



ANNUAL REPORT

**FORRESTANIA
RESOURCES**

30 JUNE 2023

ASX : FRS



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Forrestania

Lithium exploration

During the reporting period, over 9,000m of RC drilling was completed at the Forrestania Project. Drilling was undertaken at six, priority targets (Figure 1), prospective for LCT pegmatites over three drilling campaigns. The following high priority targets were drilled:

- South Iron Cap East
- Giant
- Calypso
- Gem
- Bannon
- Bounty East

A significant amount of work was completed to facilitate environmental approval for each drilling target owing to the Forrestania area being host to zones of high floristic significance. This included multiple targeted flora surveys. As part of the heritage approval process, multiple heritage surveys were also completed.

Additionally, a number of lithium-targeted soil sampling, mapping and reconnaissance programmes were completed within the Forrestania project, as part of a broader scale, ongoing programme which aims to provide improved geochemical coverage over the Forrestania Project to identify and define new lithium targets for drilling. Both the Calypso and South Iron Cap East drilling targets were generated from mapping and soil sampling programmes.

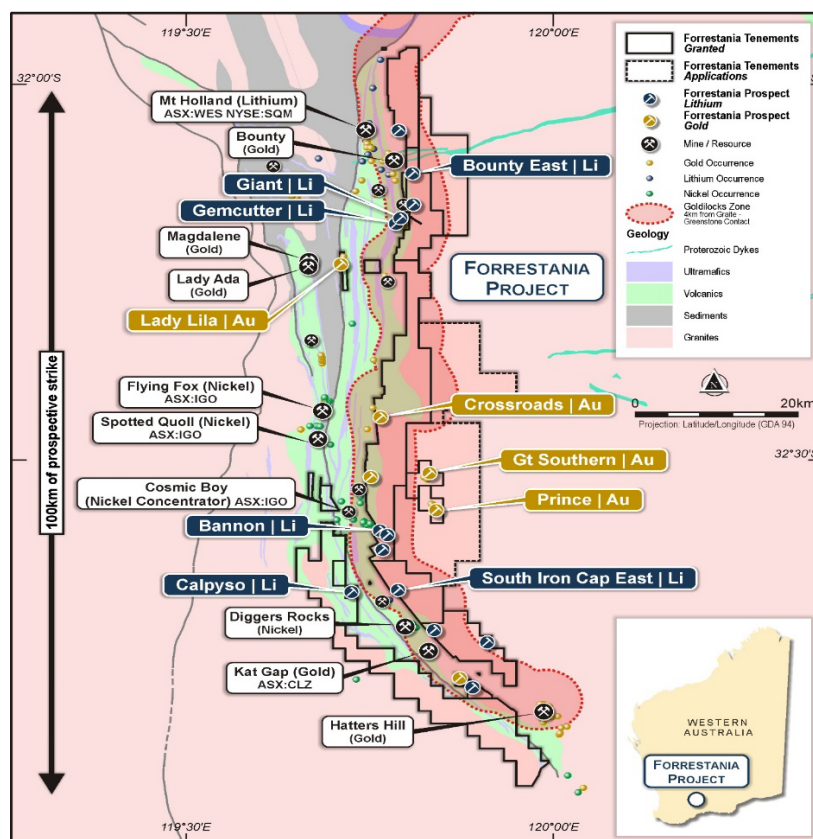


Figure 1: Forrestania Project showing regional geology interpretation including location of lithium drilling targets.

South Iron Cap East

The South Iron Cap East target is derived from a surface, geochemical lithium anomaly surrounding a pegmatite surface exposure¹ which occurs within 1km of IGO's South Ironcap lithium occurrence (best result of 50.6m @ 0.95% Li₂O)² (Figure 2). Two campaigns of drilling were undertaken at the target area during the period.

During drilling in January 2023, a number of narrow pegmatites were intercepted in one hole (FSIR0009) and assay results returned anomalous assay results, including 1m @ 0.10% Li₂O from 59m and 4m @ 0.14% Li₂O from 64m³. Additionally, all reported intervals returned potassium/rubidium ratios less than 30, demonstrating that the pegmatite is part of a highly fertile system.

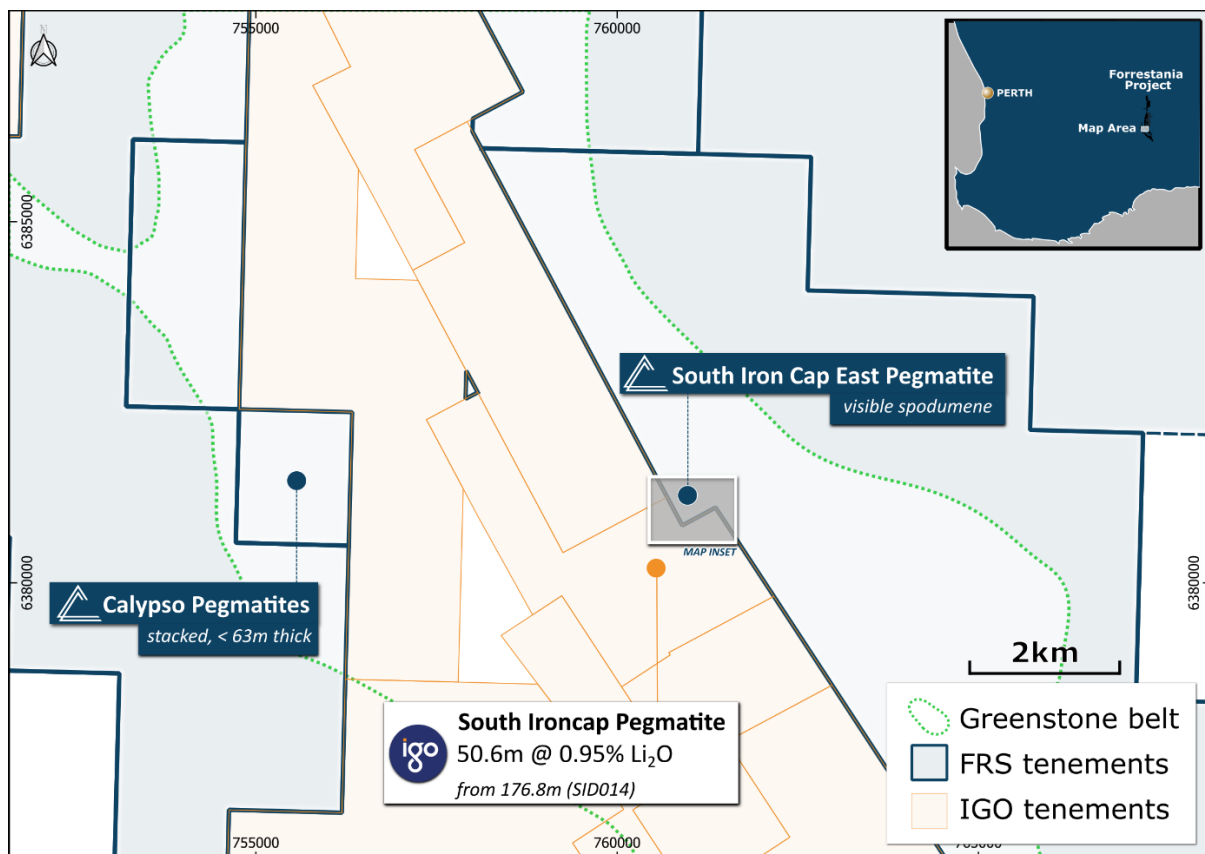


Figure 2: Map showing location of South Iron Cap East relative to South Ironcap (IGO)3 & Calypso (FRS).

This confirmed to the company that the geochemistry of the target area is highly prospective for hosting LCT pegmatites. Follow up drilling was undertaken in June 2023, which resulted in the intersection of six metres of spodumene bearing pegmatite in drill hole FSIR0010⁴, from a downhole depth of 40m (Figures 3 and 4). Assay results returned the below result, confirming lithium mineralisation⁵:

- **5m @ 0.55% Li₂O from 41m, including 2m @ 0.95% Li₂O from 43m**

Once relevant approvals were obtained, a third drilling programme was planned for August 2023. Drill holes were planned in close proximity to the spodumene bearing intercept to gain an understand of its

1 ASX:FRS release 11 April 2022

2 ASX:WSA release 22 April 2016

3 ASX: FRS release 24 April 2023

4 ASX: FRS release 12 July 2023

5 ASX: FRS release 21 August 2023

orientation and to test for extension and expansion at depth, to enable the company to inform further targeting and drilling programmes.

FRS remains optimistic regarding the potential discovery of a substantial, mineralized pegmatite body at depth, drawing from the nature of pegmatites to pinch and swell.

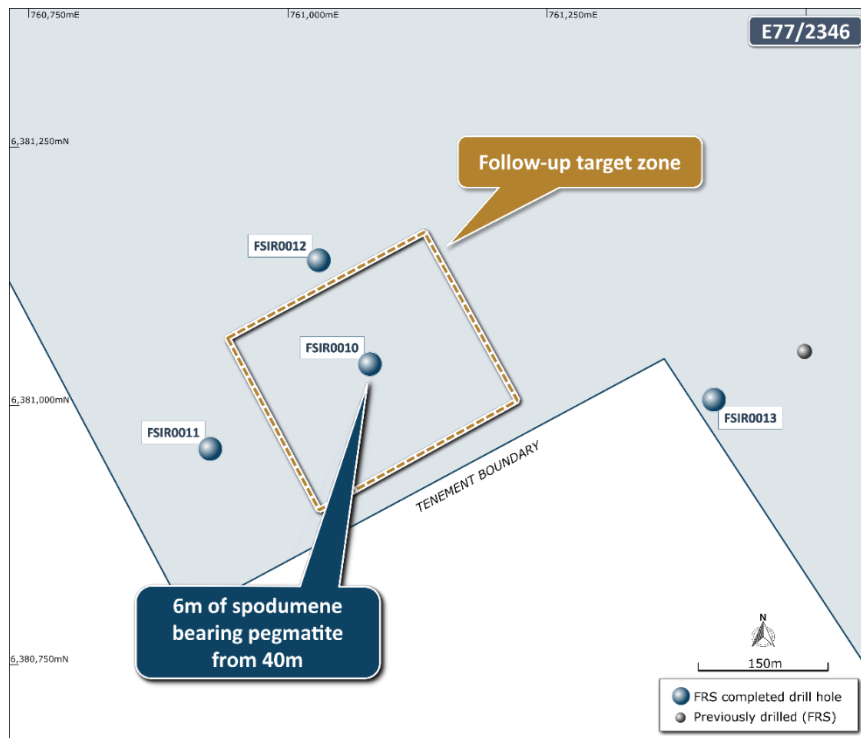


Figure 3: Plan view of South Iron Cap East drilling area showing drilled holes and follow-up target zone.



Figure 4: FSIR0010 chip trays from 43 – 46m downhole depth. Natural light (top) vs ultraviolet (UV) light at 365nm (bottom) showing spodumene crystals glowing pink under UV light.

Giant

Two campaigns of RC drilling were undertaken at the Giant pegmatite target, each comprising five drill holes. Both drill programmes focused on determining the extent of the pegmatite intersected in historic drilling which returned 34m @ 3.1% Li₂O from 68m (true thickness of ~5 – 10m)⁶.

Drill holes completed during the January 2023 programme successfully intersected the projected Giant pegmatite and resulted in the return of the following significant results⁷:

- FGIR0004: **10m @ 1.49% Li₂O from 74m**, including **2m @ 2.64% Li₂O from 75m** (Figure 5)
- FGIR0002: **4m @ 1,106 ppm Ta from 45m**, including **1m at 2,870ppm Ta from 46m**



Figure 5: FGIR0004 chip trays showing 11m of pegmatite from 73m

The Company interpreted that mineralisation within the pegmatite is zoned and there may be further pockets of high-grade lithium mineralisation along strike of the body. A historic intercept of 4m @ 0.5% Li₂O (Figure 6)⁸, located over 400m to the south-east from the recent drilling appeared to line up with the projected plane of the Giant Pegmatite body. There is a significant, untested section in between the two drilling areas where a dolerite dyke was interpreted to occur based on regional geophysics. The dolerite dyke, however, is not at all constrained or validated by available drilling data.

Once relevant approvals were obtained, a second drilling programme was completed at Giant to target down dip and along strike of the aforementioned intercepts. The drilling programme successfully intercepted the Giant pegmatite body along strike and down dip of previous high-grade results. Pegmatites up to nine metres thick were intercepted. The following best result was returned⁹:

- FGIR0006: **9m @ 0.95% Li₂O from 114m**, including **3m @ 2.23% Li₂O from 118m**

While the pegmatite body continues to demonstrate continuity, FRS is yet identify any zone of substantial thickening. Further exploration targeting will involve refining our geological understanding to identify potential areas where the mineralised pegmatite could expand or intersect with broader mineralisation trends. The pegmatite remains open along strike and down dip (Figure 7).

6 ASX: MZN release 20 December 2016

7 ASX: FRS release 24 April 2023

8 ASX: MZN release 10 November 2016

9 ASX: FRS release 21 August 2023

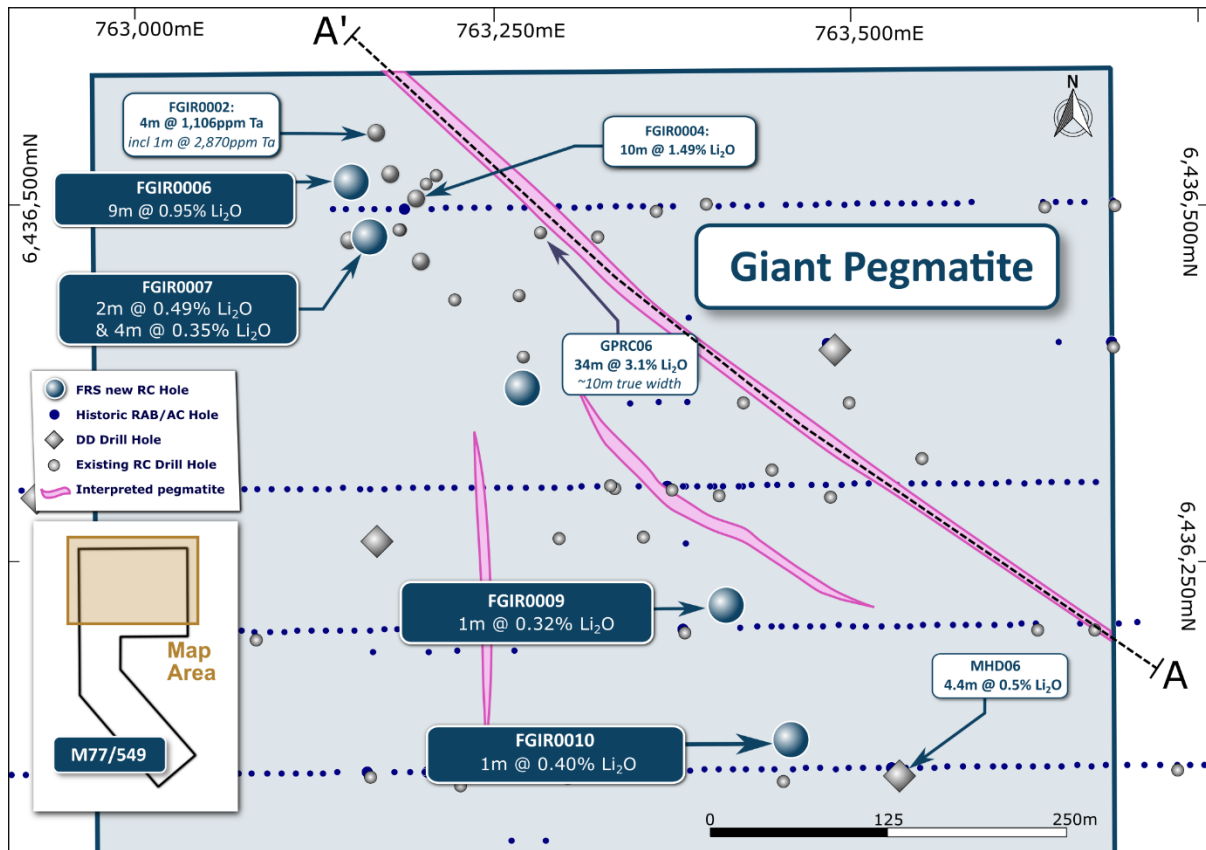


Figure 6: Plan view of Giant drilling area

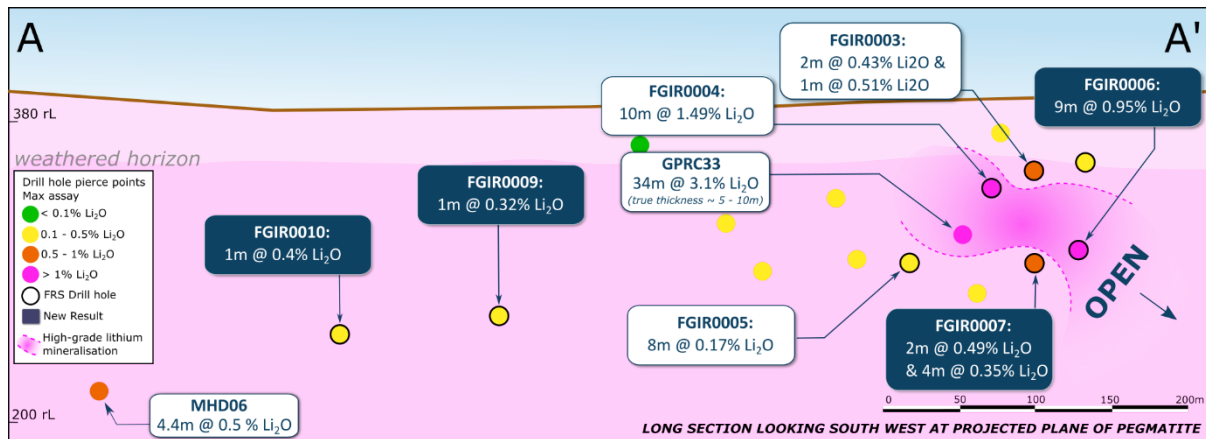


Figure 7: Long Section of Giant pegmatite body showing pierce points of drilled holes

Calypso

The Calypso prospect is located at the southern end of the Forrestania Project on the western side of the tenement package (Figure 2). The area is part of the broader South Ironcap pegmatite field where Western Areas (now IGO) intersected significant lithium mineralisation in drilling ~4.5km to the east with a best drill result of 50.6m @ 0.95% Li₂O.

A campaign of mapping and soil sampling was completed resulting in the definition of Calypso¹⁰, where mapping identified a pegmatite subcrop that coincided with lithium pathfinder soil anomalism and logged pegmatites and granitoids in historical aircore drilling.

Subsequently, a maiden drilling programme at Calypso was designed to define and expand the extent of pegmatites identified from mapping and historic drilling and to investigate their potential to host lithium mineralisation. In total, 1,968m were drilled across 14 holes (Figure 8).

Pegmatite was intercepted in 13 of 14 holes, with multiple zones of significant widths (up to 63m – Figure 9)¹¹. Forrestania has interpreted that the orientation of the pegmatites is flat lying and sub-parallel. This, however, has not been fully ascertained due to the broad drill spacing. Thicknesses mentioned do not necessarily reflect true width.

Of the pegmatites intercepted in drilling, a peak lithium value of 1m @ 213ppm was returned from 86m in drill hole FCAR0005¹².

Assay results suggest that in this specific area, the degree of fractionation is not sufficient to host ore-grade lithium mineralisation. The confirmation of thick pegmatites in a highly prospective area, however, is significant to Forrestania Resources. It provides confirmation that the company's systematic exploration strategy is effective for uncovering these pegmatites and will assist with further targeting in the area to identify potential extensions and key prospective zones.

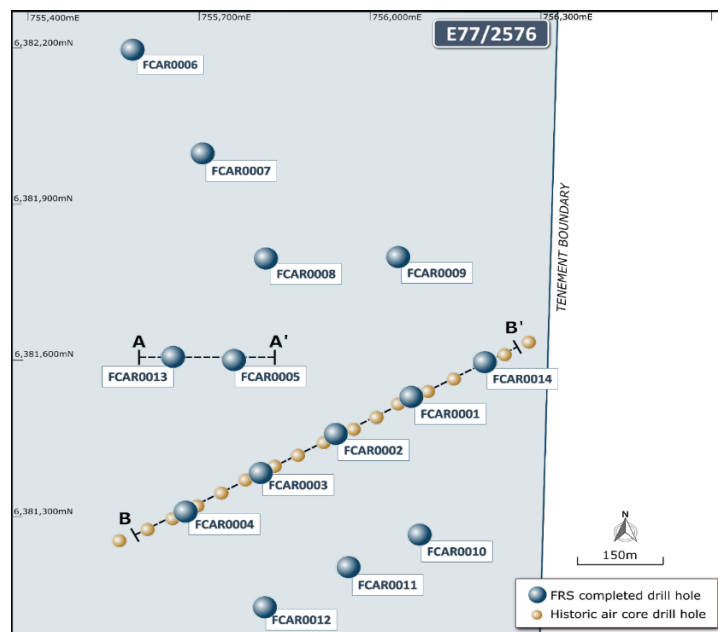


Figure 8: Plan view of Calypso drilling area showing drilled holes and position of cross-sectional views.

10 ASX: FRS release 29th November 2022

11 ASX: FRS release 27 June 2023

12 ASX: FRS release 21 August 2023

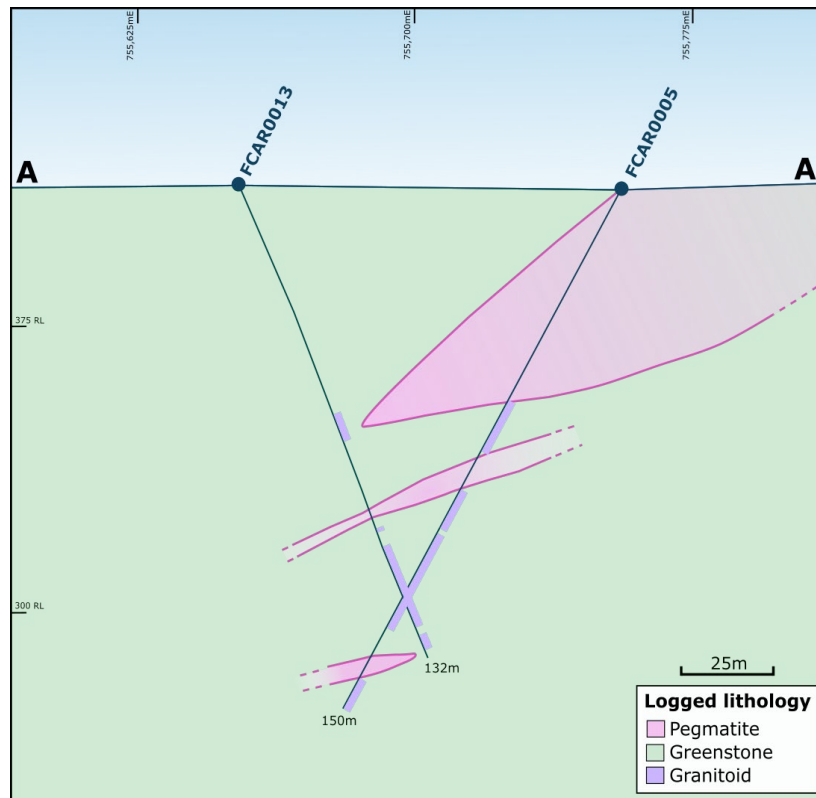


Figure 9: Simplified cross section showing pegmatite intercepts in FCAR0005 (63m of pegmatite from surface) and FCAR0013

Gem

The Gem Pegmatite was mined in the 1980's for tantalum and gem grade tourmaline and beryl, mining was carried out to a depth of approximately 18m.

During the period, results were received for a previously unassayed diamond hole, drilled 110m away from the historic Gem Pegmatite mine (Figure 10). The results from GCDD0001 were anomalous for lithium and pathfinder elements which was significant to Forrestania Resources, as it suggested a relationship with pegmatite intersections from historical RAB drilling at the nearby Gem Pegmatite mine.

Results from GCDD0001 include¹³:

- **2m @ 0.4% Li₂O and 277ppm Ta from 86.5m**
- **1.1m @ 10,082ppm Cs from 98m**

The results also supported previously announced pegmatite rock chip results¹⁴ collected by Forrestania Resources from the Gem Pegmatite mine area including:

- **FR001063: 3.21% Li₂O**
- **FR000016: 2.84% Li₂O**

RAB drilling carried out at the Gem Pegmatite mine in the 1980's intersected intervals of mineralised pegmatite containing low level, anomalous lithium¹⁵. The historic intercepts are located within the weathered profile and due to the depth limitations of RAB drilling the pegmatites were not effectively tested at depth or closed out.

13 ASX: FRS 5 September 2022

14 ASX: FRS release 14 January 2022

15 ASX: MZN release dated 10 November 2016

Forrestania Resources undertook a maiden drilling programme in September 2022, designed to test the area between the historical pegmatites recorded in RAB holes and GCDD0001. The maiden programme was limited to three holes (450m total, Figure 10), owing to limited approvals, at the time. The drilling programme did not return any significant intercepts.

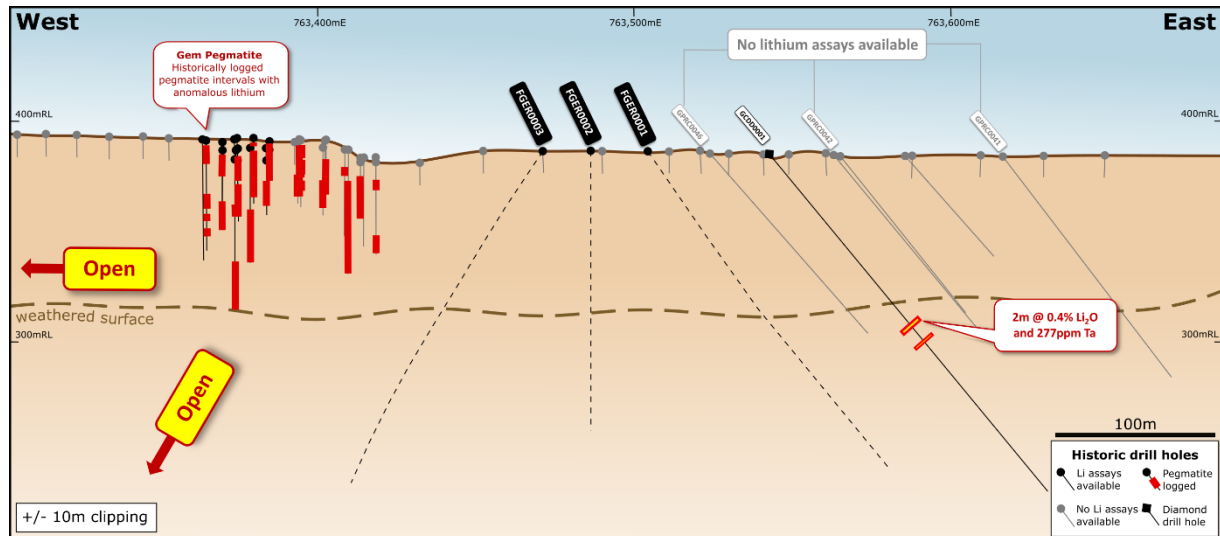


Figure 10: Cross Section at the Gem Mine target area showing recently completed drill holes FGER0001-FGER0003 in relation to historically logged pegmatite intervals.

Additional target areas were defined to the north and south of the Gem Mine where the historical pegmatite intersections recorded within RAB drilling were also not closed out at depth. Once relevant approvals were obtained, a second drilling programme was undertaken in January 2023. Of the six holes drilled at Gem (Figure 13), four holes intersected pegmatite.

All intersections hosted lepidolite and/or rubellite (Figures 11 & 12), which are indicator minerals, demonstrating that the pegmatite is highly fractionated.

Best assay results included¹⁶:

- FGER0006: **4m @ 0.12% Li₂O from 41m and 2m @ 302ppm Ta from 42m**
- FGER0007: **2m @ 0.2% Li₂O from 42m and 1m @ 0.1% Li₂O from 59m**
- FGER0010: **2m @ 0.16% Li₂O from 88m**

The anomalous intercepts and density of historic drilling suggest a complex, narrow, pegmatite vein system.

¹⁶ ASX: FRS release 24 April 2023



Figure 11: Lepidolite and cookeite bearing pegmatite in FGER0007 at 59m depth



Figure 12: Rubellite and lepidolite bearing pegmatite (with lesser mafic material) in FGER0010 at 88m depth

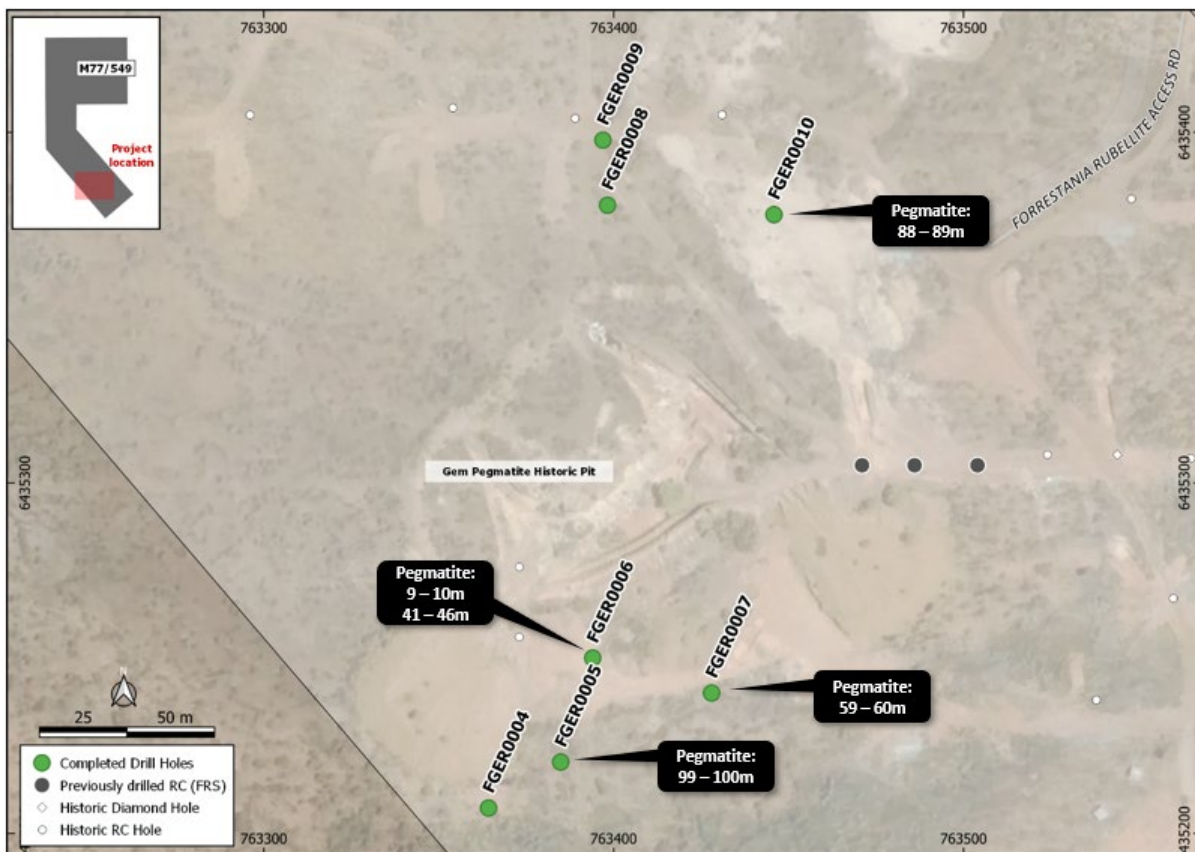


Figure 13: Completed drill holes at the Gem Pegmatite

Bannon

The Bannon prospect is in the southern portion of the Forrestania Project. The Bannon prospect was initially drilled by Marindi in 2018. The drilling programme was successful, in that it intersected large bodies of pegmatite (up to 64m in true thickness) and despite not being ore grade, demonstrated zones of anomalous lithium and provided some indication of the pegmatites becoming specialised¹⁷.

Forrestania undertook a drilling programme targeting along strike and down dip of the previously intersected pegmatite body to test whether it became increasingly specialised and therefore potentially more mineralised for lithium at depth. Drilling results, however, did not demonstrate this to be the case. Several previously untested geochemical anomalies located to the north were also drilled and returned a number of narrow pegmatites, up to 2m thick¹⁸. In total, seven drill holes were drilled (Figure 14) for 1,100m.

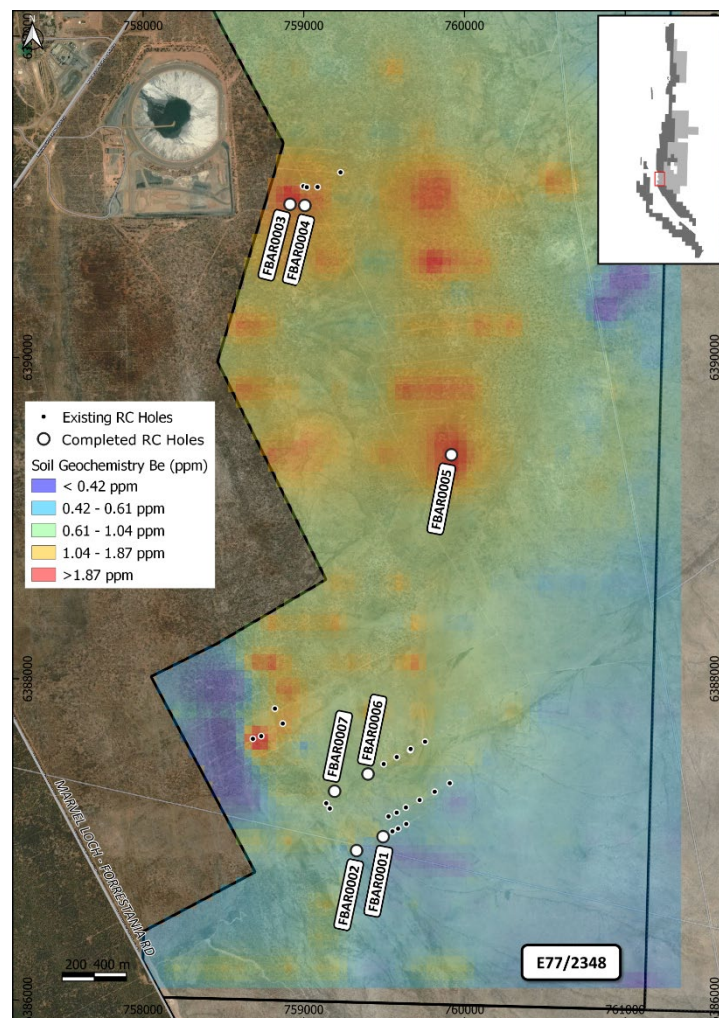


Figure 14: Bannon prospect area showing location of completed drill holes and beryllium geochemical anomaly identified from historical soil sampling.

17 ASX: MZN release 27 August 2018

18 ASX: FRS release 21 November 2022

Bounty East

Bounty East is located in the northern portion of the Forrestania Project and is located ~6km to the east of the world class Earl Grey lithium deposit, currently being developed by Covalent Lithium. The prospect is defined by a distinct pegmatophile geochemical anomaly¹⁹ (Figure 15) and historic narrow pegmatite intercepts in drilling.

Seven drill holes were completed at Bounty East over two drilling campaigns. The completed drill holes at Bounty East intersected several narrow (1-3m) pegmatite intercepts^{20 21}. Additionally, highly weathered felsic material was intercepted near surface in some of the drill holes (up to 14m thick) interpreted to correlate with a tantalum soil anomaly. The felsic material hosted quartz, trace muscovite and occasional pink crystals of possible weathered rubellite.

Assay results, unfortunately, did not return any significant lithium mineralisation.

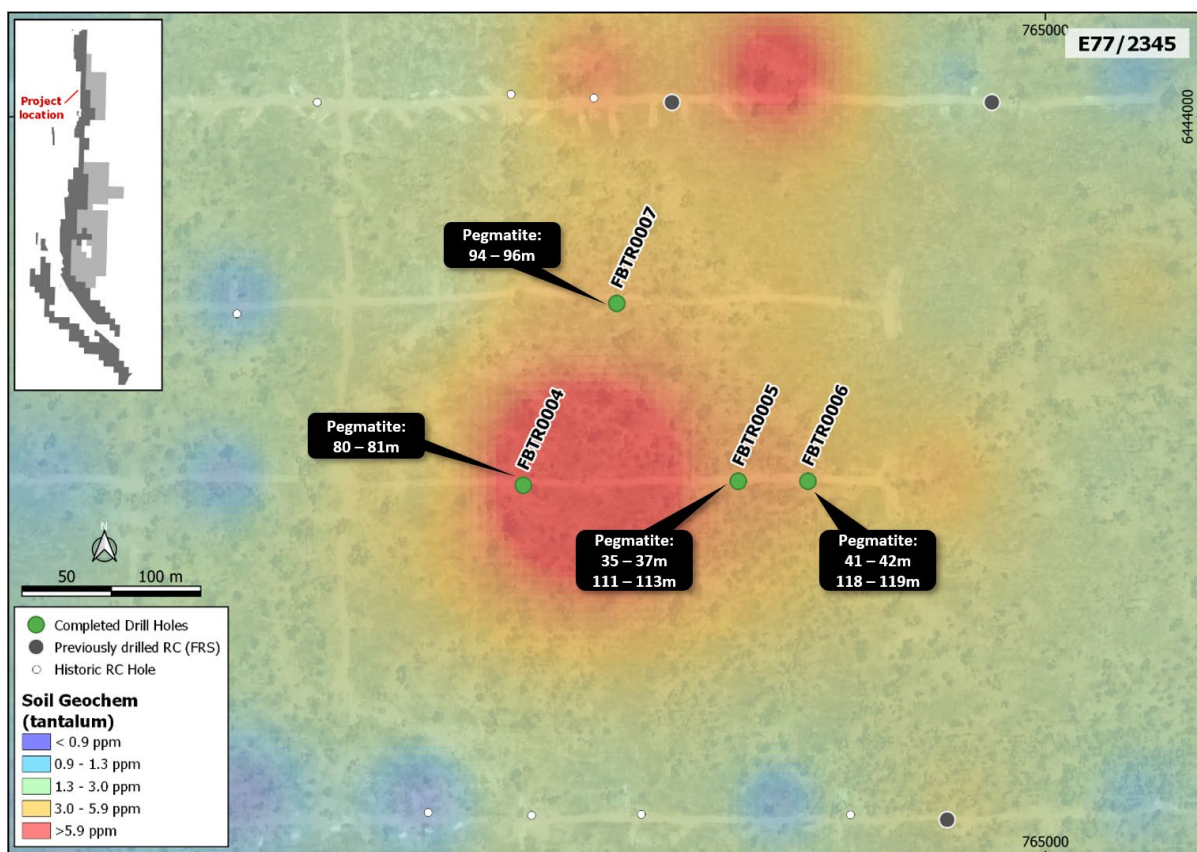


Figure 15: Tantalum geochemical anomaly at Bounty East and completed drill holes.

19 ASX: FRS release 12 January 2022

20 ASX: FRS release 21 November 2022

21 ASX: FRS release 13 February 2023

Other exploration within the Forrestania project area

Significant work has been completed by the Company during the reporting period, in order to obtain environmental and Programme of Work (POW) approvals for a number of prospects, including (but not limited to) Lady Lila (P77/4325) and Rabbit Hole (E77/2575).

Lady Lila is the Company's flagship Au project with a BIF hosted, JORC mineral resource of 541,000 tonnes, grading at 1.38g/t, for 24,000oz of gold and significantly, open in all directions²².

With similar geology to Lady Lila, the Rabbit Hole prospect includes a mapped BIF, over 1km in strike length with significant Au pathfinder anomalism and historically drilled Au23.

During the reporting period, a number of environmental surveys were completed throughout the Forrestania project area, most notably at Lady Lila (P77/4325) and at Rabbit Hole (E77/2575). After a lengthy process, POWs were finally approved for both project areas.

These approvals give the Company the opportunity for future drilling (at Lady Lila) to try and extend the Au mineralisation (figure 16), as well as the potential for first pass exploration at Rabbit Hole (figure 17). A reminder of the Lady Lila potential and Rabbit Hole prospectivity can be seen below.

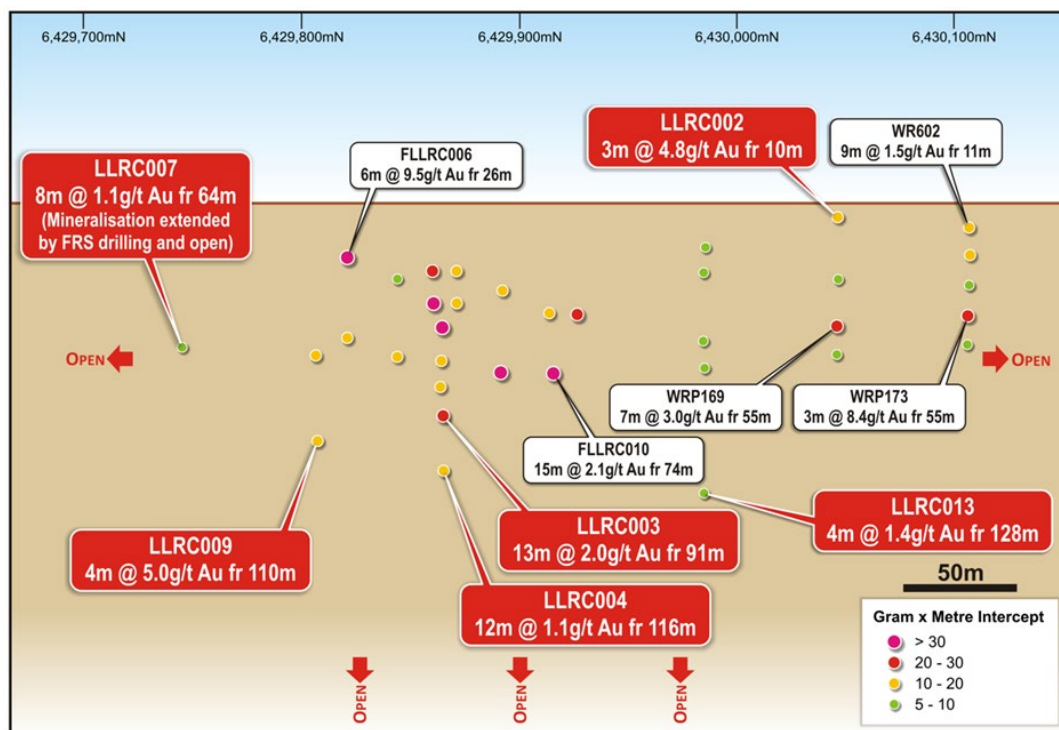


Figure 16: Long section of the Lady Lila deposit (P77/4325), looking west, showing gram metre intersections. FRS drilling highlighted with red text boxes (these holes were completed by FRS in 2021).

22 ASX:FRS, High grade results at Lady Lila & Black Prince option update, 23rd February 2022

23 ASX:FRS, Forrestania geophysical survey completed, 12th May 2022

Eastern Goldfields Project

The Company's Eastern Goldfields project area is located just north of Coolgardie and north of Kalgoorlie, around the gold mining districts of Leonora, Coolgardie and Menzies. The Eastern Goldfields project area consists of eighteen tenements (ten ELs and eight EL applications - see figure 18). These tenements are strategically located over areas that the company believes are highly prospective for multi-commodity success, particularly lithium, copper, nickel, gold and REEs.

In May 2023, Forrestania Resources signed a two year option agreement with Outback Minerals Pty Ltd²⁴ for the following ELs: E29/1036, E29/1037, E15/1632 and E15/1534 (see Director's report – Review of Operations Corporate). The company strongly believes that this option agreement has the potential to add significant value to the Eastern Goldfields project area.

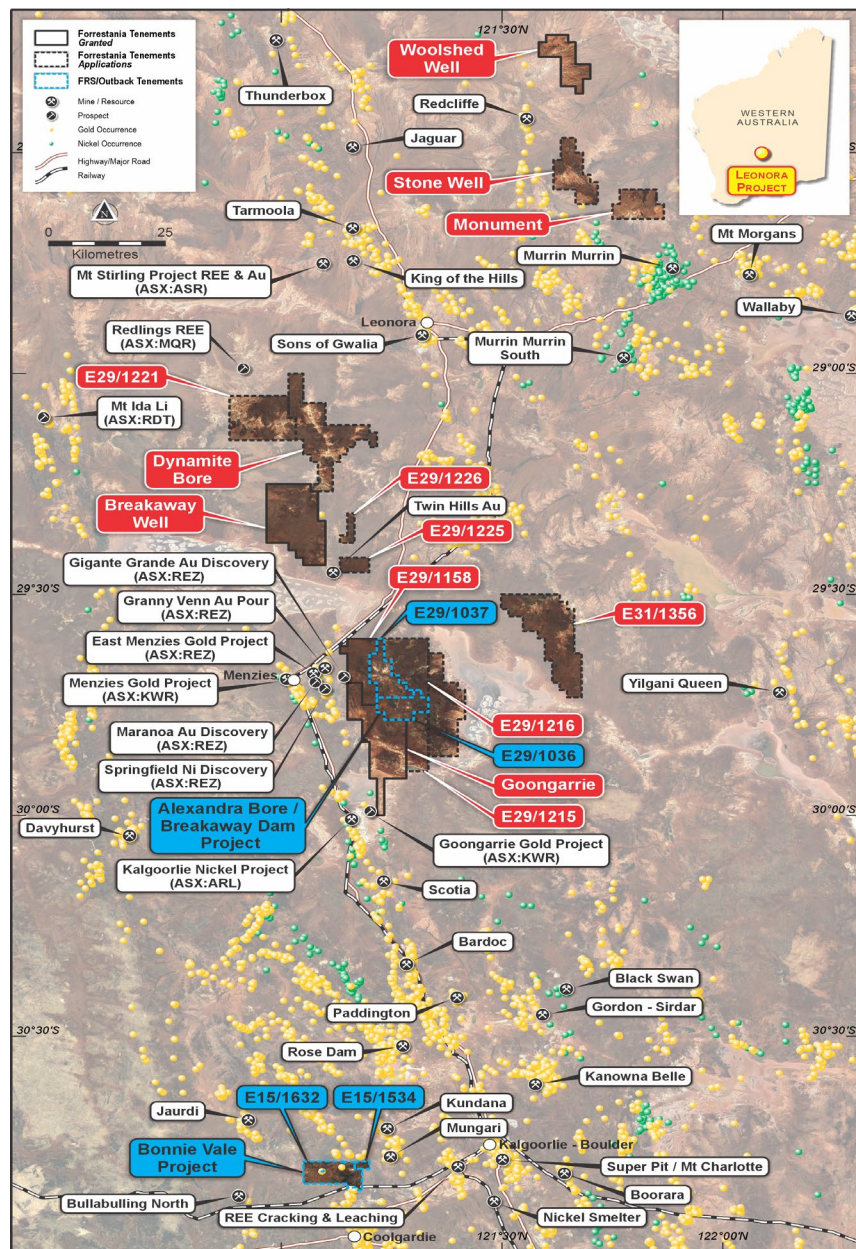


Figure 18: The Eastern Goldfields project area (Outback Minerals option agreement project area highlighted in blue)

24 ASX:FRS, Option to acquire Eastern Goldfields tenements, 19th May 2023

Bonnie Vale project (E15/1534 and E15/1632)

The Bonnie Vale project (figure 19) within the Shire of Coolgardie has strong potential for gold mineralisation as well as the potential for lithium²⁴.

Future Battery Minerals (ASX:FBM) recently announced a spodumene bearing intercept of 29m @ 1.36% Li₂O (from 38m) at their Kangaroo Hill project (ASX:FBM LCT-pegmatite discovery confirmed at Kangaroo Hill, March 2023). According to the GSWA geological interpretation, ASX:FBM's Kangaroo Hills project lies within the Hampton Hill Formation, this same geological unit also covers the majority of E15/1632 and E15/1534.

The Hampton Hill Formation is also host to several historic tin/tantalum/pegmatite mines. These lie ~15km to the south-west of the project area and include Ubini, Red Panda and Sundry Claims. The Ubini and Red Panda targets are part of an option between Wildcat Resources (ASX:WC8) and Fairplay Gold Pty Ltd; Red Panda has returned pegmatites containing spodumene (ASX:WC8 Option to acquire lithium project Western Australia, September 2021).

Additionally, significant Au operations are in close proximity to the Bonnie Vale project area (including ASX:EVN Evolution Mining's Mungari Au operation) with E15/1632 including the historic Ada Ann gold workings. The Aurelia Resources' IPO Prospectus in 2012 noted several historic and significant Au intersections at Ada Ann (initially drilled by a local prospector – Alan Stockwell, Mr. Stockwell is understood to have mined 150t of near surface ore which was reportedly treated at a nearby mill). Historic results from Mr Stockwell's RC drilling programme include:

- **AA06 - 15m @ 5.28g/t Au, from 21m**
- **AA28 - 4m @ 12.80g/t Au, from 25m**
- **AA05 - 6m @ 6.45g/t Au, from 16m**
- **AA27 - 4m @ 7.34g/t Au, from 41m**

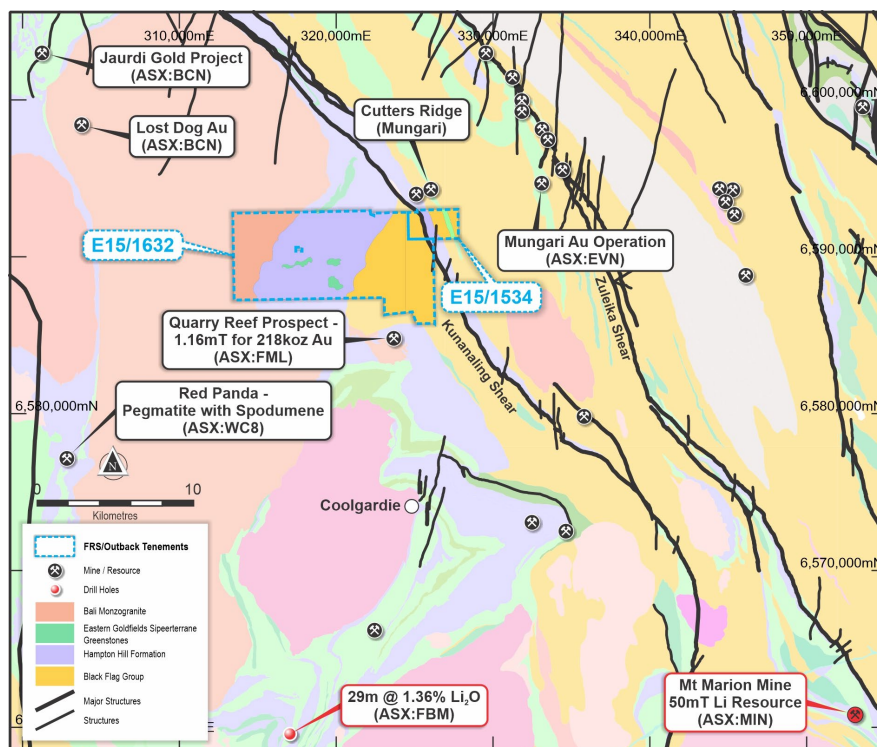


Figure 19: The Bonnie Vale project area showing Au operations and significant Li projects and operations in close proximity. Geological map courtesy of GSWA.

Breakaway Dam (E29/1037)

During the period and following the successful signing of an option agreement between Forrestania Resources and Outback Minerals Pty Ltd, pegmatite outcrops were mapped at surface, by FRS Company geologists, throughout the Breakaway Dam project area²⁵; with outcropping pegmatites ranging from ~43m and up to ~100m in strike length. These pegmatites had never previously been tested for lithium or LCT pathfinder minerals. Indeed, the Alexandra Bore/Breakaway Dam project area had only previously been explored for copper and gold, with the potential for lithium mineralisation yet to be fully evaluated. Importantly, these outcrops are all located within the mapped greenstone or close to greenstone/granite contacts.

Significantly, as a result of the Company's field work, multiple pegmatites were confirmed (figure 20) and mapped across Breakaway Dam, with several highly anomalous lithium and LCT pathfinder results returned from sampled rock chips, including:

- FR000832 – 3649ppm Li₂O (includes 309ppm Cs)
- FR000853 – 2896ppm Li₂O (includes 64.7ppm Ta)
- FR000805 – 1040ppm Li₂O (includes 66.8ppm Cs)
- FR000811 – 878ppm Li₂O (includes 129ppm Ta)
- FR000808 – 704ppm Li₂O (includes 161.5ppm Cs)
- FR000807 – 549ppm Li₂O (includes 45.2ppm Cs)
- FR000774 – 525ppm Li₂O (includes 49ppm Ta)
- FR000781 – 502ppm Li₂O (includes 38.8ppm Ta)

Even more encouraging is that the Mg/Li and Nb/Ta ratios suggest the strong potential for a highly fertile pegmatite system at Breakaway Dam, with zones of highly anomalous Li mineralisation (combined with strong indicator Mg/Li and Nb/Ta ratios) up to 1200m in strike length.

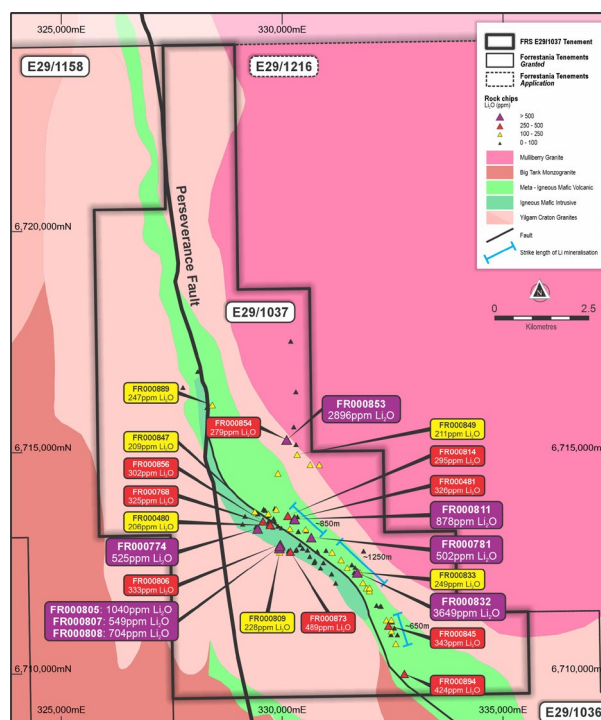


Figure 20: The Breakaway Dam project area (E29/1037) including all mapped pegmatite, granite and quartz vein locations from recent field trips. All samples >200ppm Li₂O are highlighted. The geological base map is courtesy of GSWA, the legend includes all geological units within the project area.

25 ASX:FRS, New pegmatites identified at Eastern Goldfields, 9th June 2023

Melita 02 prospect (E29/1118)

The Melita 02 prospect was identified by Company geologists from historic WAMEX reports. These reports detail diamond exploration in the region by Stockdale Prospecting Limited, who identified numerous kimberlite occurrences within the project area, in the 1990s. A heli-mag geophysical survey led Stockdale Prospecting Limited to target the Melita 02 anomaly and subsequently in 1997 several AC and RAB drill holes were completed, along with two trenches/costeans.

Several field trips have taken place to the Eastern Goldfields project area by Forrestania geologists during the reporting period. At the Melita 02 prospect, with no outcrop available, a small number of samples were taken from historic costeans as well as from historic drill cuttings, 11 of the 12 samples (table 1) taken from the project area were identified as potentially late stage, igneous intrusives. These samples have returned significantly high values for REEs²⁶ (notably for the so-called magnet REEs, including neodymium, dysprosium, praseodymium and terbium), the most significant result included:

- **FR000543 – 4676.5ppm TREYO, which includes 970.4ppm Nd₂O₃, 68.4ppm Dy₂O₃, 291.2ppm Pr₆O₁₁ and 13.6ppm Tb₄O₇**

Sample ID	TREYO_ppm	MREO:TREYO	HREYO:TREYO
FR000543	4677	28.7	10.6
FR000542	3339	27.4	10.0
FR000546	2129	21.9	6.8
FR000547	1935	21.7	1.3
FR000545	1600	23.1	5.8
FR000550	853	20.5	4.5
FR000544	597	19.1	8.0
FR000539	162	21.9	13.4
FR000548	143	17.1	21.7
FR000541	139	17.4	27.7
FR000540	138	18.7	26.3

Table 1: Melita TREYO results with MREO (Magnetic Rare Earth Oxide) and HREYO (Heavy Rare Earth Oxide) ratios to TREYO

(MREO:TREYO (Magnetic Rare Earth Oxide) is the ratio (%) of MREO to TREYO; MREO = Dy₂O₃ + Nd₂O₃ + Pr₆O₁₁ + Tb₄O₇);
(HREYO:TREYO (Heavy Rare Earth Oxide) is the ratio (%) of HREYO to TREYO; HREYO = Dy₂O₃ + Er₂O₃ + Ho₂O₃ + Lu₂O₃ + Tb₄O₇ + Tm₂O₃ + Y₂O₃ + Yb₂O₃)

These results are especially encouraging given that the location of some of the high REE results are over 800m apart (figure 21).

FR000550 also returned very high values for barium (5210ppm Ba), lead (648ppm Pb), strontium (1045ppm Sr) and zinc (1020ppm Zn) helping to confirm the magmatic origin of the intrusive.

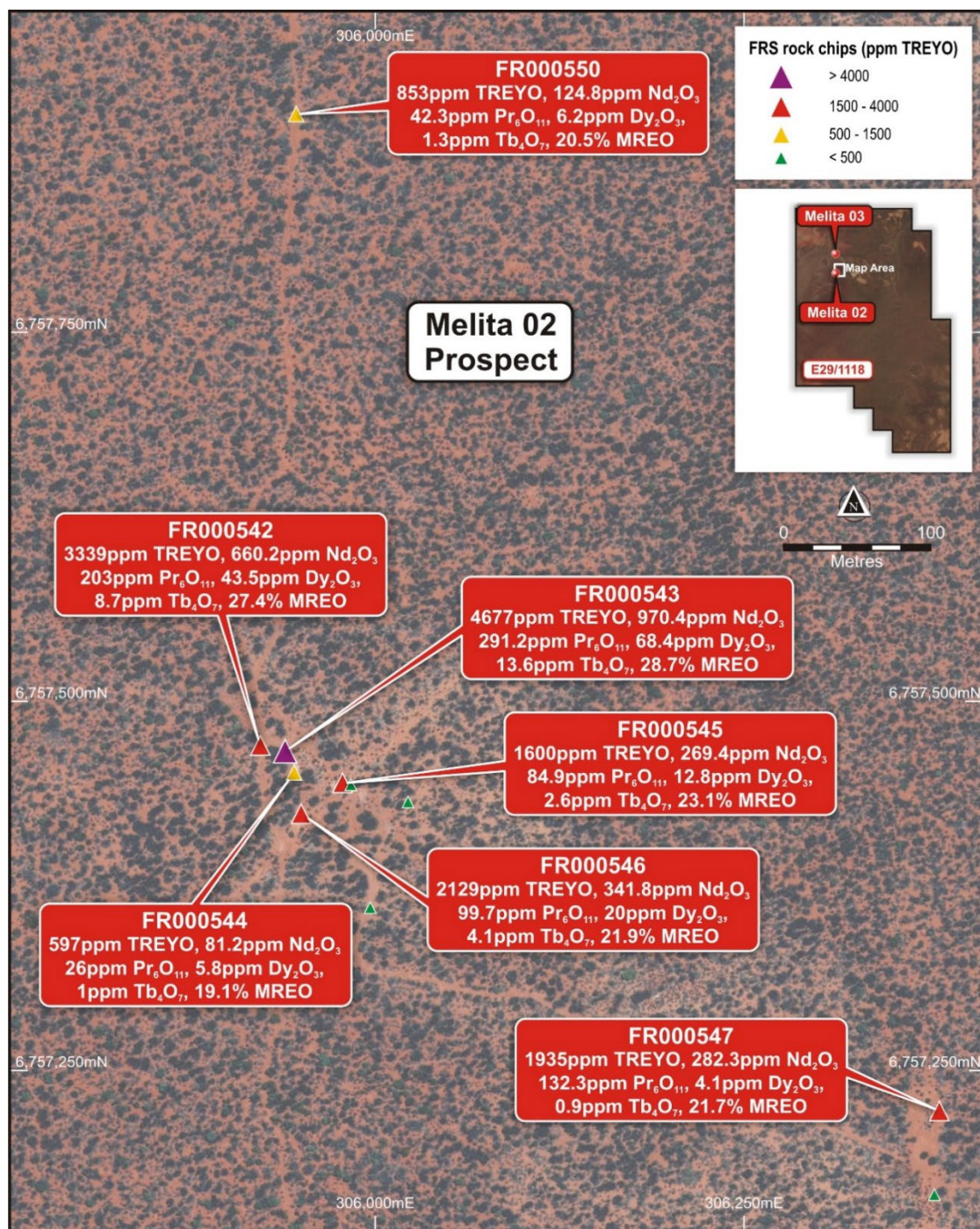


Figure 21: Strong REE geochemical results from the Melita 02 prospect, at the Breakaway Well project (E29/1118). (Samples over 590ppm TREYO are labelled with their corresponding Nd, Pr, Dy and Tb oxide results. MREO % number is the ratio of MREO to TREYO).

The Company is extremely optimistic about the strong REE potential at the Melita 02 prospect; Australia's major carbonatite occurrences can be divided into two major groups: (1) those associated with kimberlites and/or ultramafic lamprophyres; and (2) those occurring in alkaline complexes or discrete bodies, (*Jaques 2008 - taken from Chapter 3 - Geological Settings of Rare Earth Element Deposits in Australia: Geological Setting, Exploration and Resources, from The Major Rare Earth Element Deposits of Australia*). Examples of the first group include the Mount Weld deposit (Lynas Rare Earths, ASX: LYC).

In a regional context, Asra Minerals (ASX:ASR) have recently raised funds to advance their Mt Stirling Project (a multi-commodity asset with a high ratio of “heavy” REEs), approximately 60km north-east of the Melita 02 prospect. Marquee Resources’ Redlings REE project (ASX:MQR), a mineralised system that is related to carbonatitic dykes and associated fenitic alteration, is located approximately 35km north-north-west of the Melita 02 prospect.

Additionally, during the reporting period, the Company applied for several exploration licences in the region (E29/1221, E29/1225, E29/1226, E29/1215, E29/1216, E29/1224 and E31/1356) with similar geological structures.

Goongarrie (E29/1103)

During the reporting period, several mapping and geochemical programmes were undertaken at the Goongarrie project area.

The Goongarrie region is a newly emerging nickel province, with the Company’s Goongarrie project (E29/1103) in close proximity to Ardea Resources’ (ASX:ARL) “globally significant” Kalgoorlie Nickel Project (KNP) which includes the high-grade “Goongarrie Hub” ~15km away. ARL’s KNP has been awarded Major Project Status by the WA Government and is host to the largest nickel-cobalt resource in the developed world at 854Mt at 0.71% Ni and 0.045% Co for 6.1Mt of contained nickel and 386kt of contained cobalt (ASX:ARL – Quarterly operations report, 30th June 2023).

Southern Geoscience Consultants (SGC) were engaged in early 2022 by the Company to interpret the results of an airborne, aeromagnetic survey over the tenement. This work was completed to improve the geological understanding of the project area and identify key geological structures and generate further targets. This geophysical survey and geological interpretation by SGC helped to identify a number of target areas for follow up exploration, with several highly magnetic units and zones of interpreted mafic/greenstone units.

As a result of the Company’s geophysical work and on-ground exploration, exceptional Ni and Au pathfinder results have confirmed the strong exploration potential at Forrestania Resources’ Goongarrie project (E29/1103). Strong Ni soil results have been confirmed²⁷, with a 1.2km trend of Ni and Cr mineralisation within the greenstone (figure 22), located approximately 1.3km from ARL’s Kalgoorlie Nickel Project.

Strong Au pathfinder anomalism was also identified at the Goongarrie project with results including:

- **FR000108 – 182ppm Bi**
- **FR000116 – 252ppm Mo**
- **FR000411 – 1.6ppm Ag**

Along with the anomalous Ni trend, these strong Au results further increase the exploration potential at the Goongarrie project.

²⁶ ASX:FRS, Heavy REEs confirmed at Melita 02 prospect, 16th February 2023

²⁷ ASX:FRS, Goongarrie exploration update, 15th November 2022

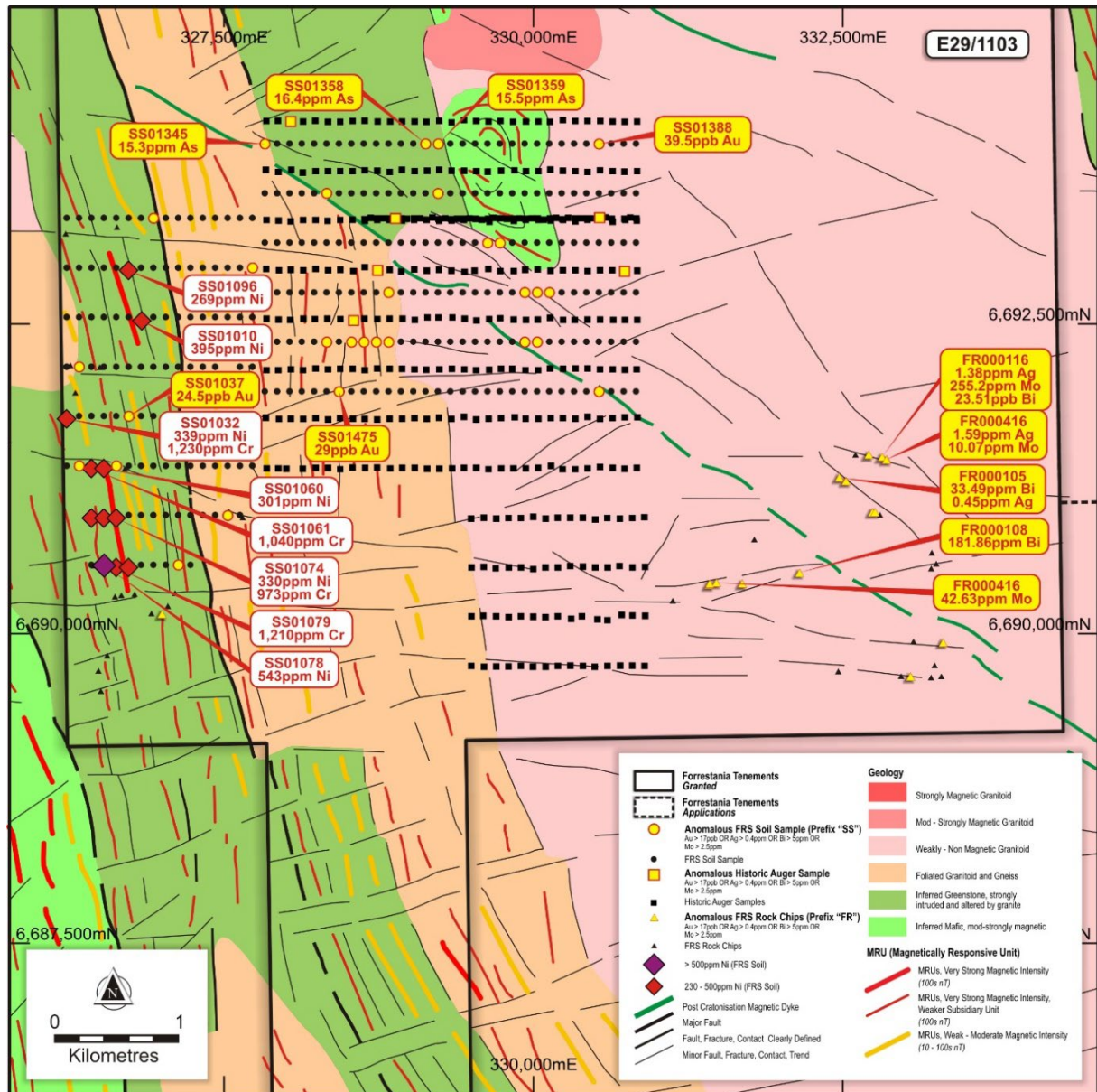


Figure 22: Strong geochemical results from E29/1103 (Goongarrie), including a 1.2km trend of anomalous nickel soils; image also contains historic auger results from 2007 and 2011, taken from WAMEX A95065 & A86890. Image overlain with a geological interpretation by Southern Geoscience Consultants.

Southern Cross

During the reporting period, the Company has continued to generate exploration targets at the Southern Cross tenements on-ground exploration has been undertaken across several project areas with assays pending but the exploration work is limited as the Company awaits the granting of 3 keys tenements (E77/2830, E77/2832 and E77/2676).

Competent Person's Statement

The information in this report that related to Lithium Exploration Results is based on and fairly represents information compiled by Ms Melissa McClelland. Ms McClelland is the Lithium Exploration Manager of Forrestania Resources Limited and is a member of the Australian Institute of Geoscientists. Ms McClelland has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms McClelland consents to the inclusion in this report of the matters based on information in the form and context in which they appear.

Competent Person's Statement

The information in this report that relates to exploration results is based on and fairly represents information compiled by Mr Ashley Bennett. Mr Bennett is the Exploration Manager of Forrestania Resources Limited and is a member of the Australian Institute of Geoscientists. Mr Bennett has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bennett consents to the inclusion in this report of the matters based on information in the form and context in which they appear.

Disclosure

The information in this report is based on the following publicly available ASX announcements and Forrestania Resources IPO, which is available from <https://www2.asx.com.au/>

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements and that all material assumptions and technical parameters underpinning the relevant ASX announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original ASX announcements.

Cautionary Statement Regarding Values & Forward-Looking Information

The figures, valuations, forecasts, estimates, opinions and projections contained herein involve elements of subjective judgment and analysis and assumption. Forrestania Resources does not accept any liability in relation to any such matters, or to inform the Recipient of any matter arising or coming to the company's notice after the date of this document which may affect any matter referred to herein. Any opinions expressed in this material are subject to change without notice, including as a result of using different assumptions and criteria. This document may contain forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "expect", and "intend" and statements than an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking information is subject to business, legal and economic risks and uncertainties and other factors that could cause actual results to differ materially from those contained in forward-looking statements. Such factors include, among other things, risks relating to property interests, the global economic climate, commodity prices, sovereign and legal risks, and environmental risks. Forward-looking statements are based upon estimates and opinions at the date the statements are made. Forrestania Resources undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such dates or to update or keep current any of the information contained herein. The Recipient should not place undue reliance upon forward-looking statements. Any estimates or projections as to events that may occur in the future (including projections of revenue, expense, net income and performance) are based upon the best judgment of Forrestania Resources from information available as of the date of this document. There is no guarantee that any of these estimates or projections will be achieved. Actual results will vary from the projections and such variations may be material. Nothing contained herein is, or shall be relied upon as, a promise or representation as to the past or future. Forrestania Resources, its affiliates, directors, employees and/or agents expressly disclaim any and all liability relating or resulting from the use of all or any part of this document or any of the information contained herein.

TENEMENT SCHEDULE

As at 30 June 2023

Project	Location	Tenement	Status	Interest owned
Forrestania	Yilgarn	M 77/549	Live	100%
Forrestania	Kondinin	E 77/2313	Live	100%
Forrestania	Kondinin /Yilgarn	E 77/2345	Live	100%
Forrestania	Lake Grace	E 74/627	Live	100%
Forrestania	Kondinin/Lake Grace	E 74/586	Live	100%
Forrestania	Kondinin	E 77/2346	Live	100%
Forrestania	Kondinin	E 77/2348	Live	100%
Forrestania	Kondinin/Lake Grace	E 74/591	Live	100%
Forrestania	Yilgarn	E 77/2364	Live	100%
Forrestania	Kondinin	E 77/2701	Live	80%
Forrestania	Kondinin	P 77/4325	Live	100%
Forrestania	Kondinin	P 77/4326	Live	100%
Forrestania	Kondinin	E 77/2764	Live	100%
Forrestania	Kondinin	E 77/2575	Live	80%
Forrestania	Kondinin	E 77/2576	Live	80%
Forrestania	Yilgarn	E 77/2872	Pending	-
Forrestania	Yilgarn	E 77/2873	Live	100%
Forrestania	Kondinin	E 77/2888	Pending	-
Forrestania	Kondinin	E 77/2637	Live	100%
Forrestania	Kondinin	P 77/4600	Live	100%
Forrestania	Yilgarn	E 77/2819	Live	100%
Southern Cross	Yilgarn	E 77/2656	Live	100%
Southern Cross	Yilgarn	P 77/4544	Live	100%
Southern Cross	Yilgarn	P 77/4546	Live	100%
Southern Cross	Yilgarn	E 77/2905	Pending	-
Southern Cross	Yilgarn	E 77/2676	Pending	-
Southern Cross	Yilgarn	E 77/2830	Pending	-
Southern Cross	Yilgarn	E 77/2832	Pending	-
Southern Cross	Yilgarn	M 77/1266	Live	100%
Southern Cross	Yilgarn	E 77/2926	Pending	-
Leonora	Leonora	E 37/1416	Live	100%
Leonora	Menzies	E 29/1103	Live	100%
Leonora	Menzies	E 29/1158	Live	100%
Leonora	Menzies	E 29/1118	Live	100%
Leonora	Menzies	E 29/1119	Live	100%
Leonora	Leonora /Laverton	E 37/1438	Pending	-

Review of Operations

30 June 2023

Project	Location	Tenement	Status	Interest owned
Leonora	Leonora /Laverton	E 39/2222	Pending	-
Leonora	Leonora	E29/1215	Pending	-
Leonora	Leonora	E29/1216	Pending	-
Leonora	Leonora	E29/1221	Pending	-
Leonora	Leonora	E31/1356	Pending	-
Leonora	Leonora	E29/1226	Pending	-
Leonora	Leonora	E29/1224	Pending	-
Leonora	Leonora	E29/1225	Pending	-
Bonnie Vale North	Leonora/Menzies	E15/1534	Live	-
Bonnie Vale North	Leonora/Menzies	E15/1632	Live	-
Breakaway Dam	Leonora/Menzies	E29/1036	Live	-
Breakaway Dam	Leonora/Menzies	E29/1037	Live	-

Directors' Report

30 June 2023

The Directors of Forrestania Resources Limited (the "Company" or "Forrestania") present their report on the consolidated entity (the "Group") consisting of Forrestania Resources Limited and its subsidiaries for the period ended 30 June 2023.

Directors

Qualifications, Experience and Special Responsibilities of Directors

John Hannaford – Non-Executive Chairman

Appointed 12 February 2021

Mr Hannaford is an experienced company director and executive with extensive experience as a director of ASX listed companies, including Chairman. A qualified Chartered Accountant and Fellow of the Securities Institute of Australia, he has founded and listed several companies on the ASX. He has also advised numerous companies through the ASX listing process in his corporate advisory career. He has established an extensive corporate network and gained a highly distinguished reputation over the last twenty years of corporate life in Australia.

Other current directorships

MTM Critical Metals Ltd (Chairman)

Voltaic Strategic Resources Ltd

Kula Gold Ltd

Special responsibilities

Chairman

Risk & Audit Committee Member

Former directorships in the last three years

None

Interests in shares and options

4,714,286 shares

4,250,000 options (expiry date 27/06/25 exercise price \$0.30)

1,012,500 options (expiry date 21/09/25, exercise price \$0.30)

2,000,000 options (expiry date 29/11/24, exercise price \$0.25)

714,286 options (expiry date 30/06/26, exercise price \$0.15)

Michael Anderson – Managing Director and CEO

Appointed 7 March 2023

Dr Michael Anderson is a respected and high-performing resource industry executive with extensive management and technical experience in both Australia and Africa built up over a career spanning more than 30 years.

Dr Anderson holds a Bachelor of Science (1st Class Honours in Mining Geology) and a Doctor of Philosophy (PhD) in Mining Geology both from the Royal School of Mines Imperial College, University of London.

Other current directorships

American West Metals Ltd

Special responsibilities

None

Former directorships in the last three years

Firefinch Limited

Interests in shares and options

1,720,844 shares

720,844 options (expiry date 30/06/26, exercise price \$0.15)

David Izzard – Non-Executive Director

Appointed 12 February 2021

Mr Izzard is an experienced finance executive and director with over 15 years' experience in the mining industry. He has a strong knowledge of mining operations, financing and project management. Over the last three years he has been involved in identifying economical mining projects and executive teams to execute and operate projects.

David is a qualified accountant and has an MBA and a Master of Mineral Economics from Curtin University.

Mr Izzard is a substantial shareholder of Forrestania Resources Limited.

Directors' Report

30 June 2023

Other current directorships

MTM Critical Metals Ltd
Voltaic Strategic Resources Ltd

Special responsibilities

Risk & Audit Committee Member

Former directorships in the last three years

None

Interests in shares and options

5,250,000 shares
4,250,000 options (expiry date 27/06/25 exercise price \$0.30)
1,012,500 options (expiry date 21/09/25, exercise price \$0.30)
2,225,000 options (expiry date 29/11/24, exercise price \$0.25)
800,000 options (expiry date 30/06/26, exercise price \$0.15)

William Higgins – Non-Executive Director

Appointed 3 June 2021

William has more than a decade of experience as a geologist across multiple commodities, with a specialised expertise in gold exploration. He has identified the potential and planned exploration leading to significant gold discoveries in Western Australia, including Northern Star Resources' Ramone mine located in the Eastern Goldfields region, and multiple economic discoveries and resource advancements in the Southern Cross Region.

Mr Higgins is a member of AIG with a Bachelor of Science Degree, majoring in Geology from University of Canterbury. He is an independent Director of the Company

Other current directorships

None

Special responsibilities (Forrestania Resources Ltd)

None

Former directorships in the last three years

None

Interests in shares and options

1,567,857 shares
2,000,000 options (expiry date 27/06/25 exercise price \$0.30)
312,500 options (expiry date 21/09/25, exercise price \$0.30)
612,500 options (expiry date 29/11/24, exercise price \$0.25)
142,857 options (expiry date 30/06/26, exercise price \$0.15)

Cecilia Tyndall – Company Secretary

Appointed 2 February 2022

Cecilia is an experienced chartered accountant having had a variety of CFO and Company Secretary roles with ASX listed companies with over 20 years' experience in resources and industrial sectors.

Cecilia is a member of Chartered Accountants Australia and New Zealand and the Governance Institute of Australia.

Principal Activities

The Company was established in February 2021 and the principal activities of the group during the financial year were the exploration of mineral tenements in Western Australia ("WA") and Quebec, Canada.

Dividends

No dividends have been declared, provided for or paid in respect of the period ended 30 June 2023.

Corporate and Financial Position

The Group's net loss from operations for the period was \$1,652,406.

As at 30 June 2023, the Group had net current assets of \$1,520,715.

The Directors believe there are sufficient funds to meet the Group's working capital requirements and as at the date of this report the Group believes it can meet all liabilities as and when they fall due.

This report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business (refer Note 1.6).

The Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the going concern basis of accounting is appropriate as they believe the Group will continue to be successful in securing additional funds through equity issues as and when the need to raise funds arises.

Business Strategies and Prospects

The group currently has the following business strategies and prospects over the medium to long term:

- (i) Seek to maximise the value of the group through successful exploration activities;
- (ii) Selectively expand the Group's portfolio of exploration assets; and
- (iii) Examine other new business development opportunities in the mining and resources sector.

Business risks

Exploration and operating

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource. Exploration in terrains with existing mineralisation endowments and known occurrences may slightly mitigate this risk.

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, native title process, 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 (Projects) and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its Projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its Projects.

Market conditions

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

- (a) general economic outlook;
- (b) availability of skilled staff and expertise
- (c) introduction of tax reform or other new legislation;
- (d) interest rates and inflation rates;
- (e) changes in investor sentiment toward particular market sectors;
- (f) the demand for, and supply of, capital; and
- (g) terrorism or other hostilities.

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

Significant Changes in the State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group which have not been disclosed elsewhere in this report.

The table below sets out information about Forresteria Group earnings and movements in shareholder wealth for the two years up to the current financial year.

Review of Operations

The following is a summary of the activities Forrestania Resources Limited during the period 1 July 2022 to 30 June 2023.

Corporate

Placement and Non-renounceable entitlement offer

On 7 October 2022 the Company announced a share placement to raise an additional \$2.7m (before costs), and a non-renounceable entitlement offer that raised \$127,622 (before costs).

The Placement occurred in the following tranches:

- Tranche 1 Shares: 7,608,516 Placement Shares issued on 18 October 2022 under the Company's 15% placement capacity under listing rule 7.1 to raise \$1,141,277; and
- Tranche 2 Shares: following the receipt of shareholder approval at the Company's Annual General Meeting ("AGM") in November 2022, 10,391,483 Placement Shares were issued on 5 December 2022 to raise \$1,558,722.

Each Placement Share had the right to subscribe for one (1) Placement Option for every two (2) Placement Share at a cost of \$0.005 per option ("Placement Option"). Each Placement Option has an exercise price of \$0.25 with an expiry date of 29 November 2024. 9,000,000 Placement Options were issued on 5 December 2022.

The Company undertook a pro-rata non-renounceable entitlement offer, under a Prospectus dated 11 October 2022, of one (1) New Option for every two (2) Shares held by those Shareholders registered at the Record Date of 17 October 2022 at a price of \$0.005 per New Option. Each Placement Option has an exercise price of \$0.25 with an expiry date of 29 November 2024.

The Company received total applications for 18,254,624 Options, and applications for a further 683,672 Options under the Shortfall Offer from Eligible Shareholders. The balance of the offer, being 6,586,022 Options, were taken up by clients of the Lead Manager, CPS Capital.

The pro-rata non-renounceable entitlement offer raised \$127,622 (before costs) by the issue of 25,524,318 options.

Strategic Joint Venture on the Hydra Lithium Project in Quebec, Canada

On 9 May 2023 Forrestania announced its partnership on the compelling Hydra Lithium Project (HLP) in northern Quebec, Canada. The Company will be collaborating with ALX Resources Corp (TSXV: AL; FSE: 6LLN; OTC: ALXEF), a seasoned operator in the region, led by a team with a proven track record of exploration success and invaluable local expertise.

ALX undertook staking of the 8 sub-projects, which comprise the Hydra Lithium Project. Exploration costs to the end of the 2023 field season are projected to total CAD\$900,000. The terms provide for Forrestania to essentially match ALX's staking and exploration commitment. Subsequent to the end of the financial year, and as announced on 10 July 2023, FRS has now earned a 50% interest in the HLP Forrestania Resources by paying ALX Resources Corp:

- CAD \$50,000 non-refundable deposit for a 60-day exclusivity period ahead of closing (Paid AUD\$57,392 8/5/2023)
- CAD \$350,000 in cash on closing (Paid AUD\$408,203 7/7/2023), and
- CAD \$600,000 in shares within 5 days of the closing (issued 7/7/2023)

A joint venture will be formed between the parties to explore and administer the properties, with ALX acting as operator in exchange for an industry-standard administration fee.

Option to acquire strategic, highly prospective Eastern Goldfields tenements

On 16 May 2023, the Company announced that it had entered into an exclusive 2-year option agreement with Outback Minerals Pty Limited (Outback) to acquire a strategic tenement package of 4 tenements in two areas, within the Eastern Goldfields of Western Australia.

Under the terms of the 2-year option agreement Forrestania will pay an initial option fee of A\$50,000 followed by a further A\$50,000 on the anniversary of the agreement. To exercise the option Forrestania must issue Outback with shares to the value of A\$950,000 and pay A\$150,000 in cash.

Fully Underwritten Entitlement Offer to advance portfolio of Lithium Projects in WA and Canada

On 29 May 2023 the Company announced an entitlement issue to eligible shareholders on the basis of two (2) new fully paid ordinary shares for every five (5) shares held on the record date, at \$0.07 per share, together with 1 for 1 free option (FRSOA) with an exercise price of \$0.15 each on/or before 30 June 2026 to raise up to ~\$1.94 million before expenses. The Entitlement Issue was fully Underwritten by RM Corporate Finance Pty Ltd.

Directors' Report

30 June 2023

The Company received total applications for 13,326,466 Shares (\$932,853), and applications for a further 10,795,769 (\$755,704) Shares under the Shortfall Offer. The balance of the offer being 3,529,286 Shares (\$247,050) was allocated, post balance date, to the Underwriter (or its nominees) in accordance with the Underwriting Agreement.

Matters subsequent to the end of the financial year

Subsequent to the 2023 financial year end the following transactions took place:

Non-renounceable Entitlement Offer completed

The offer (prospectus lodged on 29 May 2023) was fully underwritten and the shortfall of 3,529,286 shares was placed by the 4th of July 2023 which raised an additional amount of approximately \$247k(before costs). For each New Share applied for, shareholders were issued with a free attaching quoted option (Options).

At the General Meeting held on 6 July 2023, shareholders approved the issue of 2m quoted options to the underwriters of the entitlement offer.

ALX Transaction

The Company closed the acquisition of 50% interest in the Hydra Joint Venture by paying a total of CAD\$350,000 (AUD\$408,204) to ALX resources Corp. on 5 July, 6 July and 7 July respectively.

In addition to the payment of cash, on 7 July 2023 FRS issued 4,579,586 shares to ALX to the value of CAD\$600,000 (AUD\$680,492).

Shares in lieu of cash

The Company signed an agreement with Top Drill Pty Ltd whereby Forrestania was able to pay part of the invoice issued for drilling services by Top Drill by way of shares. On 31 August 2023 the Company issued 627,298 shares @\$0.1565 per share to the value of \$98,195.50.

Environmental and Social Regulation and Performance

The Group's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve.

Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities. There have been no significant known breaches by the group during the financial period.

The Group is developing a framework of stewardship of our environment and are focussed on providing social benefits and mutually rewarding outcomes for the communities in which it operates.

Likely Developments and Expected Results

It is the Board's current intention that the Group will seek to progress exploration on existing projects. The Group will also continue to examine new opportunities in the mineral exploration and resources sector where appropriate.

These activities are inherently risky and there can be no certainty that the Group will be able to successfully achieve the objectives.

Greenhouse Gas and Energy Data Reporting Requirements

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

Meetings of Directors

The following table sets out the number of meetings of the Company's directors held during the period ended 30 June 2023, and the number of meetings attended by each director.

	Board Meetings Number Eligible to attend	Board Meetings Number attended
John Hannaford	5	5
Michael Anderson	2	2
David Izzard	5	5
William Higgins	5	5

Directors' Report

30 June 2023

One (1) Audit and Risk Committee meeting was convened during the period with two directors in attendance. The Audit and Risk committee did not perform a formal review of the Company's risk management framework however it is continually considered and assessed by the full Board in conducting its business.

Corporate Governance council recommendation 7.2 was not adopted during the year ended 30 June 2023.

Insurance of Officers and Auditors

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium is \$16,350 exclusive of GST.

Share Options on Issue at the Date of this Report

Unissued shares

At the date of this report, the unissued ordinary shares of Forresteria Resources Limited under option are as follows:

Unquoted (exercise price \$0.30 and 27/06/25 expiry date)	12,000,000
Unquoted (exercise price \$0.30 and 17/08/25 expiry date)	500,000
Unquoted (exercise price \$0.30 and 21/09/25 expiry date)	5,750,000
Unquoted (exercise price \$0.60 and 14/02/25 expiry date)	1,500,000
Unquoted (exercise price \$0.65 and 17/08/25 expiry date)	750,000
Unquoted (exercise price \$0.60 and 16/06/25 expiry date)	125,000
Unquoted (exercise price \$0.65 and 16/12/25 expiry date)	125,000
Quoted FRSO (exercise price \$0.25 and 29/11/24 expiry date)	34,524,318
Quoted FRSOA(exercise price \$0.15 and 30/06/26 expiry date)	29,651,521
Total existing Options	84,925,839

Performance Rights

At the date of this report, the unissued ordinary shares of Forresteria Resources Limited include 18,000,000 Performance Rights. No Performance Rights have yet vested.

Shares issued as a result of the exercise of options

During the financial year, employees and executives did not exercise any options to acquire ordinary shares.

Non-Audit Services

There were no non-audit services provided during the period by the auditor, Hall Chadwick WA Audit Pty Ltd.

Auditor's Independence Declaration

The auditor's independence declaration is on page 37 of the Financial Report.

Remuneration Report

(Audited)

This Remuneration Report outlines the director and executive remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Group are defined as those persons having the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group. Based on this definition the KMP of Forrestania Resources Limited are the directors of the Company. No performance reviews of Directors or executives remuneration were undertaken in the period.

Details of Key Management Personnel

Directors

John Hannaford	Non-Executive Chairman
Michel Anderson	Managing Director and CEO
David Izzard	Non-Executive Director
William Higgins	Non-Executive Director

CEO

Angus Thomson – appointed 2 February 2022 resigned 3 November 2022

There were no changes in KMP after the reporting date and before the date the annual financial report was authorised for issue.

Overview of company performance

The table below sets out information about Forrestania Group earnings and movements in shareholder wealth for the two years up to the current financial year.

	2023	2022
	\$	
NPAT(\$)	(1,652,406)	(2,119,478)
Share price at year end (\$)	0.09	0.12
Basic EPS	(0.03)	(0.05)
Total dividends per share	-	-

Remuneration Philosophy

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives; and
- Link executive rewards to shareholder value.

Due to the early stage of development which the Company is in, shareholder wealth is directly affected by the Company share price, as the Company is not in a position to pay dividends. By remunerating Directors and Executives in part by share based payments, the Company aims to align the interests of Directors and Executives with Shareholder wealth, thus providing individual incentive to perform and thereby improving overall Company performance and associated value.

As the Company has been incorporated since 12 February 2021 and remains in the development stage of an inherently risky industry, the remuneration policy does not currently take into account current or prior year earnings. Other than share based payments made to the KMP from time to time, there is no specific link to the Company's performance and KMP' remuneration.

Remuneration structure

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

Board and Senior Executive performance review and evaluation

The Board did not conduct a formal review of its members during the year ended 30 June 2023. The Board, mindful of its duties, considers it appropriate to monitor the performance on an ongoing basis and conduct a formal review of its members and other senior executives and management when necessary.

Corporate Governance Council recommendations 1.6 and 1.7 have therefore not been adopted during the year ended 30 June 2023.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors to the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate directors' fees payable to non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The Company will seek approval, at the upcoming AGM, for aggregate directors' fees of \$300,000 per year.

The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Cash fees for non-executive directors are not linked to the performance of the Company or shareholder wealth.

The employment conditions of the Non-Executive Chairman, Mr John Hannaford, and the Non-Executive Directors, David Izzard and William Higgins, were formalised in a contract of employment that were effective from 30 September 2021 after the Company's listing on ASX. The total remuneration package of Mr Hannaford is \$50,000 per annum plus statutory superannuation. The remuneration packages for Mr Izzard and Mr Higgins from 30 September 2021 is \$36,000 per annum respectively plus statutory superannuation.

All remuneration paid to Non-Executive Directors is valued at cost to the Company and expensed.

Executive remuneration

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- Reward executives for Company performance;
- Align the interest of executives with those of shareholders; and
- Ensure total remuneration is competitive by market standards.

Structure

The remuneration policy for executives is to provide a fixed remuneration component and a specific equity related component. The board believes that this remuneration policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate in aligning director objectives with shareholder and business objectives.

The remuneration policy going forward in regard to setting the terms and conditions for the executives has been developed by the board taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

Fixed Remuneration

Objective

The level of fixed remuneration is set so as to provide a base level of remuneration.

Fixed remuneration is to be reviewed annually and the process consists of a review of company and individual performance, relevant comparative remuneration in the market and internal policies and practices.

Structure

The remuneration policy, in regard to setting the terms and conditions for executives, has been developed by the board taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

The remuneration of executives for the period ended 30 June 2023 is detailed below, within this section.

Directors' Report

30 June 2023

Variable Remuneration

Objective

The objective of variable remuneration provided is to reward executives in a manner which aligns this element of remuneration with the creation of shareholder wealth.

Structure

Variable remuneration may be delivered in the form of options, rights, shares or cash bonus. No cash bonuses, or shares were granted or paid during the period ended 30 June 2023. Performance Rights were issued as detailed in the Key Management Personnel Remuneration table below.

Employment Contracts

Managing Director

The employment conditions of the Managing Director Michael Anderson include:

Position	Managing Director & CEO of Forrestania Resources Limited
Commencement	7 March 2023
Term	The appointment will be on an ongoing basis with termination notice provisions and probation period summarised below.
Remuneration	\$300,000 plus statutory superannuation contributions capped at \$24,746 per annum
Notice period	3 months
Probation period	3 months

A performance rights package was agreed on the following vesting conditions and a 5 year expiry from date of issue.

	Performance Rights	Vesting condition
Tranche A	2,000,000	Delineation of a JORC inferred resource of >10MT @ >1.0% Li2O; or 500,000 oz JORC inferred resource of Au @ > 2.0 g/t; or commercial deal with NPV>\$250m ¹
Tranche B	2,000,000	Delineation of a JORC inferred resource of >20MT @ >1.0% Li2O; or 1,000,000 oz JORC inferred resource of Au @ > 2.0 g/t; or commercial deal with NPV > \$500m ¹
Tranche C	2,000,000	Share price being > \$0.30 for more than 5 consecutive trading days
Tranche D	2,000,000	Share price being > \$0.60 for more than 5 consecutive trading days
Tranche E	2,000,000	Market capitalisation of > \$100m for more than 5 consecutive trading days

¹ this includes offtake agreement, minegate sale, interest in JV, etc

Options Granted

There were no employment related options awarded during the period to Directors and Executives

Directors' Report

30 June 2023

Key Management Personnel Remuneration

Key Management Personnel remuneration - 2023	Short term employee benefits	Redundancy	Post-employment benefits	Share based payments	Consulting Fees	Total
	Salary		Superannuation	Performance rights		
Non-Executive Directors						
John Hannaford	50,000	-	5,250	-	55,009	110,259
David Izzard	36,000	-	3,780	-	-	39,780
William Higgins	36,000	-	3,780	-	-	39,780
Managing Director						
Michel Anderson ¹	96,923	-	10,177	75,145	-	161,554
CEO						
Angus Thomson ²	97,601	-	10,248	-	-	107,849
Total	316,524	-	33,235	75,145	55,009	459,222

Key Management Personnel remuneration - 2022	Short term employee benefits	Redundancy	Post-employment benefits	Share based payments	Consulting Fees	Total
	Cash salary/ consultancy		Superannuation	Options		
Non-Executive Directors						
John Hannaford	37,500	-	3,750	186,271	41,575	269,096
David Izzard	27,000	-	2,700	186,271	22,075	238,046
William Higgins	27,000	-	2,700	186,271	5,000	220,971
CEO						
Angus Thomson	82,641	-	8,264	167,246	-	258,151
Melanie Sutterby ³	70,817	19,615	7,846	-	-	98,278
Total	244,958	19,615	25,260	726,059	68,650	1,084,542

¹ Michael Anderson was appointed as Managing Director 7 March 2023.

² Angus Thomson was resigned as CEO on 3 November 2022

³ Melanie Sutterby resigned on 24 November 2021

Options awarded, vested and lapsed during the year

Key Management Personnel	Financial year	Award date	Number of options	Fair value per option at award date \$	Vesting date	Exercise price	Expiry date	No vested/ cancelled during year	Value of options granted during the year
Angus Thomson	2023	17/02/22	750,000	\$0.1751	17/08/22	\$0.60	17/02/25	750,000	116,422
	2023	17/02/22	750,000	\$0.1860	17/02/23	\$0.65	17/08/25	(750,000)	(50,824)

Additional Disclosures Relating to Key Management Personnel

Shareholding

The number of shares in the company held during the financial period by KMP of the entity, including their personally related parties, is set out below:

	Balance at 01/07/2022	Purchased	Vendor	Purchased	Capital raise ¹	Balance at Reporting Date
Non-Executive Directors						
John Hannaford	4,037,500	-	-	-	714,286	4,751,786
Michael Anderson ¹ (MD)	-	1,000,000	-	-	720,844	1,720,844
David Izzard	4,450,000	-	-	-	800,000	5,250,000
William Higgins	1,425,000	-	-	-	142,857	1,567,857
CEO						
Angus Thomson ²	-	-	-	-	-	-
Total	9,912,500	1,000,000	-	-	2,377,987	13,290,487
	Balance at 01/07/2021 ²	Purchased ³	Vendor ⁴	Purchased ⁵	IPO ⁶	Balance at Reporting Date
Non-Executive Directors						
John Hannaford	2,500,000	-	1,400,000	-	137,500	4,037,500
David Izzard	2,500,000	50,000	1,400,000	250,000	250,000	4,450,000
William Higgins	-	-	1,125,000	200,000	100,000	1,425,000
CEO						
Angus Thomson	-	-	-	-	-	-
Melanie Sutterby ³	-	-	-	100,000	-	100,000
Total	5,000,000	50,000	3,925,000	550,000	487,500	10,012,500

¹ Michael Anderson was appointed as Managing Director 7 March 2023.

² Angus Thomson was resigned as CEO on 3 November 2022

³ Melanie Sutterby resigned on 24 November 2021

1. Non-renounceable 1:5 entitlement issue at \$0.07 per share
2. Consists of Founder shares acquired at 1 cent per share.
3. On market purchase.
4. Shares issued as part of consideration for assets being acquired (refer notes 10.1 and 10.3). ASX imposed escrow conditions are in place for these securities for 24 months from listing date (30 September 2021).
5. Seed Capital acquired at 10 cents per share. ASX imposed escrow conditions are in place for 50% of these securities for 24 months from listing date (30 September 2021).
6. Includes shares issued in IPO to parties related to the KMPs.

Directors' Report

30 June 2023

Option holding

The number of shares in the company held during the financial period by KMP of the entity, including their personally related parties, is set out below:

	Balance at 01/07/2022	Capital ¹ raise	Board Options	Vendor	Employee Options ²	Balance at Reporting Date
Directors						
John Hannaford	5,262,500	2,714,286	-	-	-	7,976,786
Michael Anderson (MD)	-	720,844				720,844
David Izzard	5,262,500	3,025,000	-	-	-	8,287,500
William Higgins	2,312,500	755,357	-	-	-	3,067,857
CEO						
Angus Thomson	1,500,000	-	-	-	(750,000)	750,000
Total	14,337,500	7,215,487	-	-	(750,000)	20,802,987

	Balance at ³ 01/07/2021	Capital raise	Board Options ⁴	Vendor ⁵	Employee Options ⁶	Balance at Reporting Date
Directors						
John Hannaford	2,750,000	-	1,500,000	1,012,500	-	5,262,500
David Izzard	2,750,000	-	1,500,000	1,012,500	-	5,262,500
William Higgins	-	-	1,500,000	812,500	-	2,312,500
CEO						
Angus Thomson	-	-	-	-	1,500,000	1,500,000
Melanie Sutterby	-	-			-	-
Total	5,500,000	-	4,500,000	2,837,500	1,500,000	14,337,500

1. Non-renounceable option issue 1 new option for every 2 shares held at a price of \$0.005 per new option.
Non-renounceable share issue with 1 attaching free option per each new share.
2. Unvested options were cancelled as a result of end of employment.
3. Free attaching option with Founder Shares purchased (1:1). ASX imposed escrow conditions are in place for these securities for 24 months from listing date (30 September 2021).
4. Free Options issued to the members of the Board. ASX imposed escrow conditions are in place for these securities for 24 months from listing date (30 September 2021).
5. Options issued as part of consideration for assets being acquired (refer note 7.2). ASX imposed escrow conditions are in place for these securities for 24 months from listing date (30 September 2021).
6. Options issued under the Forrestania Employee Securities Incentive Plan.

Use of Remuneration Consultants

The company did not use the services of any remuneration consultants during the period.

Transactions with key management personnel

During the period 1 July 2022 to 30 June 2023, office accommodation and administration services were provided by Rockford Partners Pty Ltd, a company that is controlled by David Izzard and John Hannaford. An amount of \$169,340 was invoiced by Rockford Partners Pty Ltd, for provision of these services for the period up to 30 June 2023.

During the period 1 July 2022 to 30 June 2023, a commercial storage facility was provided by Fordrock Pty Ltd, a company that is controlled by David Izzard and John Hannaford. An amount of \$12,983 was invoiced by Fordrock Pty Ltd, for provision of this service for the period up to 30 June 2023.

Directors' Report

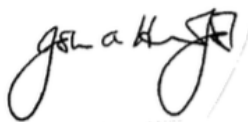
30 June 2023

During the period to 30 June 2023 \$55,009, was paid to Riverview Corporation Pty Ltd, of which Mr John Hannaford is a director, for consulting fees.

No loans to key management personnel were provided during the period or up to the date of signing this report.

END OF AUDITED REMUNERATION REPORT

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'John Hannaford', is written over a faint, circular embossed or stamped seal.

John Hannaford
Chairman
29 September 2023

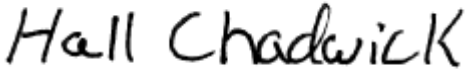
To the Board of Directors,

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Director for the audit of the financial statements of Forrestania Resources Limited for the financial year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully


HALL CHADWICK WA AUDIT PTY LTD


MARK DELAURENTIS CA
Director

Dated Perth, Western Australia this 29th day of September 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

	<i>Note</i>	2023 \$	2022 \$
Forgiveness of debt	3.1	-	93,973
Interest	3.1	7,414	-
Other	3.1	7,790	
Expenses			
Administration services	3.2	(939,138)	(869,883)
Employee expenses	3.3	(477,572)	(189,185)
Exploration expense	3.2	-	(269)
Interest expense		-	(3,357)
Impairment of capitalised exploration and evaluation expenditure		(145,598)	-
Share based payments expense	8.2.2	(105,302)	(1,150,757)
Loss before income tax expense		(1,652,406)	(2,119,478)
Income tax expense	3.5.1		-
Loss for the year		(1,652,406)	(2,119,478)
Other comprehensive income/(loss) for the year		-	-
Total comprehensive loss attributable to Equity Holders of Forresteria Resources Limited		(1,652,406)	(2,119,478)
Loss for the year attributable to:			
Owners of the Company		(1,652,406)	(2,119,478)
		(1,652,406)	(2,119,478)
Total Comprehensive Income/(Loss) for the year attributable to:			
Owners of the Company		(1,652,406)	(2,119,478)
		(1,652,406)	(2,119,478)
Loss per Share for Loss attributable to the Ordinary Equity Holders of the Company		Cents	Cents
Basic and diluted loss per share (cents per share) for continuing operations attributable to the shareholders of the Company	3.6	2.64	5.00
Basic and diluted loss per share (cents per share) attributable to the shareholders of the Company	3.6	2.64	5.00

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	4.1	2,117,054	1,586,230
Trade and other receivables	4.3	76,394	73,085
Prepayments		132,717	67,281
Total current assets		2,326,165	1,726,596
Non-current assets			
Exploration and evaluation expenditure	2.1	7,795,606	5,176,994
Property, plant and equipment	2.2	34,041	90,096
Total non-current assets		7,829,647	5,267,090
Total assets		10,155,812	6,993,686
Liabilities			
Current liabilities			
Trade & other payables	4.4	754,432	170,504
Provisions	4.5	51,018	25,581
Total current liabilities		805,450	196,085
Total liabilities		805,450	196,085
Net assets		9,350,362	6,797,601
Equity			
Share capital	5.1	11,156,587	7,229,344
Accumulated loss		(3,977,468)	(2,325,062)
Reserves		2,171,243	1,893,319
Total equity attributable to shareholders of the Company		9,350,362	6,797,601

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity For the Year Ended 30 June 2023

	Contributed equity	Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$
At 1 July 2022	7,229,344	(2,325,062)	1,893,319	6,797,601
Loss for the year		(1,652,406)		(1,652,406)
Total comprehensive loss for the year		(1,652,406)		(1,652,406)
Transactions with owners in their capacity as owners:				
Share-based payments	-	-	105,302	105,302
Issue of options net of cost	-	-	172,622	172,622
Issue of new shares net of cost	3,927,243	-	-	3,927,243
At 30 June 2023	11,156,587	(3,977,468)	2,171,243	9,350,362

	Contributed equity	Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$
At 1 July 2021	57,500	(205,583)	-	(148,083)
Loss for the year	-	(2,119,478)	-	(2,119,478)
Total comprehensive loss for the year	-	(2,119,478)	-	(2,119,478)
Transactions with owners in their capacity as owners:				
Share-based payments	-	-	1,893,319	1,893,319
Issue of new shares net of cost	7,171,844	-	-	7,171,844
At 30 June 2022	7,229,344	(2,325,062)	1,893,319	6,797,601

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,304,785)	(1,072,934)
Net cash (outflow) from operating activities	4.2	(1,304,785)	(1,072,934)
Cash flows from investing activities			
(Payments)/proceeds for property, plant and equipment		(14,833)	(124,423)
Payments for exploration and evaluation activities		(2,550,115)	(2,262,482)
Net cash (outflow) from investing activities		(2,564,948)	(2,386,905)
Cash flows from financing activities			
Proceeds from issue of shares	5.2	4,400,557	5,552,500
Proceeds from issue of options		172,621	-
Issue costs	5.2	(172,621)	(331,100)
Repayment of loans		-	(197,641)
Net cash inflow from financing activities		4,400,557	5,023,759
Cash and cash equivalents at the beginning of the year		1,586,230	22,310
Net increase/ (decrease) in cash and cash equivalents		530,824	1,563,920
Cash and cash equivalents at the end of the year	4.1	2,117,054	1,586,230

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

1. Basis of preparation

The annual financial report of Forrestania Resources Limited for the period ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 29 September 2023.

1.1. Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Forrestania Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

1.2. Basis of Measurement

The financial report has been prepared on a historical cost basis.

1.3. Functional and Presentation Currency

The financial report is presented in Australian dollars.

1.4. Compliance with IFRS

These financial statements comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

1.5. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Forrestania Resources Limited ('company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the period then ended. Forrestania Resources Limited and its subsidiaries together are referred to in this financial report as the group or the consolidated entity.

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

A list of controlled entities is contained in note 6.1.1 to the financial statements.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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

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

1.6. Going Concern

This report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

1.6. Going Concern (Cont)

For the year ended 30 June 2023, the Group incurred a loss from operations of \$1,652,406 (30 June 2022: \$2,119,478) and recorded cash outflows from operating activities of \$1,303,707 (30 June 2022: \$1,072,934). As at 30 June 2023, the Group had net working capital of \$1,520,715 with cash of \$2,117,054 (30 June 2022: \$1,586,230) available.

The Group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Board believes that it has sufficient funding in place to meet its operating objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- the cash balance of the Group relative to its fixed and discretionary expenditure commitments;
- given the Group's market capitalisation and the underlying prospects for the Group to raise further funds from the capital markets; and
- the fact that future exploration and evaluation expenditure is generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the Group's eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Group's working capital.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Company be unable to raise sufficient funds, there is material uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts or classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

1.7. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant accounting judgements

The determination of mineral resources impacts the accounting for asset carrying values. Forrestania Resources Limited estimates its mineral resources in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (the 'JORC' Code). The information on mineral resources was prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the mineral resources determined under the JORC Code.

There are numerous uncertainties inherent in estimating mineral resources, and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Significant accounting estimates and assumptions

Exploration and evaluation expenditure

Exploration and evaluation expenditure is assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation expenditure is assessed for indicators of impairment in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources when any of the following facts and circumstances exist:

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

1.7. Significant Accounting Judgements, Estimates and Assumptions (Cont)

Exploration and evaluation expenditure (Cont)

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration and/ or evaluation of mineral resources in the specific area are not budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Where a potential impairment is indicated, an assessment is performed for each cash generating unit that is no larger than the area of interest. The Group performs impairment testing in accordance with accounting policy note 2.3.

Judgement is applied when considering whether fact and circumstances as per above indicate that the exploration and evaluation asset should be tested for impairment and no impairment indicators were noted during the period.

Share based payments

The consolidated entity measures the cost of equity-settled transactions with employees (including directors) by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

2. Capital Expenditure

2.1. Exploration & Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Costs related to the acquisition of properties that contain mineral resources are capitalised and allocated separately to specific areas of interest. These costs are capitalised until the viability of the area of interest is determined.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest. Accumulated costs in respect of areas of interest which are abandoned are written off in full against loss in the year in which the decision to abandon the area is made.

	Note	30-Jun-23 \$	30-Jun-22 \$
Exploration and evaluation		7,795,606	5,176,994
Movement:			
Opening balance		5,176,994	135,000
Acquisition of tenements		107,391	710,000
Asset acquisition		-	2,678,633
Capitalised exploration expenditure		2,656,819	1,653,361
Impairment of pending licence expenditure		(145,598)	-
Closing balance		7,795,606	5,176,994
Projects:			
Forrestania		5,279,087	3,157,612
Southern Cross		1,013,737	1,000,512
Leonora		1,445,390	1,018,870
Hydra Lithium Project, Canada		57,392	-
Closing balance		7,795,606	5,176,994

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

2.2. Property Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on either the straight-line basis or diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used are as follows:

Plant and equipment	30%
Exploration equipment	25%
Vehicles	30%
Leasehold improvements	25%
Computer equipment and software	40%- 100%
Buildings	2.5%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of profit or loss and other comprehensive income.

	30-Jun-23	30-Jun-22
	\$	\$
Computer Equipment - Cost	38,893	28,987
Accumulated depreciation – Computer Equipment	(27,950)	(8,543)
Motor Vehicle	96,335	96,335
Accumulated depreciation – Motor Vehicle	(76,091)	(26,683)
Plant & Equipment	2,482	-
Accumulated - Plant & Equipment	(370)	-
Low Value Pool	3,853	1,408
Accumulated depreciation – Low Value Pool	(3,111)	(1,408)
Net carrying amount	34,041	90,096

2.3. Impairment of assets

Forrestania Resources Limited conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

The Company has written off the expenditure pertaining to tenements that have not yet been granted. No other impairment indicators were noted for the period ended 30 June 2023.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

3. Financial Performance

3.1. Income

	30-Jun-23	30-Jun-22
	\$	\$
Interest	7,414	-
Vehicle hire	7,790	-
Forgiveness of debt	-	93,973
	15,204	93,973

3.2. Expenses

	30-Jun-23	30-Jun-22
	\$	\$
Administration services		
Compliance	141,779	144,431
Consulting	189,983	220,726
Contracted services	139,322	104,777
Depreciation	70,888	36,634
Insurance	41,518	23,701
Legal fees	54,699	70,857
Motor Vehicle	35,996	-
Marketing	100,262	98,532
Occupancy	69,158	33,208
Stamp Duty	-	82,867
Subscriptions	41,543	-
Travel	32,226	-
Other	21,764	54,150
	939,138	869,883

Exploration and evaluation	-	269
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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

3.3. Employee Expenses

	30-Jun-23	30-Jun-22
	\$	\$
Salaries and wages	977,052	485,535
Less allocated to projects	(620,286)	(339,886)
Superannuation	99,920	44,495
Less allocated to projects	(65,487)	(33,989)
Other	86,373	33,030
	477,572	189,185

3.4. Segment Information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group does not have any material operating segments with discrete financial information. The Group does not have any customers and all its' assets and liabilities are primarily related to the mining industry and are located within Western Australia. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

3.5. Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose on goodwill or in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against tax liabilities and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Forrestania Resources Limited and its wholly-owned Australian controlled entities implemented the tax consolidation legislation as of 28 September 2021.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

3.5.1. The major components of income tax are:

	2023 \$	2022 \$
Current income tax	-	-
Deferred income tax	-	-

3.5.2. A reconciliation between tax expense and the product of accounting loss

	2023 \$	2022 \$
Accounting loss before tax from continuing operations	(1,652,406)	(2,119,478)
Loss before income tax from discontinued operations	-	-
Accounting loss before income tax	(1,652,406)	(2,119,478)
Prima facie tax payable on operating profit/(loss) before income tax rate of 25% (2022: 25%)	(413,102)	(551,064)
Effect of non-deductible expenses	37,289	316,458
DTA not brought to account as their realisation is not probable	375,813	234,606
	-	-
Income tax expense reported in the consolidated income statement	-	-
Income tax attributable to discontinued operations	-	-
	-	-

3.5.3. Deferred tax liabilities @ 25% (2022: 25%) have not been recognised in respect of

	2023 \$	2022 \$
Deferred tax liabilities @ 25% (2022: 25%) have not been recognised in respect of		
Exploration & Evaluation Expenditure	1,227,012	454,170
Prepayments	31,937	15,577
	1,258,950	469,747

3.5.4. Deferred tax assets have not been recognised in respect of

	2023 \$	2022 \$
Provisions and accruals	17,254	10,895
Capital raising costs	173,997	86,395
Carry forward revenue losses	2,033,524	748,136
Carry forward capital losses	44,106	
	2,268,991	845,426

3.6. Loss Per Share

Basic earnings per share is calculated by dividing the profit/loss attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the period, adjusted for bonus elements in ordinary shares issued during the period.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

3.6. Loss Per Share (Cont)

The following reflects the income and share data used in the calculations of basic and diluted loss per share:

	2023 \$	2022 \$
Gain/(Loss) attributable to ordinary shareholders	(1,652,406)	(2,119,478)
Issued number of ordinary shares at 1 July 2022	51,048,804	5,750,000
Effect of shares issued during the period	42,202,232	45,298,804
Weighted average number of shares for period to 30 June 2023	62,595,444	42,059,173
	Cents	Cents
Basic loss per share (cents per share)	2.64	5.00

As at reporting date, unlisted options (which represent potential ordinary shares) were not dilutive as they would decrease the loss per share.

4. Working Capital Management

4.1. Cash and Cash Equivalents

"Cash and cash equivalents" includes cash on hand, deposits held at call with financial institutions and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any bank overdrafts.

	2023 \$	2022 \$
Cash at bank and in hand	2,117,054	1,586,230

4.2. Reconciliation of Net Loss After Income Tax Expense to Net Cash Used In Operating Activities

	2023 \$	2022 \$
Cash flows from operating activities		
(Loss) for the period	(1,652,406)	(2,119,478)
Adjustments for:		
Interest expense	-	3,357
Equity-settled share-based payment expenses	105,302	1,150,757
Profit/Loss on foreign exchange	-	504
Exploration expenditure impairment	145,598	-
Exploration expenditure write off		269
Forgiveness of loans		(93,973)
Depreciation and amortisation expense	70,888	36,634
Change in operating assets & liabilities		
(Increase) / decrease in receivables	(10,681)	(20,257)
Increase/(decrease) in payables		(36,745)
Increase/(decrease) in accruals		(39,420)
Increase/(decrease) in other payables	11,077	19,837
Increase/(decrease) in provisions	25,437	25,581
Net cash used in operating activities	(1,304,785)	(1,072,934)

4.3. Trade and Other Receivables

Trade receivables are initially recognised and carried at original invoice amount less allowance for expected credit loss. Trade receivables are due for settlement no more than 30 days from the date of recognition. A provision for impairment is made based on a forward-looking expected credit loss model in line the requirements of AASB 9. Bad debts are written off when identified.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

4.3. Trade and Other Receivables (Cont)

	2023 \$	2022 \$
GST receivable	76,394	73,085
Total trade and other receivables	76,394	73,085

The Group's management considers that all of the above financial assets that are not impaired or past due for each of the 30 June reporting dates under review are of good credit quality (refer to 5.6.1).

4.4. Trade and Other Payables

Trade and other payables are carried at amortised cost and represent liabilities for the goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days.

	2023 \$	2022 \$
Trade payables	509,538	151,904
Accrued expenses	214,859	18,600
Other	30,034	-
Total trade and other payables	754,432	170,504

4.5. Provisions

The liability for employee benefits includes provision for annual leave, time-in lieu, and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

	2023 \$	2022 \$
Provision for employee leave	51,018	25,581
Total Provisions	51,018	25,581

5. Funding and risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in the proportion to the number and amount paid on the shares held. Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

5.1. Contributed Equity

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

	2023 \$	2022 \$
Contributed equity	12,430,657	8,030,100
Cost of share issue	(1,274,071)	(800,756)
Total contributed equity	11,156,587	7,229,344

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

5.2. Movement in shares on issue

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

5.2.1. Ordinary Shares

	Date	Number of shares	Issue price \$	Value \$
Balance at 30 June 2022		51,048,804		7,229,244
Issue of Shares - Placement	18/10/2022	7,608,517	0.15	1,141,278
Issue of Shares - Placement	2/12/2022	10,391,483	0.15	1,558,722
Issue of Shares - Services	14/12/2022	80,000	0.15	12,000
Issue of shares - Pro-rata Entitlement	26/06/2023	24,122,235	0.07	1,688,556
Cost of Capital Raising				(473,315)
Balance at 30 June 2023		93,251,039		11,156,486

5.2.2. Listed options

	2023 Number	2022 Number
Opening	-	-
Issued during the year FRSO (exercise price \$0.25 on or before 29 Nov 2024)	34,524,318	-
Issued during the year FRSOA (exercise price \$0.15 on or before 30 Jun 2026)	24,122,285	-
Outstanding at the end of the year	58,646,603	-
Exercisable at the end of the period	58,646,603	-

5.2.3. Unlisted options

	2023 Number	2022 Number
Opening	21,500,000	-
Issued during the year	-	21,500,000
Expired or lapsed during the year	(750,000)	-
Outstanding at the end of the year	20,750,000	21,500,000
Exercisable at the end of the period	20,750,000	-

The weighted average exercise price for the unlisted options is \$0.3044 each.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

5.2.4. Performance Securities

Firefly Resources Limited Performance Shares

The Option Agreement with Firefly Resources Limited included the issue of Deferred Consideration Shares (Performance Shares). The condition for the issuance of those shares has not been met as the Milestone was not achieved.

Upon meeting the Milestone Forrestania will issue Firefly Resources Limited 2,500,000 fully paid ordinary shares at a deemed issue price of 20 cents each.

The management has assessed the probability of being required to issue Deferred Consideration Shares at 5%.

- Milestone:
 - the Deferred Consideration Shares will be issued upon the Announcement by Forrestania of a JORC 2012 compliant Inferred, Indicated or Measured Mineral Resource of at least 250,000oz of gold at a grade of greater than 2.0 g/t at 0.5 g/t cut off located within the tenement area as verified by an independent competent person.
 - The Milestone will expire on the date that is 3 years from the completion date.
 - No Deferred Consideration Shares were issued or cancelled during the period up until 30 June 2022 and no Milestones have been met.

5.4. Performance Securities

Director Performance Securities

Director Performance Rights of 10,000,000 were agreed to be issued to Dr Anderson as part of his appointment, effective on 7 March 2023.

Management has assessed the probability of achieving the vesting condition for Tranche A at 25%, and Tranche B at 10%.

The Performance Rights in Tranches C to E inclusive, were valued using the Monte Carlo model. Model inputs were:

- Performance Measurement Period: 5 years
- Volatility 100%
- Free rate of return 3.44%

Performance Right (PR) Fair Value:

Tranche C: \$0.095097 per PR

Tranche D: \$0.079431 per PR

Tranche E: \$0.060334 per PR

All Director Performance Rights expire five (5) years from the date of issue, and come with the following vesting conditions:

	Performance Rights	Vesting condition
Tranche A	2,000,000	Delineation of a JORC inferred resource of >10MT @ >1.0% Li2O; or 500,000 oz JORC inferred resource of Au @ > 2.0 g/t; or commercial deal with NPV>\$250m ¹
Tranche B	2,000,000	Delineation of a JORC inferred resource of >20MT @ >1.0% Li2O; or 1,000,000 oz JORC inferred resource of Au @ > 2.0 g/t; or commercial deal with NPV > \$500m ¹
Tranche C	2,000,000	Share price being > \$0.30 for more than 5 consecutive trading days
Tranche D	2,000,000	Share price being > \$0.60 for more than 5 consecutive trading days
Tranche E	2,000,000	Market capitalisation of > \$100m for more than 5 consecutive trading days

¹ this includes offtake agreement, minegate sale, interest in JV, etc

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

5.3. Capital risk management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

Being at an exploration stage, the Company does not generate cash inflows from its operations to fund its exploration and working capital requirements, therefore, the Company may issue shares to either generate cash for operations or to acquire assets in order to maintain adequate levels of cash reserves.

During the financial period ended 30 June 2023, the Company issued 42,202,235 ordinary shares

The Company is not subject to any externally imposed capital requirements.

	2023 \$	2022 \$
Trade and other payables	754,432	170,504
Less: cash and short-term deposits	(2,117,054)	(1,586,230)
Net debt	(1,362,622)	(1,415,726)
Equity	9,350,362	6,797,601
Debt-equity ratio	8.61%	2.88%

5.4. Financial risk management

The Group's principal financial instruments comprise cash and short-term on-call deposits.

The main purpose of these financial instruments is to fund capital expenditure on the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. Being at an exploration stage, the Group has limited exposure to risks arising from its financial instruments.

Currently the Group does not have any exposure to commodity price risk or foreign currency risk. As the Group moves into development and production phases, exposure to commodity price risk, foreign currency risk and credit risk are expected to increase. The Board will set appropriate policies to manage these risks dependent on market conditions and requirements at that time.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 1.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

5.4.1. Credit risk

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The Group's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the statement of financial position. The majority of cash and cash equivalents is held with one Australian Bank which has an AA- long-term credit rating from Standard and Poor's.

Wherever possible, the Group trades only with recognised, credit worthy third parties. There are no significant concentrations of credit risk within the Group. Since the Group trades only with recognised third parties, there is no requirement for collateral.

5.4.2. Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient funds to pay its debts as and when they become due and payable. The Group currently does not have major funding in place. However, the Group continuously monitors forecast and actual cash flows and the maturity profiles of financial assets and financial liabilities to manage its liquidity risk.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans if and when required.

Cash at bank and on hand, as set out in Note 4.1, is available for use by the Group without restrictions.

Financial liabilities of the Group at 30 June 2023 are expected to be settled within 6 months of year-end.

5.4.3. Market risk

(A) Price risk

The group is not exposed to equity securities price risk. The group is not exposed to commodity price risk. The sensitivity of movements in the price has not been disclosed as it is not material to the Group.

(B) Foreign currency risk

The group do not have any foreign currency balances and therefore is not exposed to any foreign currency risk.

(C) Interest rate risk

The following tables summarise the sensitivity of the Group's financial assets and liabilities to interest rate risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post tax loss and equity would have been affected as shown. The analysis represents management's judgement of a reasonably possible movement.

	Carrying Amount	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Net Loss	Equity	Net Gain	Equity
30 June 2023	\$	\$	\$	\$	\$
Cash and cash equivalents	2,117,054	(21,171)	(21,171)	21,171	21,171

	Carrying Amount	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Net Loss	Equity	Net Gain	Equity
30 June 2022	\$	\$	\$	\$	\$
Cash and cash equivalents	1,586,230	(15,862)	(15,862)	15,862	15,862

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

(C) Interest rate risk (Cont)

Some of the Group's financial liabilities are interest bearing. Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

	Carrying Amount	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Net Loss	Equity	Net Gain	Equity
30 June 2023	\$	\$	\$	\$	\$
Loans (fixed interest)	-	-	-	-	-

	Carrying Amount	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Net Loss	Equity	Net Gain	Equity
30 June 2022	\$	\$	\$	\$	\$
Loans (fixed interest)	-	-	-	-	-

6. Group Structure

6.1. Basis of consolidation

6.1.1. Subsidiaries

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

Investments in subsidiaries are carried at their cost of acquisition in the Company's financial statements.

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

Name of entity	Country of incorporation	Equity holding %	Date of incorporation
Firehawk Gold Pty Ltd	Australia	100	07/12/2020
Tigers Paw Prospecting No 1 Pty Ltd	Australia	100	27/01/2021
Quattro Gold Pty Ltd	Australia	100	08/02/2019
BA Exploration Pty Ltd	Australia	100	18/12/2017

6.1.2. Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

6.2. Parent Entity Information

The following information relates to the parent entity, Forrestania Resources Limited. The information presented has been prepared using accounting policies that are consistent with those presented in the Notes to the Financial Statements.

	2023
	\$
Current Assets	2,186,500
Non-Current Assets	4,463,718
Total Assets	6,650,218
Current Liabilities	729,055
Total Liabilities	729,055
Contributed equity	11,156,487
Accumulated losses	(7,406,567)
Reserves	2,171,243
Total Equity	5,921,163
Gain (loss) for the period	(5,164,727)
Other comprehensive income / (loss) for the period	-
Total comprehensive income / (loss) for the period	(5,164,727)

Forrestania Resources Limited has not issued any guarantees on behalf of subsidiaries.

7. Related Parties

7.1. Related Parties

Details relating to key management personnel, including remuneration paid, are included in the audited remuneration report section of the directors' report. The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2023	2022
	\$	\$
Short term employee benefits	316,524	264,583
Post-employment benefits	33,235	25,260
Share based payments	75,145	726,059
Consulting Fees	55,009	68,650
Total compensation	479,912	1,084,542

7.2. Transactions with Other Related Parties

During the period 1 July 2022 to 30 June 2023, office accommodation and administration services were provided by Rockford Partners Pty Ltd, a company that is controlled by David Izzard and John Hannaford. An amount of \$169,340 was invoiced by Rockford Partners Pty Ltd, for provision of these services for the period up to 30 June 2023.

During the period 1 July 2022 to 30 June 2023, a commercial storage facility was provided by Fordrock Pty Ltd, a company that is controlled by David Izzard and John Hannaford. An amount of \$12,983 was invoiced by Fordrock Pty Ltd, for provision of this service for the period up to 30 June 2023.

During the period to 30 June 2023 \$55,009, was paid to Riverview Corporation Pty Ltd, of which Mr John Hannaford is a director, for consulting fees.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

8. Share Based Payments

8.1. Share Based Payments

The Group provides benefits to Directors, employees, consultants and other advisors of the Group in the form of share-based payments, whereby the Directors, employees, consultants and other advisors render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model or fair value of services.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the market price of the shares of the Company if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant recipient becomes fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects

- (i) the extent to which the vesting period has expired; and
- (ii) the Company's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the recipient, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of loss per share (see Note 3.6).

The effect of such an arrangement is equivalent to an option with a strike price per share equal to the share price on grant date.

8.2. Employee Incentive Plan

The Forresteria Resources Limited Employee Securities Incentive Plan (Plan) was adopted by the Board on 23 June 2021.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options granted as consideration for services provided to the Company during the period:

	2023 Number	2023 WAEP
Outstanding at the beginning of the period	8,250,000	
Granted during the period	-	
Expired or lapsed during the period	(750,000)	
Outstanding at the end of the period	7,500,000	\$0.14
Exercisable at the end of the period	7,500,000	

Weighted average remaining contractual life of options at 30 June 2023: 30.44 months

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

8.2. Employee Incentive Plan (Cont)

Option pricing model:

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period ended 30 June 2023.

8.2.1. Options

	Employee incentive options	Employee incentive options	Employee incentive options	Employee incentive options	Employee incentive options	Employee incentive options
Date of issue	17/02/22	17/02/22	17/02/22	17/02/22	17/02/22	17/02/22
Number of options	750,000	750,000	375,000	375,000	375,000	375,000
Dividend yield (%)	-	-	-	-	-	-
Expected volatility (%)	100%	100%	100%	100%	100%	100%
Risk free interest rate (%)	0.79%	0.79%	0.79%	0.79%	0.79%	0.79%
Expected life of the option (years)	3.5	3	3.5	3	3.5	3
Option exercise price (\$)	0.65	0.60	0.65	0.60	0.65	0.60
Share price at grant date (\$)	0.35	0.35	0.28	0.28	0.36	0.36
Expected Vesting Date	17/02/23	17/07/22	17/02/23	17/07/22	17/02/23	17/07/22
Fair value per option (\$)	0.1860	0.1751	0.1255	0.1301	0.1933	0.1822
Total value at grant date (\$)	50,824	116,422	17,147	43,254	62,953	60,589
Expiry Date	17/07/25	17/02/25	17/07/25	17/02/25	17/07/25	17/02/25
Cancelled	(750,000)	-	-	-	-	-
	-	750,000	375,000	375,000	375,000	375,000

	Employee incentive options	Employee incentive options	Employee incentive options	Vendor options	Board Options	Broker options
Date of issue	11/04/22	11/04/22	17/08/21	28/09/21	21/09/21	28/09/21
Number of options	125,000	125,000	500,000	2,250,000	5,000,000	3,500,000
Dividend yield (%)	-	-	-	-	-	-
Expected volatility (%)	100%	100%	100%	100%	100%	100%
Risk free interest rate (%)	0.79%	0.79%	0.79%	0.79%	0.79%	0.79%
Expected life of the option (years)	3.5	3	4.0	4.0	4.0	4.0
Option exercise price (\$)	0.65	0.60	0.30	0.30	0.30	0.30
Share price at grant date (\$)	0.39	0.39	0.20	0.20	0.20	0.20
Expected Vesting Date	16/06/23	16/12/22	05/01/22	21/09/21	27/06/21	21/09/21
Fair value per option (\$)	0.2155	0.2040	0.1242	0.1242	0.1242	0.1242
Total value at grant date (\$)	26,943	25,500	59,894	279,420	620,903	438,156
Expiry Date	16/11/25	16/05/25	17/08/25	28/09/25	27/06/25	28/09/25

Related party issues						
John Hannaford				762,500	1,500,000	
David Izzard				762,500	1,500,000	
William Higgins				312,500	1,500,000	
Non-related party issue				412,500	500,000	3,500,000
	125,000	125,000	500,000	2,250,000	5,000,000	3,500,000

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2023

The dividend yield reflects the assumption that the current dividend payout will remain unchanged. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

8.2.2. Recognised share-based payments expense in profit or loss

	30-Jun-23 \$	30-Jun-22 \$
Expense arising from employee options issued	30,157	362,608
Expense arising from board options issued	-	788,149
Expense arising from Director Performance securities	75,145	-
Total share-based payments expensed in profit or loss	105,302	1,150,757

8.2.3. Shares

On 14 December 2022, 80,000 shares, valued at \$0.15 each, were issued to a supplier in exchange for services.

9. Reserves

	30-Jun23 \$	Number of Options/Perfor mance shares
Founder options	-	7,000,000
Employee options	560,012	3,000,000
Broker options	438,156	3,500,000
Board member options	620,903	5,000,000
Vendor options	279,406	2,250,000
Entitlement issue	172,622	34,524,319
Total options held in reserve	2,071,097	55,274,319
Issued to vendors – performance shares	25,000	2,500,000
Director Performance rights	75,145	10,000,000
Total performance shared held in reserve	100,145	12,500,000
Total Reserves	2,171,243	67,774,319

10. Other

10.1. There are no matters subsequent to the end of the financial year to report.

10.2. Commitments

The Company has certain obligations to perform minimum exploration work on the tenements in which it has an interest. These obligations vary from time to time. The aggregate of the prescribed expenditure conditions applicable to the granted tenements for the next twelve months amounts to \$1,069,060.

1 Year or less	1 – 5 years	Greater than 5 years
\$1,069,060	2,853,244	84,397

10.3. Contingent assets and liabilities

There were no contingent assets or liabilities as at 30 June 2023.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2023

10.4. Remuneration of Auditors

	2023 \$	2022 \$
Amount received or due and receivable by the auditor for:		
Auditing the financial statements, including audit review - current period audits, audit of Form 5 compliance	26,120	34,606
Non-Audit services	-	-
Total remuneration of auditors	26,120	34,606

10.5. New and amended accounting standards

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

10.6. New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Company have not been applied in preparing these financial statements. The Company has not elected to adopt any new Accounting Standards or Interpretations prior to their applicable date of implementation.

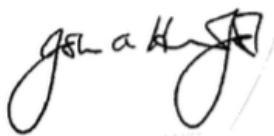
There are no standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Directors Declaration

In accordance with a resolution of the directors of Forrester Resources Limited, I state that:

- (1) In the opinion of the directors:
 - (a) the financial statements, notes and the additional disclosures included in the directors' report designated as audited, of the Group are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the period ended on that date; and
 - (ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (2) The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
- (3) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the period ended 30 June 2023.

On behalf of the Board.



John Hannaford
Chairman
29 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORRESTANIA RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Forrestania Resources Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.1.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1.6 in the financial report which indicates that the Consolidated Entity incurred a net loss of \$1,652,406 during the year ended 30 June 2023. As stated in Note 1.6, these events or conditions, along with other matters as set forth in Note 1.6, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Key Audit Matters

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

Key Audit Matter	How our audit addressed the Key Audit Matter
Exploration and Evaluation Expenditure As disclosed in note 2.1 to the financial statements, during the year ended 30 June 2023 the Company capitalised exploration and evaluation expenditure was carried at \$7,795,606 with an impairment expense of \$145,598. Exploration and evaluation is a key audit matter due to: • The significance of the balance to the Consolidated Entity's consolidated financial position. • The level of judgement required in evaluating management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure	Our procedures included, amongst others: • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the consolidated entity holds an interest and the exploration programmes planned for those tenements. • For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable; • We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6; • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each

Key Audit Matter	How our audit addressed the Key Audit Matter
to continue to be carried as an asset. The assessment of impairment of exploration and evaluation expenditure being inherently difficult.	area of interest. - We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: - the licenses for the right to explore expiring in the near future or are not expected to be renewed; - substantive expenditure for further exploration in the specific area is neither budgeted or planned - decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and - data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. - We assessed the appropriateness of the related disclosures in note 2.1 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1.1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Forrester Resources Limited, for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.


HALL CHADWICK WA AUDIT PTY LTD


MARK DELAURENTIS CA
Director

Dated in Perth, Western Australia this 29th day of September 2023

Additional Shareholder Information – as at 28 September 2023

1. TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of each class of listed securities are listed below:

ORDINARY SHARES

Position	Holder Name	Holding	% IC
1	FIRETAIL RESOURCES LIMITED	8,750,000	8.58%
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	5,495,442	5.39%
3	CITICORP NOMINEES PTY LIMITED	5,150,886	5.05%
4	JAEC HOLDINGS PTY LTD <THE HANNAFORD FAMILY A/C>	4,714,285	4.62%
5	BOWMAN GATE PTY LTD <THE DISCOVERY A/C>	4,625,000	4.53%
6	CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	3,185,000	3.12%
7	DR ROSAMUND JULIEN BANYARD	2,613,357	2.56%
8	MR MICHAEL HOWE	2,500,000	2.45%
9	MR GAVIN JEREMY DUNHILL	1,750,000	1.72%
9	WEST AUSTRALIAN PROSPECTORS PTY LTD	1,750,000	1.72%
10	DR MICHAEL ANDERSON & MRS LISA JANE ANDERSON	1,720,844	1.69%
11	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	1,660,000	1.63%
12	Billy Higgins Group	1,542,857	1.51%
13	BROADWAY COMPUTERS PTY LTD <AURAN FAMILY A/C>	1,282,600	1.26%
14	MR ADAM STEWART ROBERT TURNBULL	1,200,000	1.18%
14	HJH NOMINEES PTY LTD	1,200,000	1.18%
15	MR ASHLEY GARNER BENNETT	1,175,000	1.15%
16	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	1,073,332	1.05%
17	TIM TOPHAM PTY LTD <TIM TOPHAM FAMILY A/C>	832,298	0.82%
18	STELLA EQUITY PTY LTD <STELLA A/C>	565,712	0.55%
19	MR UDIT KOTHARI	535,971	0.53%
20	WILGUS INVESTMENTS PTY LTD	500,000	0.49%
	Total	53,822,584	52.77%
	Total issued capital - selected security class(es)	101,987,208	100.00%

Additional Shareholder Information – as at 28 September 2023

2. DISTRIBUTION OF EQUITY SECURITIES

Analysis of security by size holding:

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	22	3,069	0.00%
above 1,000 up to and including 5,000	224	681,864	0.67%
above 5,000 up to and including 10,000	193	1,555,657	1.53%
above 10,000 up to and including 100,000	535	21,305,936	20.89%
above 100,000	153	78,440,682	76.91%
Totals	1,127	101,987,208	100.00%

3. SUBSTANTIAL SHAREHOLDERS

The names of the substantial shareholders listed in the company's register are:

Holder Name	Holding Balance	%
FIRETAIL RESOURCES LIMITED	8,750,000	8.58%
DAVID IZZARD	5,250,000	5.18%

4. OTHER QUOTED SECURITIES

The following other quoted securities are on issue:

Security Name	Total Holdings	Total Holders
LISTED OPTIONS FRSO EXP 29/11/2024 @\$0.25	34,524,318	413
LISTED OPTIONS FRSOA EXP 30/06/2023 @\$0.15	29,651,521	253

5. UNQUOTED SECURITIES

The following unquoted securities are on issue:

Security Name	Total Holdings	Total Holders
OPTION EXP 27/06/2025	12,000,000	9
OPTION EXP 17/08/2025	500,000	1
OPTION EXP 20/09/2025	5,750,000	20
OPTION EXP 14/02/2025	1,500,000	3
OPTION EXP 14/08/2025	750,000	2
PERFORMANCE RIGHTS	18,000,000	4
Total	38,500,000	

6. VOTING RIGHTS

The voting rights of the ordinary shares are as follows:

Subject to any rights or restrictions for the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representation more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents.

On a poll each eligible member has one vote for each fully paid share held.

There are no voting rights attached to any of the options that the Company currently has on issue. Upon exercise of these options, the shares issued will have the same voting rights as existing ordinary shares.

7. ON-MARKET BUY BACK

There is currently no on-market buy-back program for any of Forrestania Resources Limited's listed securities.

8. MINERAL RESOURCES

The Company has not announced any mineral resources at any of its projects as at the date of this report.