

23 October 2023

Dear Shareholder

FORRESTANIA RESOURCES LIMITED – PRO-RATA RENOUNCEABLE RIGHTS ISSUE

As announced on 23 October 2023, Forrestania Resources Limited (ACN 647 899 698) (**Company**) is undertaking a pro-rata renounceable entitlement issue of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every two (2) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.03 per Share together with one (1) free option for every two (2) Shares subscribed for and issued (**Option**) to raise approximately \$1,534,524 (based on the number of Shares on issue as at the Record Date) (**Entitlement Offer**).

The Company lodged a prospectus for the Entitlement Offer (**Prospectus**) with ASIC and ASX on 23 October 2023.

The Entitlement Offer and Shortfall Offer (together, the **Offers**) are partially underwritten to \$750,000 by Mahe Capital Pty Ltd (**Mahe Capital**) (being for up to 25,000,000 Shares and 12,500,000 Options) who has also been appointed as lead manager to the Offers.

The Company intends to apply the funds raised from the Offer (less expenses) primarily to advance exploration at the Company's WA Projects (Forrestania and Eastern Goldfields) with remaining proceeds used for general working capital purposes and to meet the fees and expenses of the Entitlement Offer. For further specifics of the use of funds please refer to section 4.1 of the Prospectus.

Following completion of the Offer, assuming any shortfall is subsequently placed and the full subscription is raised, the Company will have issued approximately 53,662,310 Shares (including Shares to be issued to Mahe Capital) and 27,109,925 New Options (including Options to be issued to Mahe Capital) resulting in total Shares on issue of 155,963,914 and total Options on issue of 111,785,764.

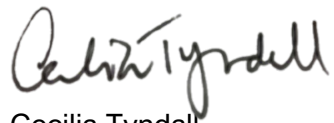
Ineligible shareholders

A Shareholder who has a registered address outside Australia or New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Entitlement Offer.

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

If you have any queries concerning the Entitlement Offer, please contact your financial adviser or Cecilia Tyndall, Forrestania Resources Limited's Company Secretary, on +61 8 6391 0113.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Cecilia Tyndall'. The signature is fluid and cursive, with the first name 'Cecilia' written in a larger, more prominent script than the last name 'Tyndall'.

Cecilia Tyndall
Company Secretary
Forrestania Resources Limited