



SHARE PURCHASE PLAN PROSPECTUS – OFFER OPEN

Dear Shareholder,

As announced on 27 October 2021, Tesoro Resources Limited (**TSO** or **Company**) is intending to raise approximately \$7.3 million to increase the Company's cash reserves to \$14.8 million, 90% of which will be deployed into the Company's El Zorro Gold Project in Chile (**El Zorro**), to accelerate El Zorro District drilling, resource expansion and completion of a scoping study, through:

- a) a placement of 51,000,011 Shares to professional and sophisticated investors at an issue price of \$0.085 per Share to raise \$4.335 million (**Placement**); and
- b) a share purchase plan, whereby eligible Shareholders may each apply for up to \$30,000 of new Shares at an issue price of \$0.085 per Share, pursuant to which the Company will seek to raise up to \$3,000,000, through the issue of up to 35,294,118 Shares (**SPP**).

The Board of the Company is pleased to invite you to participate in the offer of up to \$30,000 of new Shares at an issue price of \$0.085 per Share under the SPP (**SPP Offer**).

A prospectus in relation to the SPP Offer was lodged by TSO with ASIC and ASX on 8 November 2021 (**Prospectus**). An electronic copy of the Prospectus, along with information with respect to applying for your entitlement under the SPP Offer is accessible at the following link: <https://investor.automic.com.au/#/home>.

The Company is undertaking the SPP Offer pursuant to the Prospectus to allow Eligible Shareholders to apply for the full \$30,000 worth of new Shares (subject to scale back at the Company's absolute discretion – refer to Section 2.7 of the Prospectus for further details), even if they received Shares under the Company's Share Purchase Plan in December 2020/ January 2021.

If you are unable to access <https://investor.automic.com.au/#/home> online, then you can obtain a copy of the Prospectus and your entitlement form by calling Automic Group on 1300 288 664 or emailing hello@automic.com.au and asking them to mail a paper copy of the Prospectus and your entitlement form to you free of charge.

Based on the capital structure of the Company as at the date of the Prospectus, a maximum of 35,294,118 Shares will be issued under the SPP Offer (**SPP Shares**). The Company intends to issue the Shares under the SPP Offer pursuant to the Company's placement capacity under ASX Listing Rule 7.1A. If all the SPP Shares are issued, the Company will receive \$3,000,000. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

Your application for the SPP Offer must be made on your personalised Application Form. Your personalised Application Form, along with this Prospectus, is accessible at <https://investor.automic.com.au/#/home>. You will need to provide your Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) and postcode to access the online application system and follow the instructions provided including making payment by BPAY®. Your electronic acceptance of the SPP Offer should be made using this electronic service, with payment via BPAY®.

For New Zealand shareholders, or other shareholders, who are unable to use BPay, please contact the Share Registry on +61 2 9698 5414 for alternative payment arrangements.

Key features of the SPP Offer:

- a) Eligible Shareholders for the Shares are shareholders of the Company with a registered address in Australia and New Zealand at 5pm (WST) on 26 October 2021 (**Record Date**).
- b) Applications and payment of funds must be received by the share registry on or before 5pm (WST) 6 December 2021 (subject to variation in accordance with applicable laws and regulations).
- c) Funds raised from the SPP Offer will be deployed into El Zorro, to accelerate El Zorro District drilling, resource expansion and completion of a scoping study.
- d) Application for quotation on ASX of the SPP Shares will be made immediately following the issue of those Shares.

Key Dates for the SPP

Event	Date
SPP Record Date	5.00pm (WST) on 26 October 2021
Announcement of firm commitments for the Capital Raising	27 October 2021
Settlement of Placement Shares	29 October 2021
Allotment and issue of Placement Shares	1 November 2021
Lodgement of SPP Prospectus with ASIC and Dispatch of SPP Offer letter (including details of how to access the SPP Prospectus) to Shareholders	8 November 2021
SPP Opening Date	9.00am (WST) on 8 November 2021
SPP Closing Date	5.00pm WST on 6 December 2021
Announcement of SPP Participation Results	9 December 2021
Last date for Issue of SPP Shares	13 December 2021

* The above dates are indicative only and may change without notice.

Actions required by Eligible Shareholders

The number of SPP Shares to which Eligible Shareholders are entitled (Entitlement) is shown on the Application Form that accompanies the Prospectus which you can access by entering your personal details (including Securityholder Reference Number (SRN) or Holder Identification Number (HIN), and postcode) at the following link: <https://investor.automic.com.au/#/home>

As an Eligible Shareholder, you may:

- a) apply for your full Entitlement (refer to Section 2.6 of the Prospectus); or
- b) accept part of your Entitlement (refer to Section 2.6 of the Prospectus); or
- c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Dilution

Upon implementation of the SPP Offer, assuming all SPP Shares are issued, the number of Shares in the Company will increase from 603,200,482 currently on issue to 638,494,600. This means that immediately after the SPP Offer each existing Share will represent a lower proportion of the ownership of the Company than is currently the case. If you have any queries about the SPP Offer, please contact the Company on +61 8 9322 1587 or send an email to info@tesororesources.com.au.

Yours faithfully



John Toll
Non-executive Chairman
Tesoro Resources Limited

Authorised by the Board of Tesoro Resources Limited.

For more information:

Company:

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

Investors:

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

About Tesoro

Tesoro Resources Limited was established with a strategy of acquiring, exploring, and developing mining projects in the Coastal Cordillera region of Chile. The Coastal Cordillera region is host to multiple world class copper and gold mines, has well established infrastructure, service providers and an experienced mining workforce. Large areas of the Coastal Cordillera remain unexplored due to the unconsolidated nature of mining concession ownership, but Tesoro, via its in-country network and experience has been able secure rights to a district scale gold project in-line with the Company's strategy. Tesoro's 95% owned Chilean subsidiary owns 85% of the El Zorro Gold Project.



TESORO RESOURCES LIMITED

ACN 106 854 175

SHARE PURCHASE PLAN PROSPECTUS

For an offer to Eligible Shareholders of up to 35,294,118 Shares at an issue price of \$0.085 per Share to raise up to \$3,000,000 (**SPP Offer**).

In the event that less than \$3,000,000 is applied for under the SPP Offer by Eligible Shareholders, the Directors will seek to place that number of Shares at an issue price of \$0.085 per Share to raise up to \$3,000,000 when combined with the amount raised under the SPP Offer (**Shortfall Offer**).

SHARE PURCHASE PLAN INFORMATION

The Share Purchase Plan is currently scheduled to close at 5:00pm (WST) on 6 December 2021. Valid applications must be received by that time. Details of how to apply for Shares are set out in the SPP Application Form accompanying this Prospectus.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

IMPORTANT NOTES

This Prospectus is dated 8 November 2021 and was lodged with the ASIC on that date. The ASX, the ASIC and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original SPP Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional

advisers whom potential investors may consult.

No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those set out below. Failure to comply with these restrictions may violate securities laws.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at tesororesources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9322 1587 during office hours or by emailing the Company at info@tesororesources.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

ASIC Instrument on Share Purchase Plans

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**Instrument**). This Instrument allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.

The ASIC Instrument only applies to the offer of securities under a share purchase plan where a company's securities have not been suspended from quotation on ASX for more than a total of five days during the shorter of:

- (a) the period during which the class was quoted; and
- (b) the period of 12 months before the day on which the offer is made.

As the Company has undertaken a share purchase plan within the previous 12 months, the Company is unable to rely on the relief granted by the ASIC Instrument and, therefore, is undertaking the share

purchase plan under this Prospectus.

Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for securities under this Prospectus.

Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative.

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser before deciding whether to apply for Securities pursuant to this Prospectus.

Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result,

Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.

Disclaimer

No person is authorised to give information or to make any representation in connection with the offers described in this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offers. You should rely only on information in this Prospectus.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5 of this Prospectus.

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

CORPORATE DIRECTORY

Directors

John Toll
Non-Executive Chairman

Zeffron Reeves
Managing Director

Kristie Young
Non-Executive Director

Geoffrey McNamara
Non-Executive Director

Linton Putland
Executive Director

Company Secretaries

Shannon Coates

Sarah Wilson

Share Registry*

Automic Registry Services
Level 2
267 St Georges Terrace
PERTH WA 6000

Telephone:
1300 288 664 (within Australia)
+61 2 9698 5414 (International)

Registered Office

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WEST PERTH WA 6005

Telephone: + 61 8 9322 1587

Email: info@tesororesources.com.au
Website: www.tesororesources.com.au

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager

Viriathus Capital Pty Limited
Suite 47, Level 35
International Tower One
100 Barangaroo Avenue
BARANGAROO NSW 2000

Auditor*

RSM Australia Partners
Level 32
2 The Esplanade
PERTH WA 6000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus

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1. TIMETABLE

Event	Date
Record Date	26 October 2021
Announcement of SPP Offer	27 October 2021
Lodgement of SPP Prospectus with ASIC and ASX	5 November 2021
Opening Date of SPP Offer	8 November 2021
Closing Date for SPP Offer**	6 December 2021
Announcement of results of SPP**	9 December 2021
Last day to issue shares purchased under SPP and apply for quotation of those shares**	13 December 2021

*These dates are indicative only and may change without prior notice.

** Subscribers under the SPP Offer should ensure that they have lodged their SPP Application Form by this date.

2. DETAILS OF THE OFFERS

2.1 The SPP Offer

As announced on 27 October 2021, the Company is undertaking an offer of Shares to existing Shareholders pursuant to a share purchase plan (**SPP** or **Share Purchase Plan**).

By this Prospectus, the Company invites Eligible Shareholders to apply for a total of 35,294,118 Shares at an issue price of \$0.085 per Share to raise up to \$3,000,000 (before costs) (**SPP Offer**).

Eligible Shareholders are entitled to apply for a maximum of \$30,000 worth of Shares (representing 352,941 Shares at an issue price of \$0.085 per Share). This is a 19% discount to the last closing price and a 14.4% discount to the VWAP for Shares calculated over the last fifteen (15) days on which sales of the Shares were recorded before the date of announcement of the Share Purchase Plan.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the SPP Offer and the intended use of funds raised, as previously disclosed to ASX, is set out in Section 3.1 of this Prospectus.

The Company is undertaking the SPP Offer pursuant to this Prospectus to allow Eligible Shareholders to apply for the full \$30,000 worth of new Shares (subject to scale back at the Company's absolute discretion – refer to Section 2.8 for further details), even if they received Shares under the Company's Share Purchase Plan in December 2020/ January 2021.

The Company intends to issue the Shares under the SPP Offer pursuant to the Company's additional placement capacity under ASX Listing Rule 7.1A.

2.2 Placement

The Company has announced that it has secured binding commitments for a placement to sophisticated and professional investors to raise \$4,335,001 through the issue of 51,000,011 Shares to be issued under the Company's existing Listing Rule 7.1 Capacity (**Placement**).

2.3 Lead Manager

Viriathus Capital Pty Ltd (ABN 98 113 959 596, AFSL No. 297950) (**Viriathus**) has been appointed as lead manager to the Placement and Share Purchase Plan.

The Company has agreed to pay Viriathus the following fees in respect of its services:

- (a) a management fee of 2% (plus GST) of the total amount raised under the Placement;
- (b) a placement fee of 4% (plus GST) of the total amount raised under the Placement;
- (c) a share purchase plan management fee of 3% (plus GST) of all funds raised under the SPP; and

- (d) a DVP establishment fee of \$7,500 for the establishment and execution of the DVP settlement function.

All selling fees to third parties will be paid by Viriathus from the fees set out above.

2.4 Eligibility

Only Eligible Shareholders may participate in the SPP Offer. 'Eligible Shareholders' for the purpose of the SPP Offer are Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address was in Australia or New Zealand.

The maximum investment any Eligible Shareholder may apply for will remain \$30,000 even if an Eligible Shareholder receives more than one Offer (whether in respect of a joint holding or because the Eligible Shareholder has more than one holding under a separate account). The Company reserves the right to reject any application for Shares under this Prospectus to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Participation in the SPP Offer is optional and is subject to the terms and conditions set out in this Prospectus.

2.5 Custodians, trustees and nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC CI 2019/547**) (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for Shares up to the value of \$30,000 for each beneficiary for whom you act as custodian provided you complete and submit, together with an Application Form, a certificate (**Custodian Certificate**) with the following information:

- (a) that you held Shares on behalf of:
 - (i) one or more other persons that are not custodians; and/or
 - (ii) another custodian (**Downstream Custodian**) that holds beneficial interests in Shares on behalf of one or more other persons who are resident in Australia or New Zealand, to which those beneficial interests relate,

(each a **Participating Beneficiary**) at the Record Date who have subsequently instructed you, and/or the Downstream Custodian, to apply for Shares under the Plan on their behalf;
- (b) the number of Participating Beneficiaries and their names and addresses;
- (c) the number of Shares that you hold on behalf of each Participating Beneficiary;
- (d) the number or dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through a Downstream Custodian, to apply for on their behalf;

- (e) that the application price for Shares applied under the Offer for each Participating Beneficiary for whom you act in addition to the application price for any other Shares issued to you as custodian (as a result of instruction given to you as Custodian or a Downstream Custodian) for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$30,000;
- (f) that a copy of the written offer document was given to each Participating Beneficiary; and
- (g) where you hold Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian.

For the purposes of ASIC CI 2019/547 you are a '**Custodian**' if you provide a custodial or depository service in relation to shares of a body or interests in a registered scheme and you:

- (a) hold an Australian financial services licence covering the provision of a custodial or depository service;
- (b) are exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
- (c) hold an Australian financial services licence covering the operation of an IDPS or is a responsible entity of an IDPS-like scheme;
- (d) are a trustee of a self-managed superannuation fund or a superannuation master trust; or
- (e) are a registered holder of shares or interests in the class and is noted on the register of members of the body or scheme as holding the shares or interests on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company's share registry, Automic during the Offer period on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia). Completed Custodian Certificates should be emailed to custodialcertificates@automicgroup.com.au.

The Company reserves the right to reject any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with the terms and conditions set out in this Prospectus.

2.6 Minimum subscription

There is no minimum subscription for the SPP Offer.

2.7 Applications

An application for the SPP Offer must be made on the SPP Application Form accompanying this Prospectus. Pursuant to the SPP Offer, Eligible Shareholders may apply for a maximum of \$30,000 worth of Shares. Eligible Shareholders may participate by selecting one of the following options (**SPP Application Amount**) to purchase Shares under the SPP Offer:

	SPP Application Amount	Number of Shares which may be purchased
Offer A	\$2,500	29,411
Offer B	\$5,000	58,823
Offer C	\$10,000	117,647
Offer D	\$15,000	176,470
Offer E	\$20,000	235,294
Offer F	\$30,000	352,941

Where the amount applied for results in a fraction of a Security the number of Shares issued will be rounded down to the nearest whole Security.

Any application monies received for more than an Applicant's final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded.

Eligible Shareholders may apply under the SPP Offer by completing the SPP Application Form accompanying this Prospectus in accordance with the instructions outlined on the SPP Application Form.

If you require assistance in completing an SPP Application Form, please contact our share registry, Automic, on 1300 288 664 (within Australia) or +61 2 9698 5414 (International).

2.8 Scale Back and Oversubscriptions

The Company reserves absolute discretion to scale back applications or accept oversubscriptions (utilising available placement capacity under ASX Listing Rules 7.1 and 7.1A) under the SPP Offer to the extent and in the manner that it sees fit.

If the Company undertakes a scale back, you will receive the number of Shares determined by the Company in its absolute discretion which may be less than the parcel of Shares for which you have applied. In this case, the difference between the application moneys received and the number of Shares allocated to you multiplied by the issue price, may be refunded to you by direct credit (to your nominated account if recorded on the Company's share register) or cheque as soon as practicable without interest at the time of allotment.

If the Company elects to accept oversubscriptions, the Company will notify the market of this decision when it announces the results of the SPP.

2.9 Payment by EFT or BPAY®

For payment by EFT or BPAY®, please follow the instructions on the SPP Application Form.

You can only make a payment via:

- (a) EFT if you are a holder of an account that supports EFT transactions to an Australian bank account; or
- (b) BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by EFT or BPAY®:

- (a) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your application monies.

It is your responsibility to ensure that your EFT or BPAY® payment is received by the share registry by no later than 5:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

2.10 Shortfall Offer

In the event that less than \$3,000,000 is applied for under the SPP Offer by Eligible Shareholders, the Directors will seek to place any Shares not taken up pursuant to the SPP Offer under the Shortfall Offer (**Shortfall Securities**).

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.085 being the price at which Shares have been offered under the SPP Offer.

The allocation of the Shortfall Securities will be at the absolute discretion of the Board. Accordingly, do not apply for Shortfall Securities unless instructed to do so by the Directors.

2.11 Underwriting

The Offers are not underwritten.

2.12 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any and will repay all

application monies for the Shares within the time prescribed under the Corporations Act, without interest.

2.13 Issue

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Offers.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offers will be mailed in accordance with the timetable set out at the commencement of this Prospectus.

2.14 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Securities are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that applying for Shares under the Offers does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed SPP Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.15 Commissions payable

The Company reserves the right to pay a commission of 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers

or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee (as noted in Section 2.3).

2.16 Enquiries

Any questions concerning the Offers should be directed to Shannon Coates, Company Secretary, on +61 8 9322 1587.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers and Placement

The primary purpose of:

- (a) the SPP is to raise up to \$3,000,000 (before costs and assuming full subscription); and
- (b) the Placement is to raise \$4,335,001 (before costs).

The funds raised from the SPP Offer together with the Placement are planned to be used in accordance with the table set out below:

Use of Funds –proceeds of the SPP Offer and the Placement	Funds raised (\$)	Percentage of Funds (%)
Existing cash (as at 30 September 2021)	7,470,000	
Placement raising	4,335,001	59.1
SPP raising	3,000,000	40.9
Total	14,805,001	100
Allocation of funds		
Tenera Gold Deposit - Resource Drilling (43,000m)	(9,035,000)	61.0
El Zorro District Drilling (10,000)	(1,800,000)	12.2
El Zorro Development and Scoping Study	(1,980,000)	13.3
Corporate Admin and General Working Capital	(1,600,001)	10.8
Costs of Offer	(390,000)	2.6
Total	14,805,001	100

Notes:

1. Refer to Section 6.7 of this Prospectus for further details relating to the estimated expenses of the SPP Offer and the Placement.
2. Assumes the full amount of \$3,000,000 is subscribed under the SPP, and no oversubscriptions are accepted.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

If there is a shortfall under the SPP Offer, the Directors have reserved the right to place the shortfall pursuant to the Shortfall Offer.

On completion of the SPP Offer, the Board believes the Company will have sufficient working capital to achieve the above objectives. However, to the extent the SPP Offer is not fully subscribed, the Company will scale back the exploration work set out above and/or delay some of the work, while it seeks alternative sources of funding. Subject to the results of the exploration work to be undertaken,

additional funding may be required to advance the projects as deemed appropriate.

3.2 Effect of the SPP Offer and the Placement

The principal effect of the SPP Offer and the Placement, assuming the Company issues the maximum number of Shares under the SPP Offer will be to:

- (a) increase the cash reserves by \$7,335,001 (before deducting the estimated expenses of the Placement and the SPP Offer) immediately after completion of the Placement and the SPP Offer; and
- (b) increase the number of Shares on issue from 603,200,482 (prior to the issue of the Placement Shares) to 689,494,611 Shares following completion of the Placement and the SPP Offer.

3.3 Potential dilution to Shareholders

Shareholders should note that if they do not participate in the SPP Offer, their shareholdings are likely to be diluted by approximately 5.53% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below.

Holder	Holding as at Record date	Percentage at Record Date	Percentage on completion of the SPP Offer and the Placement	
			If Entitlement is accepted	If Entitlement is not accepted
Shareholder 1	50,000,000	8.29%	7.84%	7.83%
Shareholder 2	15,000,000	2.49%	2.35%	2.35%
Shareholder 3	4,000,000	0.66%	0.63%	0.63%
Shareholder 4	500,000	0.08%	0.08%	0.08%
Shareholder 5	50,000	0.01%	0.01%	0.01%

Notes:

1. The dilutionary effect stated above as a percentage does not take into account the impact of the Shares to be issued under the Placement.
2. The dilutionary effect shown in the table assumes that Shareholders did not participate in the Placement.
3. The dilutionary effect shown in the table is the maximum percentage on the assumption that the Company raises an aggregate of \$3,000,000 under the SPP Offer and the Shortfall Offer. The table assumes that those Entitlements not accepted by Eligible Shareholders under the SPP Offer are placed under the Shortfall Offer and no oversubscriptions are accepted. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.
4. The dilutionary effect shown in the table assumes that no existing Performance Rights are exercised prior to the completion of the Offers.

3.4 Pro-forma balance sheet

The audited balance sheet as at 30 June 2021 and the pro-forma balance sheet as at 30 June 2021 shown below have been prepared on the basis of the

accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted (either through the SPP Offer or subsequently taken up under the Shortfall Offer), no oversubscriptions are accepted and no existing Performance Rights are exercised prior to the Record Date and including expenses of the Placement and the SPP Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Notes	Tesoro Audited 30 June 2021	Post 30 June 2021	Placement	SPP	Costs of Capital Raisings	PROFORMA BALANCE SHEET
CURRENT ASSETS							
Cash	1	13,728,277	-	4,335,001	3,000,000	(398,617)	20,664,661
Trade and other receivables		329,534	-	-	-	-	329,534
TOTAL CURRENT ASSETS		14,057,811	-	4,335,001	3,000,000	(398,617)	20,994,195
NON-CURRENT ASSETS							
Exploration and evaluation		15,506,028	-	-	-	-	15,506,028
Plant and equipment		75,839	-	-	-	-	75,839
Right of use Assets		218,954	-	-	-	-	218,954
TOTAL NON-CURRENT ASSETS		15,800,821	-	-	-	-	15,800,821
TOTAL ASSETS		29,858,632	-	4,335,001	3,000,000	(398,617)	36,795,016
CURRENT LIABILITIES							
Creditors and other payables		1,726,468	-	-	-	-	1,726,468
Provisions		35,887	-	-	-	-	35,887
Lease Liability		2,422	-	-	-	-	2,422

	Notes	Tesoro Audited 30 June 2021	Post 30 June 2021	Placement	SPP	Costs of Capital Raisings	PROFORMA BALANCE SHEET
TOTAL CURRENT LIABILITIES		1,764,777	-	-	-	-	1,764,777
NON-CURRENT LIABILITIES							
Lease Liability		108,924		-	-	-	108,924
TOTAL NON-CURRENT LIABILITIES		108,924	-	-	-	-	108,924
TOTAL LIABILITIES		1,873,701	-	-	-	-	1,873,701
NET ASSETS		27,984,931	-	4,335,001	3,000,000	(398,617)	34,921,315
EQUITY							
Share capital	1,2	37,156,675	1,517,262	4,335,001	3,000,000	(398,617)	45,610,321
Equity Based Reserves	2	2,228,337	(1,416,469)	-	-	-	811,868
Foreign currency translation reserve		194,352	-	-	-	-	194,352
Retained loss	2	(13,729,842)	(100,793)	-	-	-	(13,830,635)
Non-controlling Interest		2,135,409	-	-	-	-	2,135,409
TOTAL EQUITY		27,984,931	-	4,335,001	3,000,000	(398,617)	34,921,315

Notes:

1.	<u>Capital raising</u>	PLACEMENT	SPP
		4,335,001	3,000,000
1.	<u>Cash Costs</u>	PLACEMENT	SPP
	Capital raising fees	267,600	90,000
	ASIC		3,206
	ASX		10,815
	Legal fees		17,500
	Printing, postage and despatch		3,969
	Share Registry		5,527
	Total raise net cost	4,067,401	2,868,983
2.	Issues Subsequent to 30 June 2021		
	Conversion of Performance Rights Class A		1,517,262

3.5 Effect on capital structure

The effect of the Offers and the Placement on the capital structure of the Company, assuming all Entitlements are accepted (either through the SPP Offer or subsequently taken up under the Shortfall Offer) and no oversubscriptions are accepted, is set out below.

Shares

	Number
Shares currently on issue (includes Placement Shares)	552,006,880
Restricted Shares currently on issue	102,193,613
Shares offered pursuant to the SPP Offer	35,294,118
Shares to be issued to Viriathus in lieu of fees	Nil
Total Shares on issue after completion of the Offer	689,494,611

Performance Rights

	Number
Restricted Performance Rights	90,120,000
Performance Rights	7,908,551
Total Performance Rights on issue after completion of the Offers	98,028,551

The capital structure on a fully diluted basis as at the date of this Prospectus would be 701,229,033 Shares and on completion of the Offers (assuming all Entitlements are accepted either through the SPP Offer or subsequently taken up under the Shortfall Offer) would be 787,523,162 Shares.

Some Shares and Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.6 Details of substantial holders

Based on publicly available information as at 8 November 2021, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	% ¹
Geoffrey William McNamara, Tanamera Resources Pte Ltd, Linkwood Holdings Pte Ltd and Medea Natural Resources Limited	69,532,230	11.53%
Zeffron Charles Reeves	36,429,797	6.04%

Notes:

1. The above percentages do not take into account the impact of the Shares to be issued under the Placement.
2. Assumes that none of the above Shareholders participated in the Placement.
3. Assumes the full amount of \$3,000,000 is subscribed under the SPP, and no oversubscriptions are accepted.

As the substantial holders are Directors of the Company, they are unable to participate in the SPP Offer and Shortfall Offer. Therefore, there will be no change to the substantial holders on completion of the Offers.

The Company has confirmed that no existing Shareholder of the Company will increase its shareholding to above 19.99% as a result of the Placement, the SPP Offer or the Shortfall Offer.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

4.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

4.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

4.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit.

4.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

4.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

4.6 Transfer of shares

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

4.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

4.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

4.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

5.2 Company specific

(a) Exploration

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the El Zorro Project, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the El Zorro Project, a reduction in the cash reserves of the Company and possible relinquishment of the projects. The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) Tenement applications and license renewal

The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part.

Further, mining and exploration concessions are subject to periodic renewal. There is no guarantee that current or future concessions and/or applications for concessions will be approved. The renewal of the term of

a granted concession is also subject to the discretion of the relevant authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the concessions. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company has yet to receive regulatory and environmental approval to convert its mineral licences into production permits. There is a risk that these approvals may not be obtained.

(c) **Joint Venture Risk**

The Company is subject to the risk that changes in the status of any of the Company's joint ventures may adversely affect the operations and performance of the Company.

There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.

As noted in Section 6.1, the Company was recently served a notice of dispute initiated by its joint venture partner Wanaco SpA, lodged with the 7th Civil Court de Santiago de Chile.

Refer to Section 6.1 and the Company's ASX releases for further details.

(d) **Main operations in Chile and land access**

While Chile is considered to be one of South America's most politically stable and prosperous nations, it may nevertheless be subject to social and economic uncertainty. Civil and political unrest and outbreaks of hostilities in Chile could affect the Company's access to its projects and subsequent exploration and development. Adverse changes in government policies or legislation in Chile affecting foreign ownership of mineral interests, taxation, profit repatriation, royalties, land access, labour relations, and mining and exploration activities may affect the operations of the Company.

(e) **Earthquake**

Chile, including the area in which the El Zorro Project is situated, is seismically active and prone to frequent earthquakes and occasional tsunamis. Any such event may result in operational delays to the Company's operations.

(f) **Mine development**

Possible future development of a mining operation at the Company's El Zorro Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving

the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services. If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

The risks associated with the development of a mine will be considered in full should the El Zorro Project or any future projects that the Company acquires an interest in reach that stage and will be managed with ongoing consideration of stakeholder interests.

(g) **Limited history**

The Company's current business, which was acquired when the Company acquired Tesoro Australia Limited (formerly Tesoro Resources Limited) has limited operating history, although it should be noted that the Directors have between them significant operational experience. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its projects. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(h) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(i) **Restricted securities reducing liquidity**

Certain securities on issue have been classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

5.3 Industry Specific

(a) **Gold Price**

Changes in the market price of gold, which in the past have fluctuated widely, will affect the profitability of the Company's operations and its financial condition in the future, if and when the Company enters production. The Company's revenues, profitability and viability would depend on the market price of gold produced from the Company's El

Zorro Project. The market price of gold is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for gold and industrial products containing metals, gold production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of gold and other metals in response to any of the above factors, and global and regional political and economic factors.

Should the Company eventually enter a production phase, a decline in the market price of gold below the Company's production costs for any sustained period would have a material adverse impact on the profit, cash flow and results of operations of the Company's El Zorro Project and anticipated future operations. Such a decline also could have a material adverse impact on the ability of the Company to finance the exploration and development of its existing and future mineral projects. A decline in the market price of gold may also require the Company to write-down its material reserves which would have a material adverse effect on the value of the Company's securities. Further, if future revenue from any future gold sales decline, the Company may experience liquidity difficulties. The Company will also have to assess the economic impact of any sustained lower prices on recoverability and therefore, on cut-off grades and the level of any future mineral reserves and resources.

(b) **Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(c) **Results of Studies**

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect to the Projects. These studies may include scoping, prefeasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

(d) **Resource and reserves and exploration targets**

The Company has identified a number of exploration targets based on geological mapping and interpretations, geophysical data, geochemical sampling and historical drilling. A maiden mineral resource estimate was announced to ASX on 28 July 2021. Whilst the Company intends to undertake additional exploratory work with the aim of

expanding the current mineral resource, no assurances can be given that additional exploration will result in the determination of additional resources on any of the exploration targets identified. Even if an additional resource is identified no assurance can be provided that this can be economically extracted.

Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature Resource and Reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(e) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(f) **Environmental**

The operations and proposed activities of the Company are subject to Chilean laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or fires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

5.4 General risks

(a) **Coronavirus (COVID-19)**

The outbreak of COVID-19 is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Directors continue to monitor the outbreak of COVID-19 closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its revenue channels and adverse impact on the Company. If any of these impacts appear material prior to close of the SPP Offer, the Company will notify investors under a supplementary prospectus.

(b) **Climate change risks**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns.

All these risks associated with climate change may significantly change the industry in which the Company operates.

(c) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as on its ability to fund its operations.

(d) **Commodity price volatility and exchange rate risk**

The Company's revenue will be in US dollars derived from the sale of gold and the Company's operating expenses will be incurred principally in US dollars. Movements in the USD/AUD exchange rate and/or the US dollar gold price may adversely or beneficially affect the Company's results or operations and cash flows.

(e) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(f) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(g) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the SPP Offer and the Placement. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(h) **Agents and contractors**

The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(i) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(j) **Litigation risks**

The Company is exposed to possible litigation risks including tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

As noted in Section 6.1, the Company was recently served a notice of dispute initiated by its joint venture partner Wanaco SpA, lodged with the 7th Civil Court de Santiago de Chile.

(k) Refer to Section 6.1 and the Company's ASX releases for further details.
Insurance

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with the Company's business may not always be available and where available the costs may be prohibitive.

5.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings other than as set out below and the Directors are not aware of any legal proceedings pending or threatened against the Company.

As set out above, the Company was recently served a notice of dispute initiated by its joint venture partner Wanaco SpA, 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 SCM held on 11 February 2021. El Zorro SCM is the El Zorro Gold Project joint venture company of which the Company's 95% owned Chile subsidiary, Tesoro Mining Chile SpA (Tesoro Chile) currently owns 85%.

The Company 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. The Company will vigorously defend its position and is considering its legal options to have this claim rejected by the court.

6.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms, a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
03/11/2021	More wide gold zones intercepted at Ternera
01/11/2021	Notice pursuant to s708A(5)(e) Corporations Act 2001
29/10/2021	Application for Quotation of Securities - TSO
29/10/2021	Quarterly Cashflow Report
29/10/2021	Quarterly Activities Report
28/10/2021	Share Purchase Plan – Early Registration
27/10/2021	Proposed issue of securities – TSO
27/10/2021	\$7.3 million capital raising to accelerate El Zorro
25/10/2021	Results of Meeting
25/10/2021	Trading Halt
20/10/2021	Ternera drilling continues to discover high-grade zones
18/10/2021	Mines and Money IMARC Conference Presentation
05/10/2021	More High-Grade Gold at Ternera

Date	Description of Announcement
29/09/2021	Updated Presentation & retraction of broker coverage
28/09/2021	Presentation
27/09/2021	Tesoro Resources to Present at Virtual Conference
27/09/2021	Metallurgical test work confirms excellent gold recoveries
24/09/2021	Appendix 4G
24/09/2021	Corporate Governance Statement
24/09/2021	Notice of Annual General Meeting/ Proxy Form
24/09/2021	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website: www.tesororesources.com.au.

6.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and most recent dates of those sales were:

	Share price	Date
Highest	\$0.125	9 August 2021
Lowest	\$0.082	5 November 2021
Last	\$0.082	5 November 2021

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, is set out in the table below.

Director	Shares	Performance Rights
Mr John Toll ¹	3,671,696	Nil
Mr Zeffron Reeves ²	36,429,797	47,244,620
Mr Geoffrey McNamara ³	69,532,230	42,875,380
Linton Putland	Nil	Nil
Kristie Young	24,833	Nil

Notes:

1. 3,671,696 fully paid ordinary shares are held by Mr John Toll as trustee for the Toll Family Discretionary Trust.
2. 36,429,797 fully paid ordinary shares and 47,244,620 performance rights are held by Mr Zeffron Charles Reeves as trustee for the Palin Trust.
3. 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 and 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.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as performance rights, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Year ending 30 June 2021 Salary/Director fees (AUD)	Year ended 30 June 2020 Salary/Director fees (AUD)	Year ended 30 June 2019 Salary/Director fees (AUD)
John Toll	50,000	\$20,834	\$52,952 ¹
Zeffron Reeves	\$1,510,358 ⁴	\$304,338 ²	-
Geoffrey McNamara	\$956,285 ⁵	\$252,283 ³	-
Linton Putland ⁶	Nil	Nil	Nil
Kristie Young ⁶	Nil	Nil	Nil

Notes:

1. Includes a cash-based payment of \$37,500 and a share-based payment (performance rights) of \$15,452.
2. Includes a cash-based payment of \$159,500 and a share-based payment (performance rights) of \$144,838.
3. Includes a cash-based payment of \$20,834 and a share-based payment (performance rights) of \$231,449.
4. Includes a cash-based payment of \$262,800 and a share-based payment (shares and performance rights) of \$1,247,558.
5. Includes a cash-based payment of \$50,000 and a share-based payment (performance rights) of \$906,285.
6. Appointed as a director of the Company on 14 September 2021.

6.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(a) the formation or promotion of the Company; or

(b) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$17,500 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$184,724.99 (excluding GST and disbursements) for legal services provided to the Company.

Viriathus has acted as lead manager to the Placement and Share Purchase Plan. The Company has agreed to pay Viriathus the fees set out in Section 2.3 for lead management services provided to the Company. During the 24 months preceding lodgement of this Prospectus with the ASIC, Viriathus has not received any payments from the Company.

6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

(b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section;

(c) Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC; and

(d) Viriathus has given its written consent to being named as the lead manager to the Offer in this Prospectus. Viriathus has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.7 Expenses of the SPP Offer and the Placement

In the event that all Entitlements are accepted, the total expenses of the SPP Offer and the Placement are estimated to be approximately \$41,017 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	10,815
Legal fees	17,500
Printing, postage and despatch	3,969
Share registry	5,527
Total	41,017

* The Company reserves the right to pay a commission of 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. For those applications made directly to and accepted by the Company no broker commissions will be payable.

6.8 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

6.9 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

6.10 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate

distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



John Toll
Non-executive Chairman
For and on behalf of
Tesoro Resources Limited

8. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a person who applies for Shares pursuant to the Offers.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Tesoro Resources Limited (ACN 106 854 175).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholders means Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address was in Australia or New Zealand.

Entitlement means the entitlement of an Eligible Shareholder to participate in the SPP Offer.

Offers means the SPP Offer and the Shortfall Offer.

Official Quotation means official quotation on ASX.

Placement has the meaning given in Section 2.2.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus

Securities means Shares offered pursuant to the Offers.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the SPP Offer (if any).

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 2.10 of this Prospectus.

Shortfall Securities means those Securities issued pursuant to the Shortfall Offer.

SPP Application Form means the SPP Entitlement and Acceptance Form either attached to or accompanying this Prospectus.

SPP Offer means the offer of Shares to Eligible Shareholders as set out in Section 2.1 of this Prospectus.