financial year. The Directors will reassess this position as and when the need arises.

## Unissued Shares Under Option

There are currently 62,989,494 unissued shares under option of the Company.

## Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

The Group has a Directors and Officers insurance policy in place.

## Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

## Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the group are important.

Details of the amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 24 to the financial statements.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.



### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

### Auditors

RSM Australia Partners continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



---

John Toll  
Non-Executive Chairman  
23 September 2022

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Tesoro Gold Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 23 September 2022

**THE POWER OF BEING UNDERSTOOD**  
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

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		Consolidated	
		30 June 2022 \$	30 June 2021 \$
Interest income		826	2,323
Other income		48,941	68,743
Administration expenses		(350,671)	(228,265)
Consultants expense		(299,123)	(289,442)
Corporate and compliance expenses		(300,421)	(256,988)
Depreciation		(62,447)	(44,618)
Employee related expenses		(559,900)	(357,303)
Equity based payment	13	(1,161,217)	(2,451,120)
Foreign currency translation		51,474	(136,388)
Impairment of assets	19	(1,941,280)	(1,555,202)
Interest and finance expenses		(24,510)	(2,623)
Legal and professional fees		(648,797)	(304,412)
Other expenses		(102,103)	(15,491)
<b>Loss before income tax</b>		<b>(5,349,228)</b>	<b>(5,570,786)</b>
<b>Income tax expense</b>	11	-	-
<b>Loss after tax</b>		<b>(5,349,228)</b>	<b>(5,570,786)</b>
<b>Other comprehensive (loss)/income</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		(3,814,160)	410,142
<b>Other comprehensive (loss)/income for the year, net of tax</b>		<b>(3,814,160)</b>	<b>410,142</b>
<b>Total comprehensive loss for the year</b>		<b>(9,163,388)</b>	<b>(5,160,644)</b>
<b>Loss attributable to:</b>			
Non-controlling interests		(288,879)	(222,976)
Members of the parent		(5,060,349)	(5,347,810)
		<b>(5,349,228)</b>	<b>(5,570,786)</b>
<b>Total comprehensive loss attributable to:</b>			
Non-controlling interests		(288,879)	(222,976)
Members of the parent		(8,874,509)	(4,937,668)
		<b>(9,163,388)</b>	<b>(5,160,644)</b>
Basic and diluted loss per share attributable to members of the parent	16	(0.79)	(1.03)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

		Consolidated	
		As at 30 June 2022 \$	As at 30 June 2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	3,949,773	13,728,277
Trade and other receivables	4	751,589	329,534
<b>TOTAL CURRENT ASSETS</b>		<b>4,701,362</b>	<b>14,057,811</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation expenditure	5	26,063,374	15,506,028
Plant and equipment	6	205,182	75,839
Right-of-use assets	25	137,024	218,954
<b>TOTAL NON-CURRENT ASSETS</b>		<b>26,405,580</b>	<b>15,800,821</b>
<b>TOTAL ASSETS</b>		<b>31,106,942</b>	<b>29,858,632</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7a	805,049	1,726,468
Provisions	7b	73,251	35,887
Lease liabilities	7c	22,804	2,422
<b>TOTAL CURRENT LIABILITIES</b>		<b>901,104</b>	<b>1,764,777</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	8	86,134	108,924
<b>Total Non-Current Liabilities</b>		<b>86,134</b>	<b>108,924</b>
<b>TOTAL LIABILITIES</b>		<b>987,238</b>	<b>1,873,701</b>
<b>NET ASSETS</b>		<b>30,119,704</b>	<b>27,984,931</b>
<b>EQUITY</b>			
Issued capital	9	48,945,881	37,156,675
Reserves	10	(1,882,516)	2,422,689
Accumulated losses		(18,790,191)	(13,729,842)
<b>Equity attributable to owners of the Company</b>		<b>28,273,174</b>	<b>25,849,522</b>
Non-controlling interest		1,846,530	2,135,409
<b>TOTAL EQUITY</b>		<b>30,119,704</b>	<b>27,984,931</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

**Tesoro Gold Ltd**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 30 June 2022**



	Issued Capital	Accumulated Losses	Equity Based Payment Reserve	Foreign Currency Reserve	Non-Controlling Interest	Total Equity
CONSOLIDATED	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	<b>37,156,675</b>	<b>(13,729,842)</b>	<b>2,228,337</b>	<b>194,352</b>	<b>2,135,409</b>	<b>27,984,931</b>
Loss for the year	-	(5,060,349)	-	-	(288,879)	(5,349,228)
Exchange differences arising on translation of foreign currency	-	-	-	(3,814,160)	-	(3,814,160)
<b>Total comprehensive loss for the year</b>	-	<b>(5,060,349)</b>	-	<b>(3,814,160)</b>	<b>(288,879)</b>	<b>(9,163,388)</b>
Shares issued in Placements (Note 9)	9,734,101	-	-	-	-	9,734,101
Shares issued in Share Purchase Plan (Note 9)	1,209,999	-	-	-	-	1,209,999
Conversion of Performance Rights – Class A (Note 9, 10)	1,517,262	-	(1,517,262)	-	-	-
Performance Rights vesting expense for the year (Note 10, 13)	-	-	1,026,217	-	-	1,026,217
Capital raising costs	(672,156)	-	-	-	-	(672,156)
<b>Balance at 30 June 2022</b>	<b>48,945,881</b>	<b>(18,790,191)</b>	<b>1,737,292</b>	<b>(3,619,808)</b>	<b>1,846,530</b>	<b>30,119,704</b>

	Issued Capital	Accumulated Losses	Equity Based Payment Reserve	Foreign Currency Reserve	Non-Controlling Interest	Total Equity
CONSOLIDATED	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>14,499,180</b>	<b>(6,023,647)</b>	<b>410,550</b>	<b>(215,790)</b>	-	<b>8,670,293</b>
Loss for the year	-	(5,347,810)	-	-	(222,976)	(5,570,786)
Exchange differences arising on translation of foreign currency	-	-	-	410,142	-	410,142
<b>Total comprehensive loss for the year</b>	-	<b>(5,347,810)</b>	-	<b>410,142</b>	<b>(222,976)</b>	<b>(5,160,644)</b>
Recognition of NCI	-	(2,358,385)	-	-	2,358,385	-
Capital raising	22,581,289	-	-	-	-	22,581,289
Equity based payments	1,283,120	-	1,817,787	-	-	3,100,907
Capital raising costs	(1,206,914)	-	-	-	-	(1,206,914)
<b>Balance at 30 June 2021</b>	<b>37,156,675</b>	<b>(13,729,842)</b>	<b>2,228,337</b>	<b>194,352</b>	<b>2,135,409</b>	<b>27,984,931</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

		Consolidated	
		Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
<b>Cash flows from operating activities</b>			
Interest received		826	2,323
Interest paid		(24,510)	(2,623)
ATO cash flow boost received		-	57,304
Other income (inclusive of GST)		48,941	11,439
Payments to suppliers and employees (inclusive of GST)		(2,179,660)	(1,215,928)
<b>Net cash flows used in operating activities</b>	22	<b>(2,154,403)</b>	<b>(1,147,485)</b>
<b>Cash Flows from investing activities</b>			
Payments for exploration and evaluation		(16,996,521)	(12,321,311)
Purchase of plant and equipment		(171,580)	(83,114)
<b>Net cash flows used in investing activities</b>		<b>(17,168,101)</b>	<b>(12,404,425)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issue		10,546,100	22,538,811
Payments for share issue cost		(672,158)	(1,004,955)
Repayment of lease liabilities		(8,799)	(142,839)
Proceeds from borrowings		200,000	-
Repayment of borrowings		(200,000)	-
<b>Net cash flows from financing activities</b>		<b>9,865,143</b>	<b>21,391,017</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(9,457,361)</b>	<b>7,839,107</b>
Cash and cash equivalents at beginning of the financial year		13,728,277	5,871,130
Effect of exchange rate changes on cash and cash equivalents		(321,143)	18,040
<b>Cash and cash equivalents at end of the financial year</b>		<b>3,949,773</b>	<b>13,728,277</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

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## Note 1. Statement of significant accounting policies

This financial report includes the financial statements and notes of Tesoro Gold Ltd (previously *Tesoro Resources Limited*) and controlled entities ("consolidated entity" or the "Group"). The separate financial statements and notes of Tesoro Gold Ltd as an individual parent entity ("Company") have not been presented within this financial report as permitted by the Corporations Act 2001.

### **Basis of Preparation**

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The Company is an ASX listed public company, incorporated in Australia and operating in Australia and Chile.

The Group's principal activities are mineral exploration.

### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of plant and equipment and derivative financial instruments.

### **Statement of Compliance**

The financial report was authorised for issue on 23 September 2022.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

### **New or Amended Accounting Standards and Interpretations Adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## Note 1. Statement of significant accounting policies (cont.)

### Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tesoro Gold Ltd ("Company" or "parent entity") as at 30 June 2022 and the results of all subsidiaries for the period then ended. Tesoro Gold Ltd and its subsidiaries together are referred to in these financial statements as the "consolidated entity" or "Group".

Subsidiaries are all those entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in statement of profit or loss and other comprehensive income.

### Foreign Currency Translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

#### *Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of profit or loss and other comprehensive income.

#### *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.



### Note 1. Statement of Significant Accounting Policies (cont.)

The foreign currency reserve is recognised in statement of profit or loss and other comprehensive income when the foreign operation or net investment is disposed of.

### Note 2. Significant Accounting Estimates and Judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

*Exploration and evaluation expenditure:*

The Directors have conducted a review of the Group's capitalised exploration expenditure to determine the existence of any indicators of impairment. Based upon this review, the Directors have determined that no impairment exists.

*Share-based payment transactions:*

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model.

The fair value is expensed over the vesting period.

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30 June 2022 \$	30 June 2021 \$
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### Note 3. Cash and Cash Equivalent

Cash at bank	3,949,773	13,728,277
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Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above. Cash at bank earns interest at floating rates based on daily bank deposit rates.

30 June 2022 \$	30 June 2021 \$
-----------------------	-----------------------

### Note 4. Trade and Other Receivables

Advances to external parties	223,049	169,110
Advances to related parties	-	21,283
Other receivables <sup>(1)</sup>	398,000	3,794
GST/VAT receivable	54,257	39,860
Prepayments	42,136	95,487
Deposits	34,147	-
	<u>751,589</u>	<u>329,534</u>

(1) In June 2022, the Company successfully completed a \$5.4 million capital raising (before costs). As of 30 June 2022, there remained a \$398,000 receivable to the Company in relation to the Placement.

Current trade receivables are non-interest bearing and are normally settled on 60-day terms. This balance is current receivables incurred on a day to day operational basis and considered unimpaired.

#### *Expected credit losses*

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

Where applicable, in measuring the expected credit losses, the trade receivables are assessed on a collective basis as they possess shared credit risk characteristics. They are grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for sales over the past 48 months before 30 June 2022 and 30 June 2021 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

**Note 5. Exploration and Evaluation Expenditure**

	30 June 2022 \$	30 June 2021 \$
Costs carried forward in respect of areas of interest	15,506,028	2,934,007
Exploration expenditure capitalised	13,823,930	11,890,574
Option payment	-	380,000
Foreign currency translation	(3,266,584)	301,447
	<u>26,063,374</u>	<u>15,506,028</u>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
  - (i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
  - (ii) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching, assaying, sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to a mine development asset.

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**Note 6. Plant and Equipment**

	30 June 2022 \$	30 June 2021 \$
<i>Plant and equipment</i>		
At cost	198,172	37,312
Accumulated depreciation	(25,189)	(3,042)
Total Plant and equipment	<u>172,983</u>	<u>34,270</u>
<i>Office equipment</i>		
Beginning of period	38,490	38,173
Accumulated depreciation	(18,424)	(5,388)
Total Office equipment	<u>20,066</u>	<u>32,785</u>
<i>Leasehold improvements</i>		
At cost	20,362	9,765
Accumulated depreciation	(8,229)	(981)
Total Leasehold improvements	<u>12,133</u>	<u>8,784</u>
<b>Movements in Plant and Equipment</b>		
<i>Movements in plant and equipment</i>		
Beginning of the year	34,270	322
Additions	162,479	36,379
Depreciation	(21,931)	(2,549)
Foreign current translation	(1,835)	118
Balance at end of the year	<u>172,983</u>	<u>34,270</u>
<i>Movements in office equipment</i>		
Beginning of the year	32,785	998
Additions	317	36,304
Depreciation	(10,932)	(5,107)
Foreign current translation	(2,104)	590
Balance at end of the year	<u>20,066</u>	<u>32,785</u>
<i>Movements in leasehold improvements</i>		
Beginning of the year	8,784	-
Additions	10,597	9,765
Depreciation	(7,248)	(981)
Balance at end of the year	<u>12,133</u>	<u>8,784</u>
<b>Total Plant and Equipment</b>	<u>205,182</u>	<u>75,839</u>

## Note 6. Plant and Equipment (cont.)

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated over the estimated useful life of the assets as follows:

- Plant and equipment – over 5 to 15 years (diminishing value)
- Computer equipment – 3 years (diminishing value)
- Leasehold improvements – 3-10 years (diminishing value)

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount with the impairment loss recognised in statement of profit or loss and other comprehensive income.

### *Derecognition and disposal*

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss and other comprehensive income in the year the asset is derecognised.

## Note 7. Current Liabilities

### (a) Trade and Other Payables

	30 June 2022 \$	30 June 2021 \$
Trade payables <sup>(i)</sup>	376,569	1,452,675
Other payables	428,480	273,793
	<u>805,049</u>	<u>1,726,468</u>

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms.

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

**Note 7. Current Liabilities (cont.)**

**(b) Provisions**

	30 June 2022 \$	30 June 2021 \$
Annual leave	73,251	35,887
	<u>73,251</u>	<u>35,887</u>

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as an expense.

**(c) Lease liabilities**

	30 June 2022 \$	30 June 2021 \$
Lease liabilities	22,804	2,422
	<u>22,804</u>	<u>2,422</u>

Refer Note 8 and Note 25 for further details.

**Note 8. Non-Current Liabilities**

Lease liabilities	86,134	108,924
	<u>86,134</u>	<u>108,924</u>

Refer Note 25 for further details.

*Lease liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

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### Note 8. Non-Current Liabilities (cont.)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to the statement of profit or loss and other comprehensive income if the carrying amount of the right-of-use asset is fully written down.

30 June 2022 \$	30 June 2021 \$
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### Note 9. Issued Capital

758,420,779 (2021: 554,997,627) issued and fully paid ordinary shares

48,945,881	37,156,675
48,945,881	37,156,675

Movement in ordinary shares on issue  
Opening balance

30 June 2021 Number	30 June 2021 \$
435,946,211	14,499,180

Shares issued on acceleration of option exercise El Zorro project<sup>1</sup>  
Shares issued in lieu of payment for advisory services<sup>2</sup>  
Shares issued to Director as remuneration<sup>3</sup>  
Accelerated Offer – Retail component<sup>4</sup>  
Accelerated Offer – Shortfall component<sup>5</sup>  
Placement<sup>6</sup>  
Shares issued in lieu of payment for capital raising fees<sup>7</sup>  
Share Purchase Plan<sup>8</sup>  
Share issue costs  
**At 30 June 2021**

5,000,000	380,000
659,562	19,787
8,333,333	633,333
13,000,281	780,017
13,354,536	801,272
66,666,667	18,000,000
925,926	250,000
11,111,111	3,000,000
-	(1,206,914)
<b>554,997,627</b>	<b>37,156,675</b>

Movement in ordinary shares on issue  
Opening balance

30 June 2022 Number	30 June 2022 \$
<b>554,997,627</b>	<b>37,156,675</b>

Conversion of Performance Rights – Class A<sup>9</sup>  
Placement – shares issued at \$0.085 per share<sup>10</sup>  
Share Purchase Plan – shares issued at \$0.085 per share<sup>11</sup>  
Share Purchase Plan Shortfall - shares issued at \$0.085 per share<sup>11</sup>  
Placement – June 22 shares issued at \$0.06 per share<sup>10</sup>  
Share issue costs  
**At 30 June 2022**

48,202,854	1,517,262
51,000,012	4,335,001
2,470,577	209,999
11,764,706	1,000,000
89,985,003	5,399,100
-	(672,156)
<b>758,420,779</b>	<b>48,945,881</b>

## Note 9. Issued Capital (cont.)

- <sup>1</sup> 5,000,000 fully paid ordinary shares issued at fair value of \$0.076 per share.  
<sup>2</sup> 659,562 fully paid ordinary shares issued at fair value of \$0.03 per share.  
<sup>3</sup> 8,333,333 fully paid ordinary shares issued at fair value of \$0.076 per share.  
<sup>4</sup> 13,000,281 fully paid ordinary shares issued at \$0.06 per share.  
<sup>5</sup> 13,354,536 fully paid ordinary shares issued at \$0.06 per share.  
<sup>6</sup> 66,666,667 fully paid ordinary shares issued at \$0.27 per share.  
<sup>7</sup> 925,926 fully paid ordinary shares issued at \$0.27 per share.  
<sup>8</sup> 11,111,111 fully paid ordinary shares issued at \$0.27 per share.  
<sup>9</sup> Refer Note 13 for share-based payment details.  
<sup>10</sup> Total shares issued through placements is \$9,734,101.  
<sup>11</sup> Total shares issued through Share Purchase Plan is \$1,209,999.

### Terms of Ordinary Shares

#### Voting Rights

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

## Note 10. Reserves

	30 June 2022 \$	30 June 2021 \$
Equity based payments	1,737,292	2,228,337
Foreign currency translation	(3,619,808)	194,352
Balance at end of the year	<u>(1,882,516)</u>	<u>2,422,689</u>
<i>Movement in Equity Based Payments Reserve</i>		
Opening balance	2,228,337	410,550
Equity based payments	1,026,217	1,817,787
Conversion of Performance rights – Class A	(1,517,262)	-
Balance at end of the year	<u>1,737,292</u>	<u>2,228,337</u>
<i>Movement in Foreign Currency Reserve</i>		
Opening balance	194,352	(215,790)
Foreign currency translation movement	(3,814,160)	410,142
Balance at end of the year	<u>(3,619,808)</u>	<u>194,352</u>

#### Equity Based Payments Reserve:

This reserve is used to record the value of equity benefits provided to directors and employees as part of their remuneration. Refer to Note 13.

#### Foreign Currency Translation Reserve:

Foreign currency translation reserve records exchange differences arising on translation of the subsidiaries' functional currency (Chilean Pesos) into presentation currency at balance date.



**Note 11. Income Tax**

**a. The components of tax expense/(benefit) comprise:**

	30 June 2022 \$	30 June 2021 \$
Current tax	-	-
Deferred tax	-	-
Income tax expense/(benefit) reported in statement of profit or loss and other comprehensive income	-	-

**b. The prima facie tax expense/(benefit) on loss from ordinary activities before income tax is reconciled to the income tax as follows:**

Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2021: 26%)	(1,604,768)	(1,448,404)
Add tax effect of:		
- Revenue losses not recognised	619,561	397,001
- Other non-allowable items	1,021,625	1,115,223
- Other deferred tax balances not recognised	(36,418)	(48,921)
- Other non-allowable items	-	(14,899)
Income tax expense/(benefit) reported in the consolidated statement of profit or loss and other comprehensive income from ordinary operations	-	-

**c. Deferred tax recognised at 30% (2021: 30%):**

**Deferred tax liabilities:**

- Leases	(4,164)	(17,314)
- Unrealised foreign exchange gain	-	(5,689)
- Prepayments	-	(600)
	(4,164)	(23,603)

**Deferred tax assets:**

- Carry forward revenue losses	4,164	23,603
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**Net deferred tax**

	-	-
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**d. Unrecognised deferred tax assets at 30% (2021: 30%):**

Carry forward revenue losses	2,658,830	2,129,235
Carry forward capital losses	73,900	73,900
Capital raising costs	108,172	125,351
Borrowing costs	32,703	32,703
Provisions and accruals	27,804	16,766
Other	-	30
	2,901,409	2,377,985

The tax benefits of the above deferred tax assets will only be obtained if:

- the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the Company continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the Company in utilising the benefits.

## Note 12. Key Management Personnel Disclosures

The aggregate compensation made to the directors and other key management personnel of the Group is set out below:

	2022	2021
	\$	\$
Short-term benefits	675,637	340,000
Post-employment benefits	51,624	22,800
Share-based payments	1,242,096	2,153,843
	<b>1,969,357</b>	<b>2,516,643</b>

## Note 13. Equity Based Payments

Equity based payments included in the Statement of Financial Position for the year are as follows:

	30 June 2022	30 June 2021
	\$	\$
5,000,000 shares issued to the vendor of the El Zorro project included in exploration and evaluation expenditure (Note 9)	-	380,000
925,926 shares issued in lieu of capital raising fees (Note 9)	-	250,000

Equity based payments included in the Statement of Profit or Loss and Other Comprehensive Income for the period are detailed below:

	30 June 2022	30 June 2021
	\$	\$
659,562 shares issued to consultant included in statement of profit or loss and other comprehensive income as legal and professional fees (Note 9)	-	19,787
Performance rights and share issued included in statement of profit or loss and other comprehensive income as equity based payments expense		
8,333,333 shares issued as remuneration to a director <sup>(1)</sup>	-	633,333
Performance rights vesting period expense - Directors <sup>(2)*</sup>	1,222,537	1,520,510
Performance rights vesting period expense - Directors <sup>(3)*</sup>	19,559	-
Performance rights vesting period expense - employees <sup>(4)*</sup>	(215,879)	297,277
3,000,000 shares approved for issue to Chilean employees as a bonus	135,000	-
	<b>1,161,217</b>	<b>2,451,120</b>

\*Total performance rights vesting expense for the year is \$1,026,217 (2021: \$1,817,787).

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### Note 13. Equity Based Payments (cont.)

(1) On 3 July 2020, pursuant to the Executive Services Agreement between the Company and Mr Zeffron Reeves, the Company issued 8,333,333 fully paid ordinary shares at fair value of \$0.076 per share. Refer to Note 9.

(2) Director Performance Rights

On 31 January 2020, the Company issued Performance Rights to the Company's Managing Director and Non-executive Director in connection with their appointments as directors upon the reverse acquisition of Tesoro Australia Limited completed 29 January 2020.

As at 30 June 2022, the Company had on issue 90,120,000 Performance Rights to Mr Zeffron Reeves and Mr Geoffrey McNamara (30 June 2021: 136,840,000). On 5 August 2021, 46,720,000 Class A Performance Rights converted to fully paid ordinary shares on a 1:1 basis. On 23 May 2022, 50,060,000 Class B Performance Rights vested and subsequently converted to fully paid ordinary shares on a 1:1 basis on 11 July 2022.

The total amount recognised as equity based payment expense for the year ended 30 June 2022 was \$1,222,537 (2021: \$1,520,510).

(3) Director Performance Rights

During the year, the Company issued 10,000,000 Performance Rights ("Director Performance Rights") to Executive Director of Mining and Development Mr Linton Putland and 4,550,000 Performance Rights ("NED Performance Rights") to Non-Executive Director Ms Kristie Young under the Company's Incentive Option and Performance Rights Plan. Details are as follows:

Class of Performance Right	Number issued	Vesting Condition	Expiry date
<b>Director Performance Rights</b>			
Milestone 1	1,900,000	The Company announcing a positive Definitive Feasibility Study on the El Zorro Gold Project, by 14 September 2024.	27 April 2027
Milestone 2	2,700,000	The Company announcing it has successfully entered into an agreement (or agreements) for Project Finance for the construction and commissioning of a commercial mining operation at El Zorro, by 14 September 2024 (where Project Finance includes but is not limited to a financing such as off-take agreements, debt, equity, streaming, Build Own Operate ('BOO') and Build Own Operate Transfer ('BOOT')).	27 April 2027
Milestone 3	5,400,000	The Company announcing that it has achieved first production, post commissioning of a commercial mining operation at El Zorro, by 14 September 2026	27 April 2027

Note 13. Equity Based Payments (cont.)

Class of Performance Right	Number issued	Vesting Condition	Expiry date
<b>NED Performance Rights</b>			
NED Milestone 1	910,000	Announcement of a 2 million ounce Mineral Resource Estimate or equivalent of a gold grade of 1 gram per tonne or greater, as defined by the JORC Code at El Zorro 5 February 2024.	27 April 2027
NED Milestone 2	910,000	The Company announcing a positive Definitive Feasibility Study on the El Zorro Gold Project, by 14 September 2024.	27 April 2027
NED Milestone 3	910,000	The Company announcing it has successfully entered into an agreement (or agreements) for Project Finance for the construction and commissioning of a commercial mining operation at El Zorro, by 14 September 2024 (where Project Finance includes but is not limited to a financing such as off-take agreements, debt, equity, streaming, Build Own Operate ('BOO') and Build Own Operate Transfer ('BOOT')).	27 April 2027
NED Milestone 4	1,820,000	The Company announcing that it has achieved first production, post commissioning of a commercial mining operation at El Zorro, by 14 September 2026.	27 April 2027

The fair value of the Performance Rights granted are estimated at the date of grant based on the assumptions set out below:

(a) Performance Rights issued to Mr Linton Putland:

	Milestone 1	Milestone 2	Milestone 3
<b>Assumptions:</b>			
Grant date	28 April 2022	28 April 2022	28 April 2022
Issue date	28 April 2022	28 April 2022	28 April 2022
Expiry date	27 April 2027	27 April 2027	27 April 2027
Share price at grant date	\$0.07	\$0.07	\$0.07
Probability	60%	30%	20%
Vesting period	29 months	29 months	53 months
Expected volatility	100%	100%	100%
Dividend yield	-	-	-
Risk-free interest rate	2.86%	2.86%	2.86%
Number of performance rights	1,900,000	2,700,000	5,400,000
Fair value at grant date	\$0.07	\$0.07	\$0.07
<b>Amount recognised as equity-based payment expense for the year ended 30 June 2022</b>	\$5,779	\$4,106	\$2,972

**Note 13. Equity Based Payments (cont.)**

(b) Performance Rights issued to Ms Kristie Young:

	<b>NED Milestone 1</b>	<b>NED Milestone 2</b>	<b>NED Milestone 3</b>	<b>NED Milestone 4</b>
<b>Assumptions:</b>				
Grant date	28 April 2022	28 April 2022	28 April 2022	28 April 2022
Issue date	28 April 2022	28 April 2022	28 April 2022	28 April 2022
Expiry date	27 April 2027	27 April 2027	27 April 2027	27 April 2027
Share price at grant date	\$0.07	\$0.07	\$0.07	\$0.07
Probability	25%	60%	30%	20%
Vesting period	22 months	29 months	29 months	53 months
Expected volatility	100%	100%	100%	100%
Dividend yield	-	-	-	-
Risk-free interest rate	2.86%	2.86%	2.86%	2.86%
Number of performance rights	910,000	910,000	910,000	1,820,000
Fair value at grant date	\$0.07	\$0.07	\$0.07	\$0.07
<b>Amount recognised as equity-based payment expense for the year ended 30 June 2022</b>	\$1,548	\$2,768	\$1,384	\$1,002

At 30 June 2022, management has provided the best estimate of the probability of performance rights expected to vest. The performance rights have been valued in accordance with AASB 2 *Share Based Payments* and are brought to account over their vesting periods. Equity based payment expense of \$19,559 (30 June 2021: \$nil) has been included in the statement of profit or loss and other comprehensive income for the period.

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### Note 13. Equity Based Payments (cont.)

#### (4) Incentive Performance Rights - Chilean Employees

On 26 May 2020, the Company issued Incentive Performance Rights to Chilean employees under the Company's Incentive Option and Performance Rights Plan.

At 30 June 2022, the Company had nil on issue Incentive Performance Rights (30 June 2021: 9,391,405). During the year, 1,482,854 Class A Performance Rights converted to fully paid ordinary shares on a 1:1 basis on 5 August 2021. Class B and Class C performance rights were reassessed to 0% probability and subsequently lapsed on 31 January 2022.

The performance rights have been valued in accordance with AASB 2 Share Based Payments and are brought to account over their vesting periods. Equity based payment expense of (\$215,879) (30 June 2021: \$297,277) have been included in the statement of profit or loss and other comprehensive income for the period.

A total of 104,670,000 performance rights were outstanding as at 30 June 2022 (2021: 146,231,405). The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.75 years (2021: 1.45 years).

### Note 14. Related Party Disclosures

#### **Key Management Personnel and transactions with other related parties**

Disclosures relating to Key Management Personnel are set out in Note 12 and the Remuneration Report included in the Directors' Report.

#### **a) Transactions with Key Management Personnel and their related parties**

An entity associated with Mr Geoffrey McNamara, a director, Tanamera Resources Pte Ltd was paid \$115,500 (2021: \$87,000) in consulting fees

An entity associated with Mr Linton Putland, a director, LJ Putland & Associates was paid \$54,000 (2021: nil) for consulting fees prior to appointment as a Director of the Company and \$4,735 (2021: nil) in software licence fees.

Tesoro Gold Ltd provided administrative support services to Culpeo Minerals Limited, a company associated with directors, Mr Geoffrey McNamara and Mr Zeffron Reeves, for \$16,640 (2021: \$2,538).

Tesoro Gold Ltd provided administrative support services and office space to Rincon Resources Limited, a company previously associated with directors, Mr Geoffrey McNamara and Mr Zeffron Reeves, for \$24,460 (2021: \$7,910). Rincon Resources Limited is no longer a related party of the Group as of 30 June 2022.

**Note 14. Related Party Disclosures (cont.)**

**b) Outstanding balances arising from sales/purchases of goods and services, transactions**

Outstanding balances with related parties during the year ended:

	30 June 2022 \$	30 June 2021 \$
Tanamera Pte Ltd, an entity associated with Mr Geoffrey McNamara	170,344	-
LJ Putland & Associates, an entity associated with Mr Linton Putland	579	-

**c) Loans to Key Management Personnel and their related parties**

On 27 May 2022, Tanamera Pte Ltd, an entity Mr Geoffrey McNamara is a director, loaned \$200,000 to the Company with \$16,000 finance charge of 8%. On 21 June 2022, the Company made repayment in full.

There were no other loans with key management personnel of the Company during the financial year ended 30 June 2022 (2021: nil).

**Note 15. Financial Risk Management Objectives and Policies**

The main risks arising from the Group's financial instruments are market risk, currency risk and interest rate risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The Group's principal financial instruments comprise cash and short-term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as trade debtors and creditors which arise directly from its operations.

*(a) Market Risk*

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

The Group is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not have short or long-term debt, and therefore this risk is minimal.

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**Note 15. Financial Risk Management Objectives and Policies (cont.)**

(b) *Currency Risk*

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the Group. The Group deposits are denominated in both Chilean Peso, US dollar and Australian dollars. At the year end the majority of deposits were held in Australian dollars. Currently, there are no foreign exchange programs in place. Based upon the above, the impact of reasonably possible changes in foreign exchange rates for the Group is not material.

(c) *Interest Rate Risk*

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts might not reconcile to the statement of financial position.

30 June 2022		Weighted Average Effective Interest Rate %	Less than 1 month \$	1 to 3 months \$	3 months to 1 year \$	1 to 5 years \$	Total \$
<b>FINANCIAL ASSETS</b>							
	Non-interest bearing		1,198,714	-	-	-	1,198,714
	Variable interest rate instruments	0.01%	2,751,059	-	-	-	2,751,059
	Fixed interest rate instruments	0.25%	-	-	10,000	-	10,000
			<u>3,949,773</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>3,959,773</u>
<b>FINANCIAL LIABILITIES</b>							
	Non-interest bearing		(805,049)	-	-	-	(805,049)
	Lease liabilities	4.52%	(1,900)	(5,701)	(15,203)	(86,134)	(108,938)
	<b>NET FINANCIAL ASSETS</b>		<u>3,142,824</u>	<u>(5,701)</u>	<u>(5,203)</u>	<u>(86,134)</u>	<u>3,045,786</u>

30 June 2021		Weighted Average Effective Interest Rate %	Less than 1 month \$	1 to 3 months \$	3 months to 1 year \$	1 to 5 years \$	Total \$
<b>FINANCIAL ASSETS</b>							
	Non-interest bearing		3,838,399	-	-	-	3,838,399
	Variable interest rate instruments	0.01%	9,889,878	-	-	-	9,889,878
			<u>13,728,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,728,277</u>
<b>FINANCIAL LIABILITIES</b>							
	Non-interest bearing		(1,675,904)	-	-	(86,451)	(1,762,355)
	Lease liabilities	4.52%	(198)	(378)	(1,847)	(108,923)	(111,346)
	<b>NET FINANCIAL ASSETS</b>		<u>12,052,175</u>	<u>(378)</u>	<u>(1,847)</u>	<u>(195,374)</u>	<u>11,854,576</u>



## Note 15. Financial Risk Management Objectives and Policies (cont.)

### Net fair value of financial assets and liabilities

The carrying amount of cash and cash equivalents approximates fair value because of their short-term maturity.

(d) *Interest Rate Sensitivity Analysis*

At 30 June 2022, the effect on loss and equity as a result of changes in the interest rate, with all other variable remaining constant would have immaterial effect.

(e) *Credit Risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group operates in the mining exploration sector; it therefore does not supply products and have trade receivables and is not exposed to credit risk in relation to trade receivables. The Group does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics.

The Group's maximum exposure to credit risk at each balance date in relation to each class of recognised financial assets is the carrying amount, net of any allowance for doubtful debts, of those assets as indicated in the statement of financial position. The maximum credit risk exposure of the Group at 30 June 2022 is \$398,000 (2021: nil). There are no impaired receivables at 30 June 2022 (2021: Nil).

(f) *Liquidity Risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by monitoring forecast cash flows on a rolling monthly basis and entering into supply contracts which can be cancelled within a short timeframe. The Group does not have any significant liquidity risk as the Group does not have any collateral debts.

(g) *Capital Management*

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, it does not have ready access to credit facilities and therefore is not subject to any externally imposed capital requirements, with the primary sources of project funding to date being raising funds from equity markets. Accordingly, the objective of the Group's capital risk management is to balance the current working capital position against the requirements to meet progressing exploration and evaluation work, project related costs and corporate overheads. Going forward, operations budget and cashflow forecasts are monitored to ensure sufficient funding to meet expenditure.

The directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair value.

	30 June 2022 \$	30 June 2021 \$
<b>Note 16. Loss Per Share</b>		
Loss after income tax	(5,349,228)	(5,570,786)
Non-controlling interest	(288,879)	222,976
Loss after income tax attributable to the owners of the parent used in the calculation of basic and diluted loss per share	(5,060,349)	(5,347,810)
	<b>Number of Shares</b>	<b>Number of Shares</b>
(a) Weighted average number of ordinary shares outstanding during the reporting period used in calculation of basic and diluted loss per share:	639,640,554	517,258,081
Basic and diluted loss per share (cents per share)	(0.79)	(1.03)

Basic earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

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## Note 17. Segment Reporting

Tesoro Gold Ltd operates predominantly in one industry being the mining exploration and evaluation industry in Chile, with its corporate function located in Australia.

### Segment Information

#### *Identification of reportable segments*

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker (being the Board of Directors) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of evaluation of its gold exploration tenements in Chile and its corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

#### *Types of reportable segments*

(i) Exploration and evaluation

Segment assets, including acquisition cost of exploration licenses and all expenses related to the licenses in Chile are reported in this segment.

(ii) Corporate

Corporate, including treasury, corporate and regulatory expenses arising from operating an ASX listed entity. Segment assets, including cash and cash equivalents and investments in financial assets are reported in this segment.

### Basis of Accounting for Purposes of Reporting by Operating Segments

#### *Accounting policies adopted*

Unless stated otherwise, all amounts reported to the Board of Directors as the chief operating decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

#### *Segment assets*

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

#### *Segment liabilities*

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables.

Note 17. Segment Reporting (cont.)

30 June 2022

Corporate	Exploration and Evaluation	Total
\$	\$	\$

(i) Segment performance

<b>Segment income</b>	47,907	1,860	49,767
<b>Segment results</b>	(3,017,752)	(2,331,476)	(5,349,228)

Included within segment results:

• Depreciation	(75,317)	12,870	(62,447)
• Interest income	501	325	826
• Impairment of asset	-	(1,941,280)	(1,941,280)

<b>Segment assets</b>	3,678,180	27,428,762	31,106,942
<b>Segment liabilities</b>	(743,082)	(244,156)	(987,238)

30 June 2021

Corporate	Exploration and Evaluation	Total
\$	\$	\$

(i) Segment performance

<b>Segment income</b>	71,014	52	71,066
<b>Segment results</b>	(3,551,968)	(2,018,818)	(5,570,786)

Included within segment results:

• Depreciation	(28,069)	(16,549)	(44,618)
• Interest income	2,271	52	2,323
• ATO Cash boost – COVID 19	68,743	-	68,743
• Impairment of asset		(1,555,202)	(1,555,202)

<b>Segment assets</b>	11,562,262	18,296,370	29,858,632
<b>Segment liabilities</b>	(429,194)	(1,444,507)	(1,873,701)

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### Note 17. Segment Reporting (cont.)

#### (ii) Revenue by geographical region

There was no revenue attributable to external customers for the year ended 30 June 2022 (2021: Nil). The segment income of \$49,767 (2021: \$71,066) is income from provision of administrative support services and office space to related parties and other miscellaneous income.

#### (iii) Assets by geographical region

Non-current assets by geographical region are as follows.

	30 June 2022	30 June 2021
	\$	\$
Australia	176,924	233,769
Chile	26,228,656	15,567,052
	<u>26,405,580</u>	<u>15,800,821</u>

### Note 18. Commitments for Expenditure

	30 June 2022	30 June 2021
	\$	\$
The exploration commitments are as follows:		
Not longer than 1 year	667,034	147,676
Longer than 1 but not longer than 5 years	-	-
Longer than 5 years	-	-
Total	<u>667,034</u>	<u>147,676</u>

Exploration commitments consist of annual rents payable on mineral concessions.

### Note 19. Contingent Assets

All purchases in Chile are subject to the payment of the Impuesto al Valor Agregado ("IVA") which is a Value Added Tax.

As at 30 June 2021, El Zorro S.C.M. had applied for a VAT benefit. As at 30 June 2022, El Zorro S.C.M. carries an IVA tax receivable of A\$3,376,103 (2021: A\$1,302,351). The contingent asset has not been recognised as a receivable at 30 June 2022 as the receipt of the amount is dependent upon El Zorro S.C.M. meeting the IVA refund conditions stipulated by the relevant taxation authorities in Chile. Accordingly, \$1,941,280 (2021: \$1,555,202) of IVA tax receivable has been impaired in the statement of profit and loss and other comprehensive income for the financial year ended 30 June 2022 (2021: \$1,555,202).

## Note 20. Contingent Liabilities

On 26 August 2021, Tesoro advised it had been served notice of dispute initiated by the Company's El Zorro Joint Venture partner, Wanaco SpA (Wanaco), lodged with the 7th Civil Court de Santiago de Chile.

Wanaco is disputing the valuation and the procedure followed for the capital increase approved in the Shareholders Meeting of El Zorro S.C.M held on 11 February 2021. El Zorro S.C.M is the El Zorro Gold Project joint venture company of which Tesoro's 95% owned Chilean subsidiary, Tesoro Mining Chile SpA (Tesoro Chile) currently owns 85% (see ASX announcement on 24 March 2021).

The initial proceedings brought by Wanaco SpA were dismissed by the Civil Court as the court deemed that the proceedings were incorrectly brought and that the proceedings should be correctly brought to the appropriate court by Wanaco SpA.

A hearing was held on 2 February 2022 and parties agreed to suspend the legal process for 30 working days (6 weeks) to see if a settlement can be reached for Tesoro to acquire 100% of the Project.

On 22 June 2022 the parties were advised a date for discovery is to be set to negotiate a settlement. Discovery date has not been advised at the date of this report.

If the parties are unsuccessful in reaching an agreement following the discovery, the timing for the matter to proceed to trial is unknown at this stage.

Tesoro is confident that the capital increases were properly valued and duly approved under Chilean corporate and mining law and the dispute initiated by Wanaco is vexatious and with no legal basis.

Tesoro will vigorously defend its position and is considering its legal options to have this spurious claim rejected by the court. Tesoro's estimate of its financial effect is US\$150,000

There are no other contingent liabilities as at 30 June 2022 and 30 June 2021.

## Note 21. Interest in Other Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policies described in note 1:

Name	Country of incorporation	Ownership %	
		2022	2021
Tesoro Mining Chile SPA	Chile	95	95
El Zorro S.C.M	Chile	85	85
Tesoro Australia Pty Ltd	Australia	100	100
The Food Box Asia Limited	Hong Kong	100	100
Plukka (HK) Limited	Hong Kong	100	100

The above subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

**Note 21. Interest in Other Entities (cont.)**

**Summarised financial information**

Summarised financial information of the subsidiary with non-controlling interests that are material to the consolidated entity are set out below:

	<b>El Zorro S.C.M</b>	
	<b>Year ended 30 June 2022 \$</b>	<b>Year ended 30 June 2021 \$</b>
<b>Summarised statement of financial position</b>		
Current assets	181,740	73,160
Non-current assets	23,435,604	14,014,809
Total Assets	<u>23,617,344</u>	<u>14,087,969</u>
Current liabilities	(45,581)	(1,236,101)
Non-current liabilities	(13,172,650)	(6,501,675)
Total Liabilities	<u>(13,218,231)</u>	<u>(7,737,776)</u>
Net assets	10,399,113	6,350,193
<b>Summarised statement of profit or loss and other comprehensive income</b>		
Expenses	(1,925,859)	(1,486,506)
Loss before income tax expense	(1,925,859)	(1,486,506)
Income tax expense	-	-
Loss after income tax expense	(1,925,859)	(1,486,506)
Other comprehensive income	-	-
Total comprehensive loss	<u>(1,925,859)</u>	<u>(1,486,506)</u>
<b>Statement of cash flows</b>		
Net cash from operating activities	-	-
Net cash used in investing activities	(12,645,754)	(9,864,261)
Net cash from financing activities	12,645,754	9,864,261
Net increase/(decrease) in cash and cash equivalents	<u>-</u>	<u>-</u>
<b>Other financial information</b>		
Loss attributable to non-controlling interests	(288,879)	(222,976)
Accumulated non-controlling interests at the end of the year	<u>1,846,530</u>	<u>2,135,409</u>

**Note 22. Cash flow information**

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
<b>Reconciliation of cash:</b>		
<i>Cash balances</i>	3,949,773	13,728,277
	<b>3,949,773</b>	<b>13,728,277</b>

*Reconciliation of net loss after tax to the net cash outflows from operations:*

<b>Net loss</b>	<b>(5,349,228)</b>	<b>(5,570,786)</b>
<b>Non-cash items</b>		
Share based payments	1,161,217	2,451,120
Lease liabilities interest	4,917	-
Impairment of VAT receivable	1,941,280	1,555,202
Depreciation	62,447	44,618
Exchange difference	(56,391)	200,170
<b>Changes in assets and liabilities</b>		
Trade and other receivables	(24,055)	(77,203)
Trade and other payables and provisions	105,410	249,394
<b>Net cash flows used in operating activities</b>	<b>(2,154,403)</b>	<b>(1,147,485)</b>

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
<b>Non-cash investing and financing activities</b>		
Additions to right of use assets	-	218,954
	<b>-</b>	<b>218,954</b>

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Note 23. Parent Entity Disclosures

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
<b>(a) Financial position</b>		
<b>Assets</b>		
Current assets	3,501,256	11,328,709
Non-current assets	16,655,227	233,553
<b>Total Assets</b>	<b>20,156,483</b>	<b>11,562,262</b>
<b>Liabilities</b>		
Current liabilities	(631,206)	(315,124)
Non-current liabilities	(883,461)	(885,868)
<b>Total Liabilities</b>	<b>(1,514,667)</b>	<b>(1,200,992)</b>
<b>Equity</b>		
Issued capital	48,945,881	37,156,675
Accumulated losses	(32,041,357)	(29,023,742)
Reserves	1,737,292	2,228,337
<b>Total Equity</b>	<b>18,641,816</b>	<b>10,361,270</b>

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
<b>(b) Financial performance</b>		
Loss for the year	(3,017,615)	(18,856,078)
Other comprehensive income	-	-
<b>Total comprehensive loss</b>	<b>(3,017,615)</b>	<b>(18,856,078)</b>

**(c) Contingent liabilities**

Refer to Note 20 for details.

**(d) Contractual commitments**

As at 30 June 2022 (2021: nil), the Company had no contractual commitments.

**(e) Guarantees entered into by parent entity**

As at 30 June 2022 and 2021, the Company had not entered into any guarantees.

The financial information for the parent entity, Tesoro Gold Ltd, has been prepared on the same basis as the consolidated financial statements, except as set out below.

*Investments in subsidiaries, associates and joint venture entities*

Investments in subsidiaries, associates and joint venture entities are accounted for at cost, less any impairment, in the parent entity. Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

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#### Note 24. Remuneration of Auditors

During the financial year, the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
Audit and review of financial statements	47,500	43,000
	<u>47,500</u>	<u>43,000</u>

#### Note 25. Right-of-Use-Assets

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
Land and buildings – right-of-use	255,277	255,277
Less: Accumulated depreciation	(118,253)	(36,323)
	<u>137,024</u>	<u>218,954</u>

*Movement during the year*

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
Opening balance	218,954	-
Additions	-	255,277
Depreciation expense	(81,930)	(36,323)
	<u>137,024</u>	<u>218,954</u>

The Company leases a building for its office under agreement of four years with the option to extend. On renewal, the terms of the lease are renegotiated.

Tesoro Mining Chile SpA leases a building for its core storage under agreement of two years with the option to extend. On renewal, the terms of the lease are renegotiated. This lease expires 31 December 2022.

#### *Right-of-use assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease

#### Note 25. Right-of-Use-Assets (cont.)

incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to statement of profit or loss and other comprehensive income as incurred.

#### Note 26. Events after reporting period

On 4 July 2022, the Company announced an update to the surface sampling and mapping programs at the Company's El Zorro Gold Project.

On 8 July 2022, the Company announced the commencement of a drilling program at the Ternera Gold Deposit, El Zorro Gold Project.

On 18 July 2022, the Company announced a notice of meeting for 17 August 2022.

On 23 August 2022, the company entered into an At-the-Market Subscription Agreement (ATM) with Acuity Capital. The ATM provides Tesoro with up to \$5,000,000 of standby equity capital over the coming 30 months.

On 25 August 2022, the company announced the granting of provisional surface easement rights over the El Zorro Gold Project area and the Chilean regulations allowing the recovery of Value Added Tax (VAT) credit for expenditure made on the acquisition of fixed assets of the El Zorro Gold Project.

On 31 August 2022, the Company announced assay results from two holes from the current drilling program at the El Zorro Gold Project.

On 12 September 2022, the Company announced assays have been received for detailed surface mapping and sampling work at the Calderillas target, 4km north of the Ternera Gold Deposit returning multiple wide, high-grade gold results.

As the impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than as discussed above, no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the opinion of the Directors of Tesoro Gold Ltd (the 'Company'):

- a. the financial statements, notes and the additional disclosures are in accordance with the Corporations Act 2001 including:
  - i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year then ended; and
  - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Board of Directors.



---

John Toll  
Non-Executive Chairman  
23 September 2022

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
TESORO GOLD LTD**

**Opinion**

We have audited the financial report of Tesoro Gold Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
<b>Exploration and Evaluation Expenditure</b> - Refer to Note 5 in the financial statements	
<p>The Group has capitalised exploration and evaluation expenditure with a carrying value of \$26,063,374 as at 30 June 2022.</p> <p>We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including:</p> <ul style="list-style-type: none"> <li>• Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest;</li> <li>• Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and</li> <li>• Assessing whether any indicators of impairment are present, and if so, judgments applied to determine and quantify any impairment loss.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Assessing the Group's accounting policy for compliance with Australian Accounting Standards;</li> <li>• Assessing whether the Group's right to tenure of each relevant area of interest is current;</li> <li>• Agreeing, on a sample basis, additions of capitalised exploration and evaluation expenditure to supporting documentation, including assessing whether amounts are capital in nature and relate to the relevant area of interest;</li> <li>• Assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date;</li> <li>• Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined;</li> <li>• Enquiring with management and reading budgets and other supporting documentation to corroborate that active and significant operations in, or relation to, each relevant area of interest will be continued in the future; and</li> <li>• Assessing the appropriateness of the disclosures in financial report.</li> </ul>
<b>Share-Based Payments</b> - Refer to Note 13 in the financial statements	
<p>During the year, the Group entered into share-based payment arrangements with key management personnel and employees. The Group's share-based payment expense for the year ended 30 June 2022 was \$1,161,217.</p> <p>We consider this to be a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• The complexity of the accounting required to determine the grant date fair value of these instruments;</li> <li>• The judgemental nature of inputs into the valuation models, including the likelihood of vesting conditions being met, and the appropriate valuation methodology to apply; and</li> <li>• Complexity associated with the variety of conditions associated with each instrument.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Assessing the Group's accounting policy for compliance with Australian Accounting Standards;</li> <li>• Assessing the terms and conditions of the instruments issued;</li> <li>• Assessing the appropriateness of the valuation methodology and valuation models adopted by management to determine the grant date fair value of the instruments issued;</li> <li>• Testing for reasonableness the inputs to the valuation models and challenging the assumptions and judgments made by management;</li> <li>• Checking the mathematical accuracy of the valuation models used;</li> <li>• Recalculating the amount of the share-based payment expense to be recognised for the year ended; and</li> <li>• Assessing the appropriateness of the disclosures in financial report.</li> </ul>

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar2.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar2.pdf). This description forms part of our auditor's report.

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## Report on the Remuneration Report

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2022.

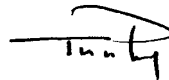
In our opinion, the Remuneration Report of Tesoro Gold Ltd, for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.

### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 23 September 2022

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## Additional information for ASX listed public companies

The following additional information is required by the Australian Securities Exchange in respect of ASX listed public companies and is current as at 31 August 2022.

### Fully Paid Ordinary Shares

The Company has 853,480,779 ordinary fully paid shares on issue, held by 3,094 shareholders. Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

#### Distribution of Shareholders

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	198	67,336	0.01
1,001 – 5,000	540	1,595,513	0.19
5,001 – 10,000	399	3,167,152	0.37
10,001 – 100,000	1,260	49,623,954	5.81
100,001 – and over	697	799,026,824	93.62
	3,094	853,480,779	100.00

#### Unmarketable Parcels

Number of Shares	Holders
5,423,247	1,192

As at 31 August 2022, there were 1,192 shareholders holding less than a marketable parcel of shares.

### Performance Rights

The Company has 54,610,000 Performance Rights on issue. Performance Rights do not entitle the holders to vote in respect of that performance right, nor participate in dividends, when declared, until such time as the performance rights vest and are subsequently registered as ordinary shares.

#### Distribution of Class C Performance Rights

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – and over	3 <sup>1</sup>	20,940,000	100.00
	<b>3</b>	<b>20,940,000</b>	<b>100.00</b>

- Linkwood Holdings Pte Ltd holds 10,805,000 performance rights comprising 52% of this class; Mr Zeffron Reeves <The Palin A/C> holds 9,225,000 performance rights comprising 44% of this class.

#### Distribution of Class D Performance Rights

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – and over	2 <sup>1</sup>	20,030,000	100.00
	<b>2</b>	<b>20,030,000</b>	<b>100.00</b>

- Linkwood Holdings Pte Ltd holds 10,805,000 performance rights comprising 54% of this class; Mr Zeffron Reeves <The Palin A/C> holds 9,225,000 performance rights comprising 46% of this class.

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## Additional information for ASX listed public companies

### Distribution of Class E Performance Rights

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – and over	2 <sup>1</sup>	13,640,000	100.00
	<b>2</b>	<b>13,640,000</b>	<b>100.00</b>

1. Mr Linton John Putland & Ms Karen Suzanne Putland <Putland Family A/C> hold 10,000,000 performance rights comprising 73% of this class; Ms Kristie Peta Young holds 3,640,000 performance rights comprising 27% of this class.

### Options

The Company has 62,989,494 listed options on issue, as set out below. Options do not entitle the holders to vote in respect of that option, nor participate in dividends, when declared, until such time as the options are exercised and subsequently registered as ordinary shares.

### Listed Options Exercisable at \$0.11 on or before 7 July 2025

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	1	2	0.00
1,001 – 5,000	-	-	-
5,001 – 10,000	4	33,333	0.05
10,001 – 100,000	12	775,909	1.23
100,001 – and over	53 <sup>1</sup>	62,180,250	98.72
	<b>70</b>	<b>62,989,494</b>	<b>100.00</b>

1. UBS Nominees Pty Ltd hold 14,699,928 options comprising 23.34% of this class.

### Restricted Securities

The Company has no restricted securities on issue.

### Substantial Shareholders

	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
Linkwood Holdings Pte Ltd <sup>1</sup>	69,532,230	11.53%
Zeffron Charles Reeves <sup>2</sup>	65,224,417	8.04%

1. As released on ASX on 14 September 2021  
2. As released on ASX on 14 July 2022

## Additional information for ASX listed public companies

20 Largest Shareholders — Ordinary Shares as at 31 August 2022

Rank / Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1. LINKWOOD HOLDINGS PTE LTD	65,387,064	7.66%
2. ZEFFRON CHARLES REEVES	65,224,417	7.64%
3. ACUITY CAPITAL INVESTMENT MANAGEMENT PTY LTD <ACUITY CAPITAL HOLDINGS A/C>	42,000,000	4.92%
4. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	36,366,977	4.26%
5. MR KENNETH JOSEPH HALL <HALL PARK A/C>	29,240,741	3.43%
6. BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	26,845,108	3.15%
7. TANAMERA RESOURCES PTE LTD	25,410,546	2.98%
8. CITICORP NOMINEES PTY LIMITED	25,139,066	2.95%
9. J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	19,627,545	2.30%
10. UBS NOMINEES PTY LTD	13,078,166	1.53%
11. NEBARI GOLD FUND 1LP	11,916,667	1.40%
12. BERNE NO 132 NOMINEES PTY LTD <751547 A/C>	10,264,706	1.20%
13. WALZ SUPER PTY LTD <WALZ SUPER FUND A/C>	10,148,932	1.19%
14. MR ANDREW DOUGLAS GLASS	9,832,000	1.15%
15. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,792,097	1.03%
16. MR MICHAEL PIPEROGLOU	6,500,000	0.76%
17. MR PHILIP ALAN SPEAKMAN	6,000,000	0.70%
18. BNP PARIBAS NOMS PTY LTD <DRP>	5,801,660	0.68%
19. DEBUSCEY PTY LTD	5,562,823	0.65%
20. MR SIMON QUAN	5,290,865	0.62%
<b>TOTAL</b>	<b>428,429,380</b>	<b>50.20%</b>

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## Additional information for ASX listed public companies

20 Largest Shareholders — Listed Options (exercisable at \$0.11 on or before 7 July 2025) as at 31 August 2022

	Rank / Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	UBS NOMINEES PTY LTD	14,699,928	23.34%
2.	NEBARI GOLD FUND 1 LP	5,958,333	9.46%
3.	SHAW AND PARTNERS LIMITED	5,908,500	9.38%
4.	GD EQUITIES PTY LTD	5,317,650	8.44%
5.	180 MARKETS PTY LTD	2,566,667	4.07%
6.	MR RYAN MOUNT	2,000,000	3.18%
7.	BALCLUTHA ADVISORS PTY LTD	1,666,667	2.65%
8.	MR SIMON WILLIAM TRITTON <INVESTMENT A/C>	1,500,000	2.38%
9.	BALCLUTHA ADVISORS PTY LTD	1,316,666	2.09%
10.	MRS JUDITH SUZANNE PIGGIN & MR DAMIEN JAYE PIGGIN & MR GLENN ADAM PIGGIN <PIGGIN FAMILY S/F A/C>	1,041,666	1.65%
11.	OLIJA HOLDINGS PTE LTD	1,000,000	1.59%
12.	CITICORP NOMINEES PTY LIMITED	966,737	1.53%
13.	MR DAVID JAMES AZAR	850,000	1.35%
14.	ON SITE LABORATORY SERVICES PTY LTD	833,333	1.32%
15.	MR DARRYL LEONARD GOODE & MRS LYNETTE EVELYN GOODE	800,000	1.27%
16.	ROBERT JOHN CONWAY <CONWAY FAMILY A/C>	780,000	1.24%
17.	EL-RAGHY KRIEWALDT PTY LTD	750,000	1.19%
18.	MR PHILIP ANDREW THICK	750,000	1.19%
19.	MR DARRYL LEONARD GOODE & MRS LYNETTE EVELYN GOODE <THE GOODE SUPER FUND A/C>	750,000	1.19%
20.	RORY KEANE	750,000	1.19%
	<b>TOTAL</b>	<b>50,206,147</b>	<b>79.7%</b>

### On-market Buy-Back

There is no current on-market buy-back.

### Corporate Governance Statement

The Company's Corporate Governance Statement for the 2022 financial year is available from the Company's website at <https://tesorogold.com.au/company/corporate-governance/>

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Tenements Schedule as at 30 June 2022

El Zorro Gold Project Exploration Concessions (85% Tesoro, option to earn up to 100%)

Total	Concession Name	Date of Expiration	Size	Concession type
1	SIERRA PATACONES 1	14/01/2023	300	Exploration
2	SIERRA PATACONES 2	14/01/2023	300	Exploration
3	SIERRA PATACONES 3	14/01/2023	300	Exploration
4	SIERRA PATACONES 4	14/01/2023	300	Exploration
5	SIERRA PATACONES 5	14/01/2023	300	Exploration
6	SIERRA PATACONES 6	14/01/2023	300	Exploration
7	SIERRA PATACONES 7	14/01/2023	300	Exploration
8	SIERRA PATACONES 8	14/01/2023	300	Exploration
9	SIERRA PATACONES 9	14/01/2023	300	Exploration
10	SIERRA PATACONES 10	14/01/2023	300	Exploration
11	SIERRA PATACONES 11	14/01/2023	300	Exploration
12	SIERRA PATACONES 12	14/01/2023	300	Exploration
13	SIERRA PATACONES 13	14/01/2023	300	Exploration
14	SIERRA PATACONES 14	14/01/2023	300	Exploration
15	SIERRA PATACONES 15	14/01/2023	300	Exploration
16	SIERRA PATACONES 20	14/01/2023	300	Exploration
17	SIERRA PATACONES 19	14/01/2023	300	Exploration
18	SIERRA PATACONES 18	14/01/2023	300	Exploration
19	SIERRA PATACONES 17	14/01/2023	300	Exploration
20	SIERRA PATACONES 16	14/01/2023	300	Exploration
21	SIERRA PATACONES 21	14/01/2023	300	Exploration
22	SIERRA PATACONES 22	14/01/2023	300	Exploration
23	SIERRA PATACONES 23	14/01/2023	300	Exploration
24	SIERRA PATACONES 24	14/01/2023	300	Exploration
25	SIERRA PATACONES 25	14/01/2023	300	Exploration
26	SIERRA PATACONES 26	14/01/2023	300	Exploration
27	SIERRA PATACONES 27	14/01/2023	300	Exploration
28	SIERRA PATACONES 28	14/01/2023	300	Exploration
29	SIERRA PATACONES 29	14/01/2023	300	Exploration
30	SIERRA PATACONES 30	14/01/2023	300	Exploration
31	SIERRA PATACONES 31	14/01/2023	300	Exploration
32	SIERRA PATACONES 32	14/01/2023	300	Exploration
33	SIERRA PATACONES 33	14/01/2023	300	Exploration
34	SIERRA PATACONES 34	14/01/2023	300	Exploration
35	SIERRA PATACONES 35	14/01/2023	300	Exploration
36	SIERRA PATACONES 42	14/01/2023	300	Exploration
37	SIERRA PATACONES 41	14/01/2023	300	Exploration
38	SIERRA PATACONES 40	14/01/2023	300	Exploration
39	SIERRA PATACONES 39	14/01/2023	300	Exploration
40	SIERRA PATACONES 38	14/01/2023	300	Exploration
41	SIERRA PATACONES 37	14/01/2023	300	Exploration
42	SIERRA PATACONES 36	14/01/2023	300	Exploration
43	SIERRA PATACONES 43	14/01/2023	300	Exploration
44	SIERRA PATACONES 44	14/01/2023	300	Exploration
45	SIERRA PATACONES 45	14/01/2023	300	Exploration
46	SIERRA PATACONES 46	14/01/2023	300	Exploration
47	SIERRA PATACONES 47	14/01/2023	300	Exploration
48	SIERRA PATACONES 48	14/01/2023	300	Exploration
49	SIERRA PATACONES 49	14/01/2023	300	Exploration
50	SIERRA PATACONES 50	14/01/2023	300	Exploration
51	SIERRA PATACONES 51	14/01/2023	300	Exploration
52	SIERRA PATACONES 53	14/01/2023	300	Exploration
53	SIERRA PATACONES 54	14/01/2023	300	Exploration
54	SIERRA PATACONES 55	14/01/2023	300	Exploration
55	SIERRA PATACONES 56	14/01/2023	300	Exploration
56	SIERRA PATACONES 57	14/01/2023	300	Exploration
57	SIERRA PATACONES 62	14/01/2023	300	Exploration

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Total	Concession Name	Date of Expiration	Size	Concession type
58	SIERRA PATACONES 61	14/01/2023	300	Exploration
59	SIERRA PATACONES 60	14/01/2023	300	Exploration
60	SIERRA PATACONES 59	14/01/2023	300	Exploration
61	SIERRA PATACONES 58	14/01/2023	300	Exploration
62	SIERRA PATACONES 63	14/01/2023	300	Exploration
63	SIERRA PATACONES 64	14/01/2023	300	Exploration
64	SIERRA PATACONES 65	14/01/2023	300	Exploration
65	SIERRA PATACONES 66	14/01/2023	300	Exploration
66	SIERRA PATACONES 67	14/01/2023	300	Exploration
67	SIERRA PATACONES 68	14/01/2023	300	Exploration
68	SIERRA PATACONES 69	14/01/2023	300	Exploration
69	SIERRA PATACONES 70	14/01/2023	300	Exploration
70	SIERRA PATACONES 71	14/01/2023	300	Exploration
71	SIERRA PATACONES 72	14/01/2023	300	Exploration
72	SIERRA PATACONES 73	14/01/2023	300	Exploration
73	SIERRA PATACONES 74	14/01/2023	300	Exploration
74	SIERRA PATACONES 75	14/01/2023	300	Exploration
75	SIERRA PATACONES 76	14/01/2023	300	Exploration
76	SIERRA PATACONES 77	14/01/2023	300	Exploration
77	SIERRA PATACONES 84	14/01/2023	300	Exploration
78	SIERRA PATACONES 83	14/01/2023	300	Exploration
79	SIERRA PATACONES 82	14/01/2023	300	Exploration
80	SIERRA PATACONES 81	14/01/2023	300	Exploration
81	SIERRA PATACONES 80	14/01/2023	300	Exploration
82	SIERRA PATACONES 79	14/01/2023	300	Exploration
83	SIERRA PATACONES 78	14/01/2023	300	Exploration
84	SIERRA PATACONES 52	14/01/2023	300	Exploration
85	GOLD STORE 72	21-Jan-23	300	Exploration
86	GOLD STORE 71	21-Jan-23	300	Exploration
87	GOLD STORE 70	25-Jan-23	300	Exploration
88	GOLD STORE 69	25-Jan-23	300	Exploration
89	GOLD STORE 68	25-Jan-23	300	Exploration
90	GOLD STORE 67	25-Jan-23	300	Exploration
91	GOLD STORE 66	25-Jan-23	300	Exploration
92	GOLD STORE 1	10-Dec-22	300	Exploration
93	GOLD STORE 2	2-Dec-22	300	Exploration
94	GOLD STORE 3	10-Dec-22	300	Exploration
95	GOLD STORE 4	2-Dec-22	300	Exploration
96	GOLD STORE 5	10-Dec-22	300	Exploration
97	GOLD STORE 6	2-Dec-22	300	Exploration
98	GOLD STORE 7	10-Dec-22	300	Exploration
99	GOLD STORE 8	2-Dec-22	300	Exploration
100	GOLD STORE 9	10-Dec-22	300	Exploration
101	GOLD STORE 10	2-Dec-22	300	Exploration
102	GOLD STORE 11	5-Dec-22	300	Exploration
103	GOLD STORE 12	10-Dec-22	300	Exploration
104	GOLD STORE 13	10-Dec-22	300	Exploration
105	GOLD STORE 14	5-Dec-22	300	Exploration
106	GOLD STORE 15	10-Dec-22	300	Exploration
107	GOLD STORE 16	5-Dec-22	300	Exploration
108	GOLD STORE 17	10-Dec-22	300	Exploration
109	GOLD STORE 18	5-Dec-22	300	Exploration
110	GOLD STORE 19	10-Dec-22	300	Exploration
111	GOLD STORE 20	5-Dec-22	300	Exploration
112	GOLD STORE 21	10-Dec-22	300	Exploration
113	GOLD STORE 22	5-Dec-22	300	Exploration
114	GOLD STORE 23	10-Dec-22	300	Exploration
115	GOLD STORE 24	5-Dec-22	300	Exploration
116	GOLD STORE 25	10-Dec-22	300	Exploration
117	GOLD STORE 26	11-Dec-22	300	Exploration
118	GOLD STORE 27	17-Dec-22	300	Exploration
119	GOLD STORE 28	11-Dec-22	300	Exploration

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Total	Concession Name	Date of Expiration	Size	Concession type
120	GOLD STORE 29	17-Dec-22	300	Exploration
121	GOLD STORE 30	11-Dec-22	300	Exploration
122	GOLD STORE 36	17-Dec-22	300	Exploration
123	GOLD STORE 35	11-Dec-22	300	Exploration
124	GOLD STORE 34	17-Dec-22	300	Exploration
125	GOLD STORE 33	14-Dec-22	300	Exploration
126	GOLD STORE 32	17-Dec-22	300	Exploration
127	GOLD STORE 31	14-Dec-22	300	Exploration
128	GOLD STORE 37	17-Dec-22	300	Exploration
129	GOLD STORE 38	14-Dec-22	300	Exploration
130	GOLD STORE 39	17-Dec-22	300	Exploration
131	GOLD STORE 40	14-Dec-22	300	Exploration
132	GOLD STORE 41	17-Dec-22	300	Exploration
133	GOLD STORE 42	14-Dec-22	300	Exploration
134	GOLD STORE 43	17-Dec-22	300	Exploration
135	GOLD STORE 44	16-Dec-22	300	Exploration
136	GOLD STORE 45	17-Dec-22	300	Exploration
137	GOLD STORE 46	16-Dec-22	300	Exploration
138	GOLD STORE 47	17-Dec-22	300	Exploration
139	GOLD STORE 48	16-Dec-22	300	Exploration
140	GOLD STORE 49	17-Dec-22	300	Exploration
141	GOLD STORE 50	16-Dec-22	300	Exploration
142	GOLD STORE 51	17-Dec-22	300	Exploration
143	GOLD STORE 52	16-Dec-22	300	Exploration
144	GOLD STORE 53	17-Dec-22	300	Exploration
145	GOLD STORE 54	16-Dec-22	300	Exploration
146	GOLD STORE 55	14-Jan-23	300	Exploration
147	GOLD STORE 56	16-Dec-22	200	Exploration
148	GOLD STORE 57	14-Jan-23	300	Exploration
149	GOLD STORE 58	16-Dec-22	300	Exploration
150	GOLD STORE 59	14-Jan-23	300	Exploration
151	GOLD STORE 60	16-Dec-22	300	Exploration
152	GOLD STORE 61	14-Jan-23	300	Exploration
153	GOLD STORE 62	16-Dec-22	300	Exploration
154	GOLD STORE 63	14-Jan-23	300	Exploration
155	GOLD STORE 64	16-Dec-22	300	Exploration
156	GOLD STORE 65	20-Jan-23	300	Exploration
157	VACAS FLACAS 1	25-Jan-23	300	Exploration
158	VACAS FLACAS 2	25-Jan-23	300	Exploration
159	VACAS FLACAS 5	25-Jan-23	300	Exploration
160	VACAS FLACAS 6	25-Jan-23	300	Exploration
161	VACAS FLACAS 7	25-Jan-23	300	Exploration
162	VACAS FLACAS 8	25-Jan-23	300	Exploration
163	VACAS FLACAS 9	25-Jan-23	300	Exploration
164	VACAS FLACAS 10	25-Jan-23	300	Exploration
165	VACAS FLACAS 11	25-Jan-23	300	Exploration
166	VACAS FLACAS 12	25-Jan-23	300	Exploration
167	VACAS FLACAS 13	25-Jan-23	300	Exploration
168	VACAS FLACAS 14	25-Jan-23	300	Exploration
169	VACAS FLACAS 15	25-Jan-23	300	Exploration
170	VACAS FLACAS 16	26-Jan-23	300	Exploration
171	VACAS FLACAS 17	26-Jan-23	300	Exploration
172	VACAS FLACAS 18	26-Jan-23	300	Exploration
173	VACAS FLACAS 19	26-Jan-23	300	Exploration
174	VACAS FLACAS 20	26-Jan-23	300	Exploration
175	VACAS FLACAS 21	26-Jan-23	300	Exploration
176	VACAS FLACAS 22	26-Jan-23	300	Exploration
177	VACAS FLACAS 23	25-Jan-23	300	Exploration
178	VACAS FLACAS 24	25-Jan-23	300	Exploration
179	VACAS FLACAS 25	25-Jan-23	300	Exploration
180	VACAS FLACAS 28	25-Jan-23	300	Exploration
181	VACAS FLACAS 27	25-Jan-23	300	Exploration

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Total	Concession Name	Date of Expiration	Size	Concession type
182	VACAS FLACAS 26	25-Jan-23	300	Exploration
183	VACAS FLACAS 3	4-Feb-23	300	Exploration
184	VACAS FLACAS 4	4-Feb-23	300	Exploration
185	Bloody Good Shot 13A	30-Nov-22	200	Exploration
186	Bloody Good Shot 12A	30-Nov-22	200	Exploration
187	Bloody Good Shot 11A	11-Nov-22	200	Exploration
188	Bloody Good Shot 10A	12-Nov-22	300	Exploration
189	Bloody Good Shot 9A	18-Nov-22	300	Exploration
190	Bloody Good Shot 8A	18-Nov-22	200	Exploration
191	Bloody Good Shot 7A	18-Nov-22	100	Exploration
192	Bloody Good Shot 6A	18-Nov-22	200	Exploration
193	Bloody Good Shot 5A	29-Jan-23	200	Exploration
194	Bloody Good Shot 4A	30-Nov-22	300	Exploration
195	Bloody Good Shot 3A	30-Nov-22	300	Exploration
196	Bloody Good Shot 2A	30-Nov-22	300	Exploration
197	Bloody Good Shot 1A	30-Nov-22	300	Exploration
198	NICE BARREL 1	application	200	Exploration
199	NICE BARREL 2	application	300	Exploration
200	NICE BARREL 3	application	200	Exploration
201	NICE BARREL 4	application	200	Exploration
202	NICE BARREL 5	application	200	Exploration
203	NICE BARREL 6	application	200	Exploration
204	NICE BARREL 7	application	200	Exploration
205	NICE BARREL 13	application	300	Exploration
206	NICE BARREL 12	application	200	Exploration
207	NICE BARREL 11	application	300	Exploration
208	NICE BARREL 10	application	200	Exploration
209	NICE BARREL 9	application	300	Exploration
210	NICE BARREL 8	application	200	Exploration
211	ZORRO 1A	16-Mar-22	200	Exploration
212	ZORRO 2A	16-Mar-22	200	Exploration
213	ZORRO 3A	16-Mar-22	200	Exploration
214	ZORRO 4A	16-Mar-22	100	Exploration
215	ZORRO 5A	16-Mar-22	200	Exploration
216	ZORRO 6A	29-Apr-22	200	Exploration
217	PUNTA DE DIAMANTE 1A	application	200	Exploration
218	PUNTA DE DIAMANTE 2A	application	300	Exploration
219	PUNTA DE DIAMANTE 3A	application	300	Exploration
220	LA NEGRA COJA 1A	application	200	Exploration
221	LA NEGRA COJA 2A	application	300	Exploration
222	LA NEGRA COJA 3A	application	300	Exploration
223	LA NEGRA COJA 4A	application	200	Exploration
224	LA NEGRA COJA 5A	application	300	Exploration
225	LA NEGRA COJA 6A	application	300	Exploration
226	LA NEGRA COJA 7A	application	200	Exploration
227	LA NEGRA COJA 8A	application	300	Exploration
228	LA NEGRA COJA 9A	application	200	Exploration
229	LA NEGRA COJA 10A	application	300	Exploration
230	LA NEGRA COJA 11A	application	300	Exploration
231	LA NEGRA COJA 12A	application	200	Exploration
232	LA NEGRA COJA 13A	application	300	Exploration
233	LA NEGRA COJA 14A	application	300	Exploration
234	LA NEGRA COJA 15A	application	200	Exploration
235	LA NEGRA COJA 16A	application	300	Exploration
236	LA NEGRA COJA 17A	application	300	Exploration
237	LA NEGRA COJA 18A	application	300	Exploration
238	LA NEGRA COJA 19A	application	200	Exploration
239	Buzzard 1, 1 al 300	NA - constituted	300	Exploitation
240	Buzzard 2, 1 al 300	NA - constituted	300	Exploitation
241	Buzzard 3, 1 al 300	NA - constituted	300	Exploitation
242	Buzzard 4, 1 al 300	NA - constituted	300	Exploitation
243	LEON DOS 1-30	NA - constituted	300	Exploitation

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Total	Concession Name	Date of Expiration	Size	Concession type
244	LEON UNO 1-30	NA - constituted	300	Exploitation
245	LAS COQUETAS 1/10	NA - constituted	100	Exploitation
246	PATON DOS 1/29	NA - constituted	230	Exploitation
247	PATON UNO 1/29	NA - constituted	240	Exploitation

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