

**FORRESTANIA
RESOURCES**

ACN 647 899 698

**Interim Financial Statements
for the six months ended
31 December 2024**

Corporate Directory

Directors

John Hannaford	Non-Executive Chairman
David Izzard	Non-Executive Director (resigned 18 February 2025)
William Higgins	Non-Executive Director
Daniel Raihani	Non-Executive Director (appointed 18 February 2025)

Company Secretary

Cecilia Tyndall

Registered and Principal Office

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West Perth WA 6005

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Auditor

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008

Share Registry

Automic Group Pty Ltd
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Perth WA 6000

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Stock Exchange Listing

Australian Securities Exchange (**ASX**)

ASX Code: FRS

FRSOA

FRSOB

Directors' Report

31 December 2024

The Directors of Forrestania Resources Limited (the "Company" or "Forrestania") present their report on the Company for the period ended 31 December 2024 ("Period").

Directors

John Hannaford – Non Executive Chairman

David Izzard – Non-Executive Director

William Higgins – Non-Executive Director

Principal activities

Principal activities of the Company during the financial period were the exploration of mineral tenements in Western Australia ("WA").

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 Company which have not been disclosed elsewhere in this report.

Review of Operations

The following is a summary of the activities Forrestania Resources Limited during the period 1 July 2024 to 31 December 2024.

Corporate

Withdrawal from Netley Fe Offer

The Company decided not to extend the Netley Fe Option on 3 September 2024, thereby withdrawing from the project. The option, announced 28 May 2024, gave Forrestania the opportunity to acquire 100% of Netley Minerals Pty Ltd, the holder of one exploration license and holder of the rights to explore and mine iron ore on two other granted contiguous exploration licenses in Western Australia's Yilgarn region, immediately adjacent to Minerals Resources Ltd's (ASX MIN) Koolyanobbing Iron Ore operations.

Following results of the due diligence drill programme on the tenements, the Company agreed with the vendors not to exercise the option to acquire Netley and its Fe project.

Placement

The Company announced a two tranche placement on 14 October 2024. 27,529,880 shares were issued at a price of \$0.0125 per share, raising \$344,123.50 (before costs). The Offer Price represented a discount of 17.54% to the 5-day volume weighted average price (VWAP) of \$0.015. 24,078,717 tranche 1 shares were issued on 21 October 2024, with the remaining shares (3,451,163) issued in a second tranche on 23 December 2024.

On 23 December 2025 the Company issued 13,764,940 listed FRSOB options (exercisable on or before 20 November 2025 at \$0.075 per option) to Sandton Capital Advisors in respect of their management of the placement.

Share Purchase Plan and Shortfall

In conjunction with the Placement, the Company undertook a Share Purchase Plan (SPP) to raise up to an additional \$0.607m. The SPP was offered to existing eligible shareholders. Pursuant to the SPP, Eligible Shareholders had the opportunity to apply (without incurring brokerage fees) for up to \$30,000 worth of new shares at the Placement Offer Price of \$0.0125.

On 13 November 2024 the company announced that it had raised \$395,750 (before costs) pursuant to the Share Purchase Plan that closed on 8 November 2024. The company issued 31,660,000 new shares at an issue price of \$0.0125 per share on 14 November 2024.

On 23 December 2024, the company announced that it had raised \$250,000 in relation to placement of the shortfall from the Company's SPP that closed on 8 November 2024. The company issued 20,000,000 shares at a price of \$0.0125 per share on the same date.

Acquisition of Tenement Option

The Company secured a key tenement under option, at its Bonnie Vale Project, near Coolgardie, in Western Australia's prolific Eastern Goldfields. The 12 month option over E 15/1972 for the payment of an option fee of \$15,000 to Amery Holdings Pty Ltd was announced 16 December 2024. At the end of the option period, the Company can acquire 100% of the tenement for a consideration of \$35,000 payable in shares based on a 5 day VWAP price at the time.

Exploration projects

During the reporting period, the Company has been active with exploration and evaluation work principally at its Bonnie Vale gold project, located near Coolgardie in the Yilgarn gold region of Western Australia.

Bonnie Vale Gold Project, Coolgardie, Western Australia Gold

During the reporting period, the Company completed its technical appraisal of the Ada Ann prospect, updating its database with historic data, as well as compiling data from WAMEX reports and field/reconnaissance trips and has designed the maiden drilling programme.

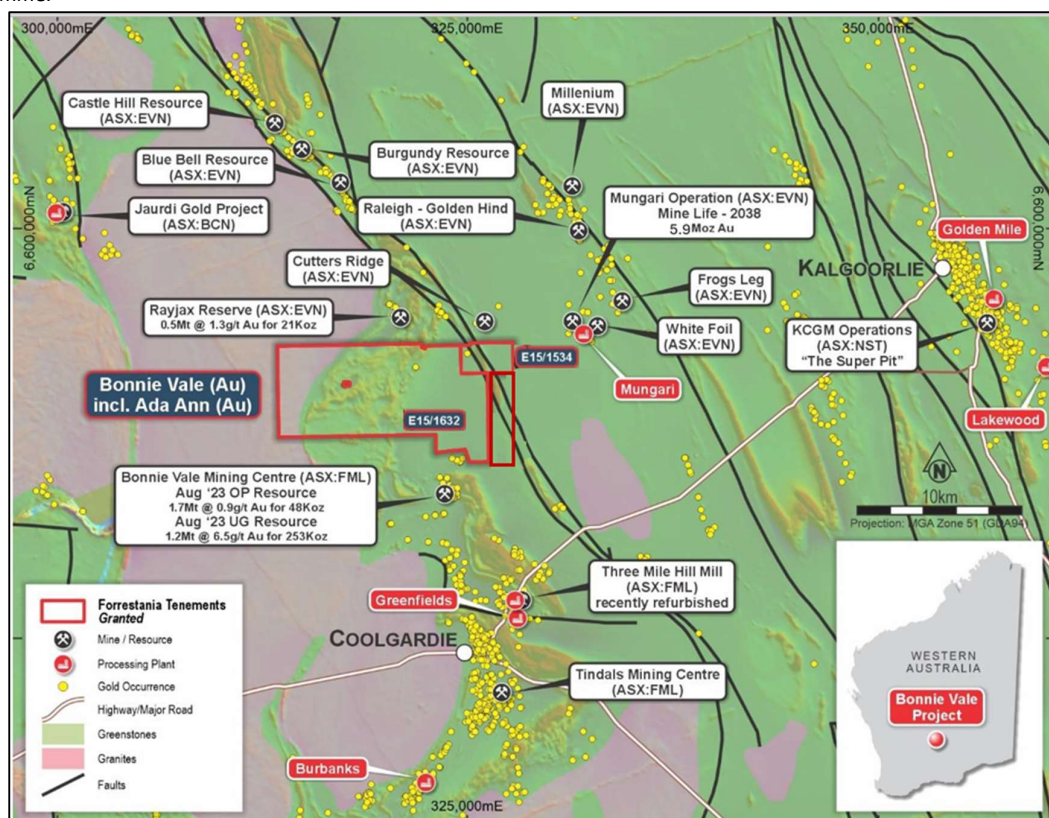


Figure 1. Forresteria Resource's Bonnie Vale Project (E15/1632 & E15/1534) is in close proximity to major gold mines and deposits. Map includes simplified geological interpretation with WA Government magnetics. ASX: EVN Mungari lies ~5km to the east of the Bonnie Vale Project area. (ASX: EVN Mungari mine life taken from ASX: EVN Mungari mine life extended to 15 years - 5th June 2023; Mungari Mineral resource estimate figure of 5.9Moz & Rayjax Ore Reserve taken from ASX: EVN Mungari Mineral Resource & Ore Statement as at 31st December 2023 - 14th February 2024; ASX: FML Bonnie Vale mineral resource update, 26th September 2023).

The Company's exploration team also completed multiple field and site visits to the neighbouring Bonnie Vale North prospect (tenement E15/1534), which lies within the greenstones of the Eastern Goldfields Super Terrane. With the highly prospective Kunanalling Shear Zone (KSZ) striking roughly north-west through the project area, this tenement has strong, regional exploration potential for Au mineralisation.

The KSZ hosts multiple gold occurrences, historic operations, resources and current deposits (Figure 1) including Evolution Mining's (ASX:EVN) Castle Hill operation which has a reserve of 21.4Mt for 615koz @ 0.9g/t Au1.

Historical geochemical results at the Bonnie Vale North Prospect show a number of samples >20ppb Au, up to a maximum value of 74ppb Au. As a result of these anomalous values, the company completed a targeted geochemical sampling programme over the areas which returned significant Au geochemical anomalies, coincident with and along the KSZ.

¹ASX: EVN Annual mineral resources and ore reserves statement, 14th February 2024

Ada Ann Prospect - Maiden drilling programme

The Company conducted a maiden RC drilling programme at the Ada Ann prospect, comprising 21 RC holes for 1,488m. The programme aimed to confirm the historic high-grade intercepts, and test mineralisation at depth and along strike.

- Drilling successfully intercepted Au mineralisation ($\geq 0.1\text{g/t Au}$) in all but one hole.
- The Ada Ann prospect is located approximately 10km west of Evolution Mining's (ASX: EVN) 5.9Moz Au Mungari Gold Mine.



Figure 2: Topdrill RC rig drilling at the Ada Ann Prospect, Bonnie Vale Project

Drill results and geological insights

The results, reported subsequent to the end of the reporting period confirmed open mineralisation at depth and along strike and given the Company a stronger understanding of the geology of the Ada Ann deposit. Further, the results successfully tested the historic Au results, with composite results including:

- o AARC0006 – 8m @ 1.5g/t Au (from 36m) and 4m @ 0.3g/t Au (from 32m)
- o AARC0004 – 4m @ 3.4g/t Au (from 44m) and 4m @ 0.4g/t Au (from 36m)
- o AARC0010 – 4m @ 2.2g/t Au (from 44m) and 4m @ 1.1g/t Au (from 52m)
- o AARC0014 – 4m @ 2.0g/t Au (from 60m) and 4m @ 0.4g/t Au (from 52m)
- o AARC0020 – 4m @ 1.6g/t Au (from 60m) and 4m @ 0.2g/t Au (from 64m)
- o AARC0002 – 4m @ 1.5g/t Au (from 60m)
- o AARC0018 – 4m @ 1.0g/t Au (from 28m)
- Historic drilling results from Ada Ann include:
 - o AA28 – 4m @ 12.8g/t Au, from 25m
 - o BR19 – 16m @ 2.6g/t Au, from 24m
 - o AA05 – 6m @ 6.5g/t Au, from 16m
 - o AA04 – 7m @ 5.0g/t Au, from 4m

The results of the Company's maiden drilling programme have confirmed that there is **open mineralisation at depth and along strike for approximately 225m**, in both directions at the Ada Ann prospect.

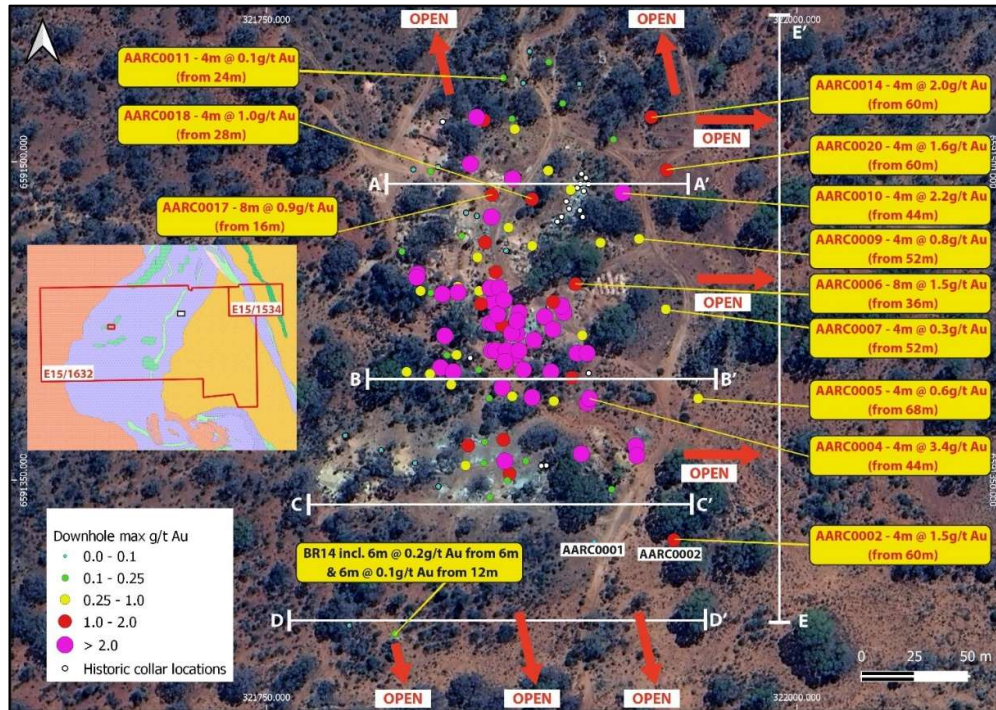


Figure 3. Map showing cross section locations as well as historic and recent downhole max results at the Ada Ann prospect with significant FRS downhole max results indicated. Historic RAB hole BR14 is also indicated ~45m south of the main mineralised area. Sections A-A', B-B', C-C', D-D' and E-E' are also shown, in relation to the figures below. Drilling intercept widths are down-hole widths and not true widths.

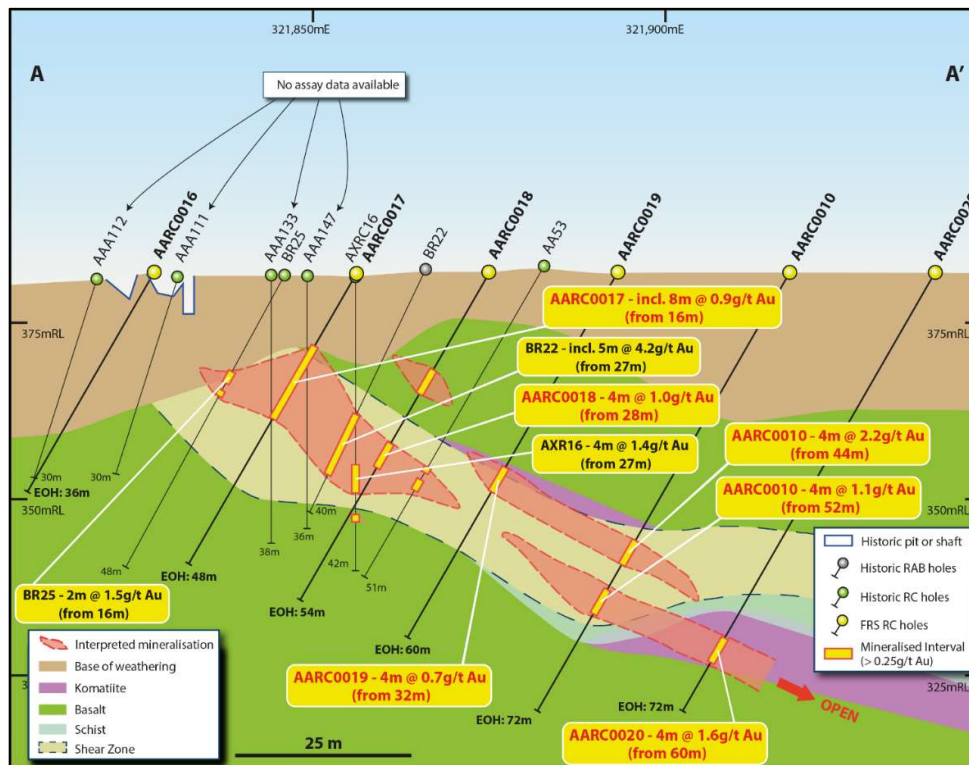


Figure 4. Cross section (A-A'), looking north ~20m along strike, showing interpreted geology and Au mineralisation of historic drilling (black text) and significant, recent FRS drilling (red text). Drilling intercept widths are down-hole widths and not true widths.

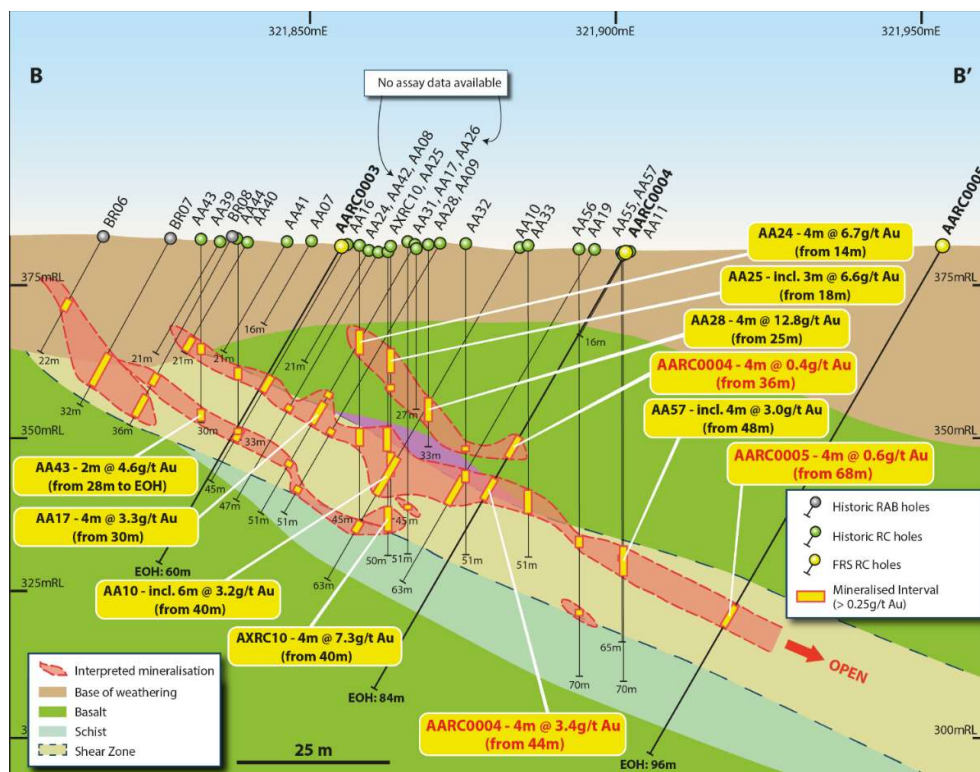


Figure 5. Cross section (B-B'), looking north ~25m along strike, showing interpreted geology and Au mineralisation of historic drilling (black text) and significant, recent FRS drilling (red text). Drilling intercept widths are down-hole widths and not true widths.

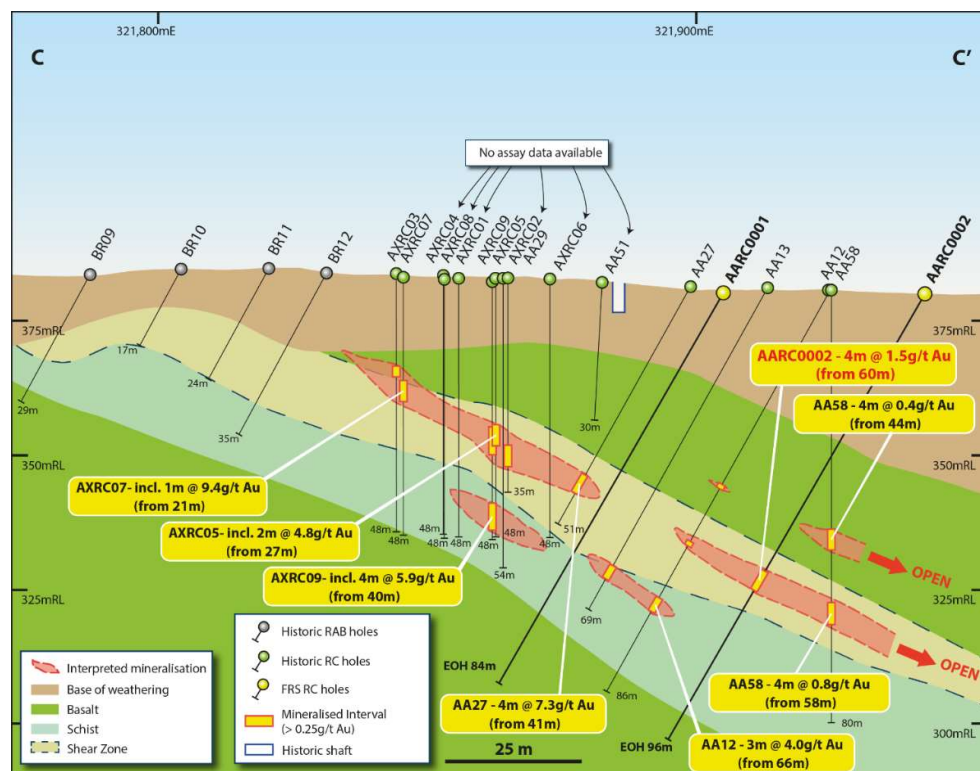


Figure 6. Cross section (C-C'), looking north ~45m along strike, showing interpreted geology and Au mineralisation of historic drilling (black text) and significant, recent FRS drilling (red text). Drilling intercept widths are down-hole widths and not true widths.

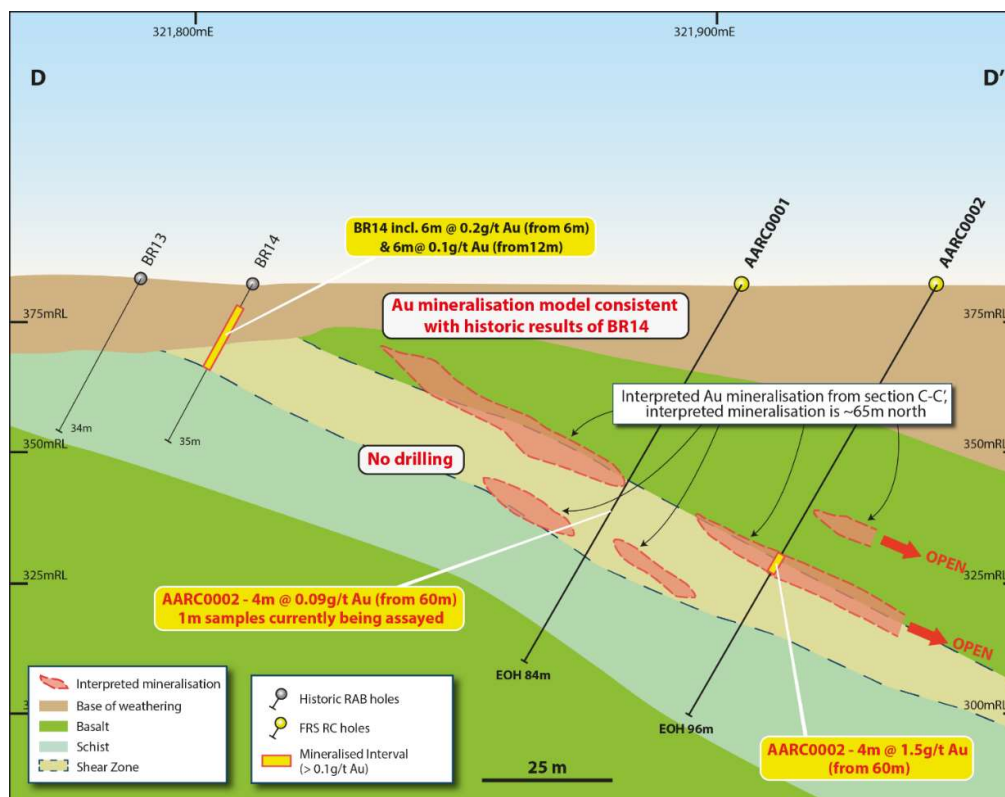


Figure 7. Cross section (D-D'), looking north ~45m along strike at historic holes: BR13, BR14, and recently drilled FRS holes: AARC0001 and AARC0002. Historic drilling results (black text) with FRS results (red text). This section shows the potential continuation of the geological and mineralised model, lining up with the historic results from BR14 ~45m south, along strike. Drilling intercept widths are down-hole widths and not true widths.

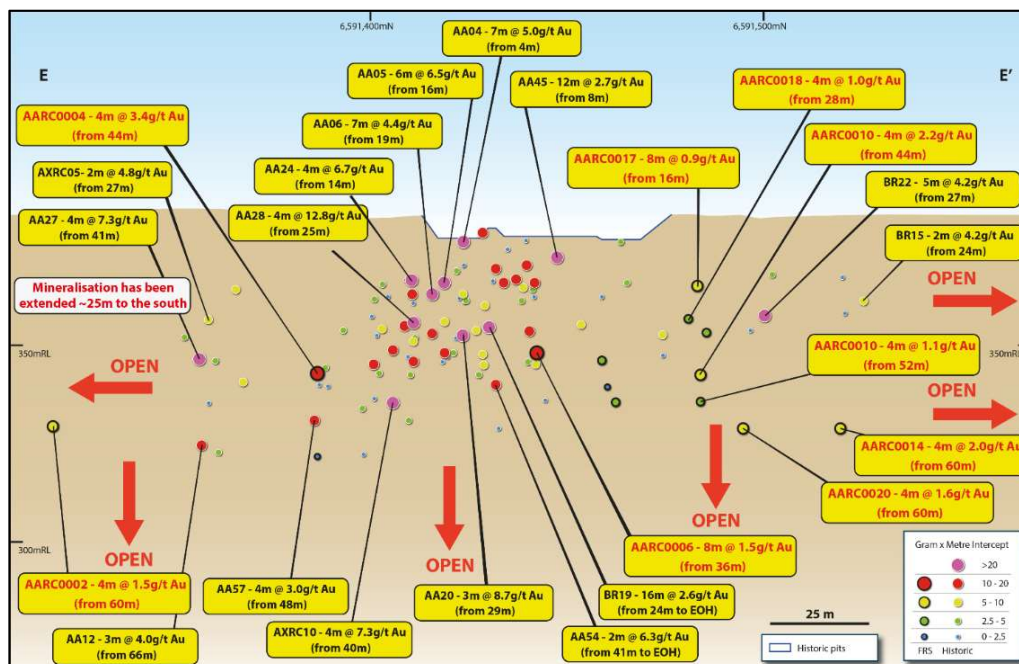


Figure 8. Long section (E-E') looking west at the Ada Ann deposit. Significant FRS drilling results (red text), historic drilling values (black text). Drilling intercept widths are down-hole widths and not true widths.

New strategic tenement “Bonnie Vale East” secured under option

The Company secured a 12-month option over E15/1972, for the payment of an option fee of \$15,000 to Amery Holdings Pty Ltd. At the end of the option period, the Company can acquire 100% of the tenement for a consideration of \$35,000, payable in shares based on a 5-day VWAP price at the time.

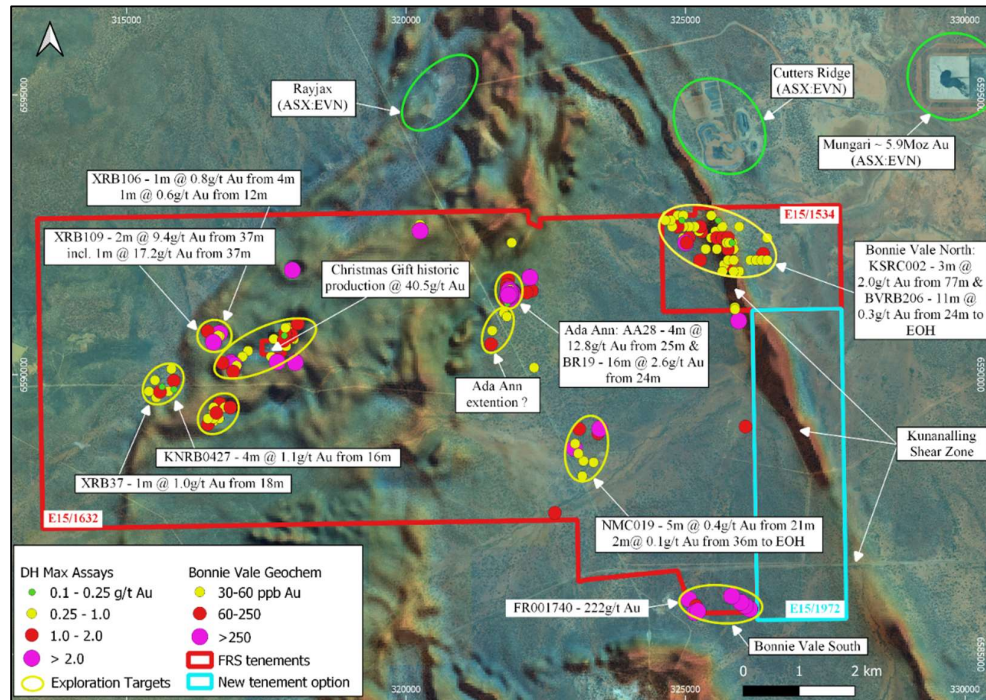


Figure 9. Forrestania Resource’s Bonnie Vale Project (E15/1632 & E15/1534) and new tenement (E 15/1972 in blue) showing the extension of the Kuanalling Shear Zone which hosts several significant resources, which make up part of the 5.9Moz Mungari Project held by Evolution Mining, from ASX: EVN Mungari mineral resource & ore reserve statement (Dec 2023). Image shows an aerial view of the project area with WA government geophysics/magnetics and the strong regional, historic drilling results. *Christmas Gift sits within E15/1632 but is not part of Forrestania Resources’ tenements. Historic production figures for Christmas Gift from WAMEX A67050.

The tenement comprises three graticular blocks and remains under the ownership of Amery. The Company views Bonnie Vale East as offering a significant strategic opportunity to enhance its position along the Kuanalling Shear Zone (KSZ). The KSZ is situated close to the western margin of the Kalgoorlie Terrane of the Eastern Goldfields Super Terrane and the regional significance of the KSZ can be seen in the ASX: EVN discoveries and resources to the north-west (see Figure 9) which includes Castle Hill, with a reserve of 21.4Mt @ 0.9g/t Au for 615koz Au.

Fieldwork results

The Company continued field work on regional targets across the Bonnie Vale Project, with a number of significant Au results returned, including:

- **222g/t Au** (FR001740)
- **13.9g/t Au from sampling of unknown, historic drill spoils** (FR001747)

As a result of continued on-ground exploration work at the Company’s Bonnie Vale Project, more highly anomalous Au values have been returned from the project area, whilst the Company’s strong exploration targets continue to grow.

Significant Au values have been returned from rock chips in an area in the south of the Bonnie Vale Project (see Figure 10) with **values up to 222g/t Au** suggesting further highly mineralized zones; to underpin the exploration potential, the Company completed sampling of spoil piles of previously unknown, historic drilling. From the four historic drill holes sampled, all of the samples returned anomalous values, **up to 13.9g/t Au**. No details of this historic drilling have been located despite multiple literature and WAMEX reviews.

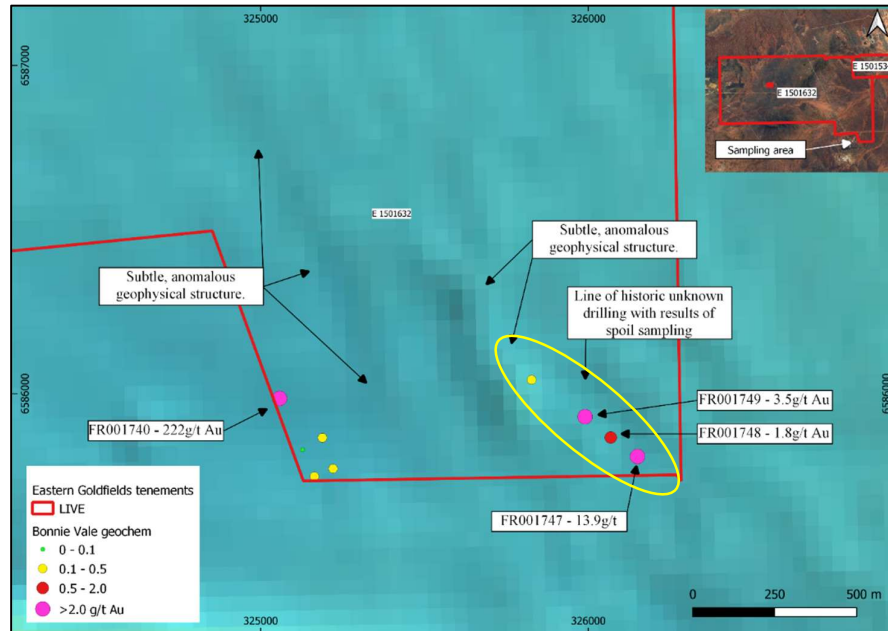


Figure 10. Rock chip results collected from field work in the south of the Bonnie Vale Project area. Map shows all of the samples taken by FRS in this area, with highly anomalous values highlighted. Sampling area underlain by WA Government geophysics.

Encouragingly, the anomalous Au geochem values returned were not confined to the south of the Bonnie Vale project area, with lesser but still highly anomalous Au values returned from **historic workings and outcropping structures north and south of Ada Ann**:

- **FR001767 returned 0.2g/t Au from an outcropping quartz structure** (see Figure 11) approximately 800m south-west and along strike of Ada Ann (on the geophysical/geological contact coincident with the Ada Ann prospect). **This area of the project has never previously been explored**, with historic exploration work terminating ~70m to the east of this sample.
- **FR001765 returned 0.8g/t Au from historic workings**, approximately 400m north-east of Ada Ann. **This area has never previously been tested by drilling** (see Figure 11).

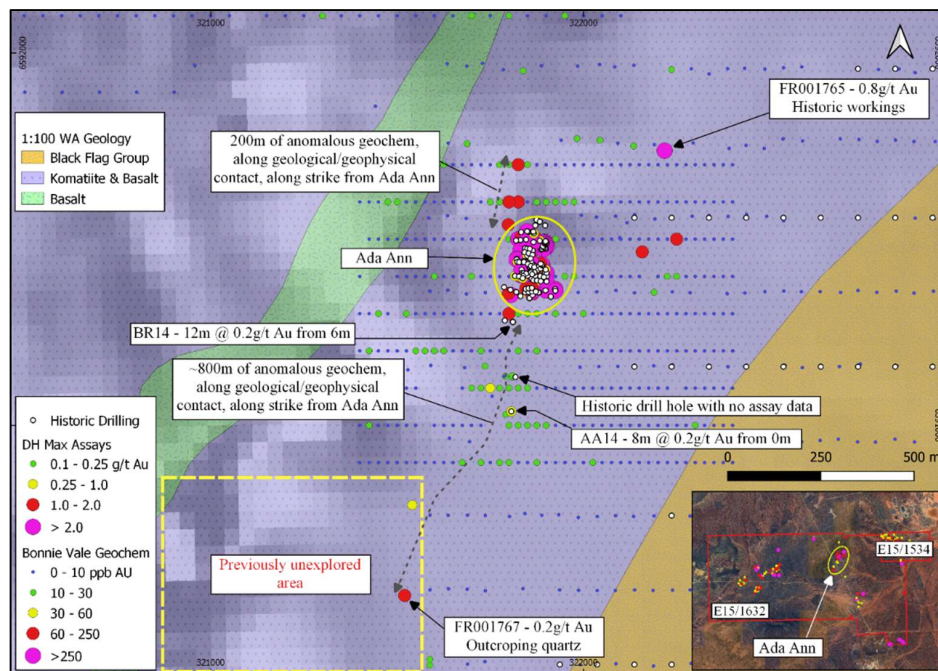


Figure 11. Potential extension of the Ada Ann prospect showing highly anomalous Au geochem results. Image is underlain by WA government 1:100000 interpreted bedrock geology and WA Government geophysics.

Breakaway Dam Project, Menzies, Western Australia
Copper, Lithium, Gold

The Breakaway Dam project area (Figure 12) is located approximately 17km east of Menzies, within the Eastern Goldfields Super Terrane, part of Western Australia's Yilgarn Craton. The under-explored Alexandra Bore greenstone belt, interpreted by GSWA to be made up of predominantly mafic volcanics, strikes (roughly north to south) through the tenement and into the Company's E29/1158 project area. This greenstone belt is bounded on either side by monzogranites and Archean granitoids and has the potential for copper and gold discoveries.

During the reporting period, the Company continued to complete field work at the project area to further refine and confirm the VMS potential of the Breakaway Dam Project.

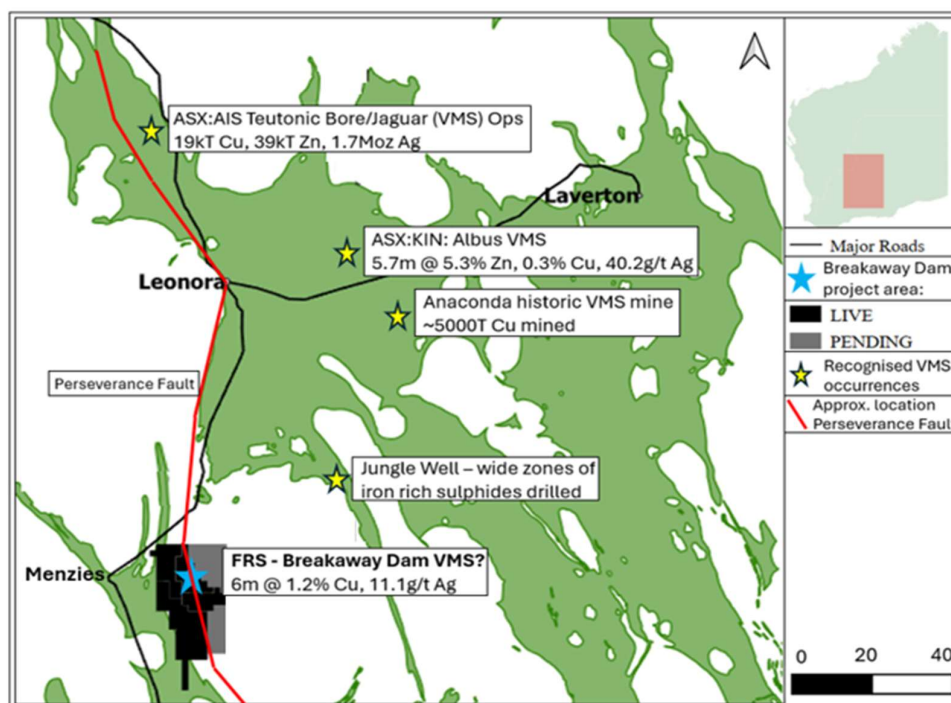


Figure 12: Regional VMS occurrences. Details of Anaconda and Jungle Well and background image taken from "VMS Mineralisation in the Yilgarn Craton"¹

Other Forrestania Resources projects

Hydra Lithium Project, Canada (FRS 50% JV interest)
Lithium

During the reporting period, Forrestania's JV partner ALX Resources (TSXV: AL, FSE: 6LLN, OTC: ALXEF) did not undertake any field work on the Hydra Lithium Project. Forrestania advised ALX that it did not wish to contribute further to the exploration for the project. ALX has yet to advise the extent to which ALX's expenditure for the JV has diluted Forrestania's interest in the project.

ALX advised that it had entered into an agreement with Greenridge Exploration to merge the companies.

¹VMS mineralization in the Yilgarn Craton, Western Australia: a review of known deposits and prospectivity analysis of felsic volcanic rocks by SP Hollis, CJ Yeats, S Wyche, SJ Barnes, and TJ Ivanic, 2017

Strategic Review & New Project Assessment

The Company has commenced a strategic review of its current project portfolio with the objective of identifying the best options for shareholders in the current challenging market conditions.

Additionally, the Company has increased its review and assessment of new project opportunities, with the focus on more advanced projects with development potential and scale.

The company plans to increase this activity in the coming months.

Operating results

The Company's net loss from operations for the period was \$709,851.

At 31 December 2024, the Company had net assets of \$6,499,345 with cash reserves of \$373,394. The Directors believe there are sufficient funds to meet the Company's working capital requirements and as at the date of this report the Company believes it can meet all liabilities as and when they fall due.

Matters subsequent to the end of the financial period

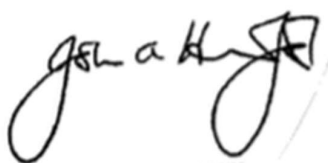
Subsequent to the end of the financial period the Company reported the results from its maiden Ada Ann drilling campaign. In addition, it embarked on a follow up RC drilling programme at the Ada Ann prospect to further define and extend the mineralisation to the north, south and at depth.

On 16 January 2025 the Company issued 2,987,836 fully paid ordinary shares to Topdrill Pty Ltd pursuant to an agreement to allow part-payment for drilling services by way of share issue. The price of the issued shares was calculated by way of 5-day volume weighted average price prior to the issue date of the invoice. The date of the invoice was 31 October 2024, pricing the shares at \$0.0137 each.

On 12 February 2025 the Company announced a capital raising of \$360,000 comprising a two tranche placement of 36,000,000 shares at 1.0 cent per share. Tranche 1 comprises 18.49m shares to be issued under the Company's share issue capacity, with the remainder to be subject to shareholder approval at a meeting to shareholders to be convened by the end of April 2025.

On 18 February 2025 David Izzard resigned as Non-Executive Director. On the same day, Daniel Raihani was appointed as Non-Executive Director. Mr Raihani is an Accountant and Tax Professional with a wide range of experience at the executive level in public, private and not-for-profit sectors. Mr Raihani has controlling equity positions and directorships in private and public companies across various sectors. Mr Raihani is currently the Managing Director of Aurumin Limited (ASX: AUN), Chairman of First Au Limited (ASX:FAU) and Chairman of Voltaic Strategic Resources Limited (VSR).

On 12 March 2025 the company announced a capital raising of \$500,910, subject to shareholder approval. The placement comprises of an issue of 20,036,400 shares at 2.5 cents per share. A General Meetings of shareholders will be held by the end of April 2025 in order to approve the raising.



John Hannaford
Chairman
13 March 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Period Ended 31 December 2024

		31-Dec-24	31-Dec-23
	Note		
Interest	3.1	1,013	3,973
Other income	3.1	12,000	62,934
		13,013	66,907
Administration services	3.2	(341,710)	(528,305)
Impairment of capitalised exploration and evaluation expenditure	2.1	(3,566)	(2,451,061)
Exploration and evaluation expense		(157,565)	-
Interest		(371)	(890)
Employee expenses	3.3	(72,767)	(355,474)
Share based payments	6.1.2	(146,885)	(12,270)
Loss from continuing operations before income tax expense		(709,851)	(3,281,093)
Income tax expense		-	-
Loss from continuing operations		(709,851)	(3,281,093)
Loss for the year		(709,851)	(3,281,093)
Other comprehensive income		-	-
Comprehensive loss attributable to the shareholders of the Company		(709,851)	(3,281,093)
Basic and diluted loss per share (cents per share) for continuing operations attributable to the shareholders of the Company		(0.38)	(0.0293)
Basic and diluted loss per share (cents per share) attributable to the shareholders of the Company		(0.38)	(0.0293)

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

Condensed Consolidated Statement of Financial Position As at 31 December 2024

	Note	31-Dec-24 \$	30-Jun-24 \$
Assets			
Current assets			
Cash and cash equivalents	4.1	373,394	459,039
Trade and other receivables	4.2	34,142	30,626
Prepayments		199,713	124,570
Total current assets		607,249	614,235
Non-current assets			
Exploration and evaluation expenditure	2.1	6,154,950	5,670,200
Property, plant and equipment	2.2	4,081	4,534
Total non-current assets		6,159,031	5,674,734
Total assets		6,766,280	6,288,969
Liabilities			
Current liabilities			
Trade & other payables	4.3	225,768	148,582
Provisions		36,206	29,802
Borrowings		4,961	-
Total current liabilities		266,935	178,384
Total liabilities		266,935	178,384
Net assets		6,499,345	6,110,585
Equity			
Share capital	5.1	14,478,559	13,540,598
Accumulated loss		(10,584,714)	(9,909,447)
Reserves	6.1.3	2,605,500	2,479,434
Total equity attributable to shareholders of the Company		6,499,345	6,110,585

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

Condensed Consolidated Statement of Changes in Equity For the Period Ended 31 December 2024

	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
At 1 July 2024	13,540,598	(9,909,447)	2,479,434	6,110,585
Loss for the half-year	-	(709,851)	-	(709,851)
Total comprehensive loss for the year	-	(709,851)	-	(709,851)
Transactions with owners in their capacity as owners:				
Issue of new shares net of cost	937,961	-	-	937,961
Issue of new options net of cost	-	-	13,765	13,765
Share-based payments	-	-	146,885	146,885
Lapsed SBP Options/Performance Rights	-	34,584	(34,584)	-
At 31 December 2024	14,478,559	(10,584,714)	2,605,500	6,499,345
At 1 July 2023	11,156,587	(3,977,468)	2,171,243	9,350,362
Loss for the half-year	-	(3,281,093)	-	(3,281,093)
Total comprehensive loss for the year	-	(3,281,093)	-	(3,281,093)
Transactions with owners in their capacity as owners:				
Issue of new shares net of cost	2,383,911	-	-	2,383,911
Issue of new options net of cost	-	-	181,440	181,440
Share-based payments	-	-	12,270	12,270
At 31 December 2023	13,540,498	(7,258,561)	2,364,953	8,646,990

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

Condensed Consolidated Statement of Cash Flows For the Period Ended 31 December 2024

	31-Dec-24 \$	31-Dec-23 \$
Cash flows from operating activities		
Interest paid	(371)	-
Interest received	1,013	3,973
Other income received	12,000	-
Payments to suppliers and employees	(523,324)	(868,094)
Net cash (outflow) from operating activities	(510,682)	(864,121)
Cash flows from investing activities		
Payments for acquisition of property plant and equipment	(2,248)	(947)
Payments for exploration and evaluation expenditure	(528,981)	(1,658,645)
Net cash (outflow) from investing activities	(531,229)	(1,659,592)
Cash flows from financing activities		
Proceeds from issue of shares	989,874	1,874,544
Share issue costs	(38,148)	(189,214)
Proceeds from financing agreements	4,540	-
Net cash inflow from financing activities	956,266	1,685,330
Cash and cash equivalents at the beginning of the period	459,039	2,117,054
Net increase/ (decrease) in cash and cash equivalents	(85,645)	(838,383)
Cash and cash equivalents at the end of the period	373,394	1,278,671

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

Notes to the Financial Statements

The interim report of Forrestania Resources Limited for the period ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 13 March 2025.

1.1. Basis of Preparation

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

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

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

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

1.5. 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.

For the 6 months ending 31 December 2024, the Group incurred an operating loss of \$709,851 and a net cash outflow from operating activities amounting to \$510,682.

The group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. 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.

Notes to the Financial Statements

2. Capital Expenditure

2.1. Exploration & Evaluation Expenditure

	31-Dec-24 \$	30-Jun-24 \$
Exploration and evaluation	6,154,950	5,670,200
Movement:		
Opening balance	5,670,200	7,795,606
Acquisition of tenements	-	963,999
Disposal	-	(22,575)
Capitalised exploration expenditure	488,316	1,464,496
Impairment	(3,566)	(4,531,326)
Closing balance	6,154,950	5,670,200
Projects:		
Forrestania	3,620,207	3,457,796
Southern Cross	607,202	599,193
Leonora	1,927,541	1,613,211
Closing balance	6,154,950	5,670,200

2.2. Property Plant and equipment

	31-Dec-24 \$	30-Jun-24 \$
Computer Equipment - Cost	41,141	38,893
Accumulated depreciation – Computer Equipment	(38,748)	(36,422)
Motor Vehicle	96,335	96,335
Accumulated depreciation – Motor Vehicle	(96,335)	(96,335)
Low Value Pool	4,238	4,238
Accumulated depreciation – Low Value Pool	(4,238)	(4,236)
Plant & Equipment	2,724	2,724
Accumulated depreciation – Plant & Equipment	(1,036)	(663)
Net carrying amount	4,081	4,534

3. Financial Performance

3.1. Other Income

	31-Dec-24 \$	31-Dec-23 \$
Revenue from continuing operations	\$	\$
Interest	1,013	3,973
Revenue from data sale	12,000	-
Gain on extinguishment of liability	-	62,934
	13,013	66,907

Notes to the Financial Statements

3.2. Expenses

	31-Dec-24	31-Dec-23
	\$	\$
Administration services		
Compliance	66,455	115,517
Consulting	133,572	90,439
Contracted Services	33,483	31,560
Depreciation	2,700	21,346
Insurance	12,503	24,925
Legal fees	14,860	71,588
Motor Vehicle	1,116	2,571
Marketing	30,512	73,009
Occupancy	17,750	41,379
Subscriptions	4,845	13,458
Travel	12,400	27,906
Other	11,514	14,607
Marketing	341,710	528,305
Exploration and evaluation	157,565	-

3.3. Employee expenses

	31-Dec-24	31-Dec-23
	\$	\$
Salaries and wages	208,437	583,969
Less allocated to projects	(130,522)	(280,892)
Superannuation	23,234	61,365
Less allocated to projects	(15,010)	(30,898)
Other	(13,372)	21,930
	72,767	355,474

4. Working Capital Management

4.1. Cash and Cash Equivalents

“Cash and cash equivalents” include 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.

	31-Dec-24	30-Jun-24
	\$	\$
Cash at bank and in hand	373,394	459,039
	373,394	459,039

4.2. Trade and Other Receivables

	31-Dec-24	30-Jun-24
	\$	\$
GST receivable	34,142	30,626
Total trade and other receivables	34,142	30,626

Notes to the Financial Statements

4.3. 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.

	31-Dec-24	30-Jun-24
	\$	\$
Trade payables	161,835	89,676
Accrued expenses	44,538	37,400
Other	19,395	21,506
Total trade and other payables	225,768	148,582

5. Funding and risk management

5.1. Share capital

	Date	Number of shares	Issue price \$	Value \$
Opening Balance at 1 July 2023		93,251,039		11,156,486
Issue of Shares – Pro-Rate Entitlement	3/07/2023	3,529,285	0.07	247,051
Issue of Shares – Acquisition	7/07/2023	4,579,589	0.11	503,720
Issue of Shares – Services	31/08/2023	627,298	0.064	42,052
Issue of Shares – Services	6/10/2023	314,396	0.039	12,276
Issue of Shares – Pro-rata Entitlement	16/11/2023	37,181,000	0.03	1,115,430
Issue of Shares – Placement	21/11/2023	22,303,170	0.03	669,094
Cost of Capital Raising				(205,611)
Balance at 30 June 2024		161,785,777		13,540,598
Opening Balance at 1 July 2024		161,785,777		13,540,598
Issue of shares – Placement Tranche 1	21/10/2024	24,078,717	0.0125	300,984
Issue of Shares – Share Purchase Plan (SPP)	14/11/2024	31,660,000	0.0125	395,750
Issue of Shares – Placement Tranche 2	23/12/2024	3,451,163	0.0125	43,140
Issue of Shares – SPP Shortfall Placement	23/12/2024	20,000,000	0.0125	250,000
Cost of Capital Raising				(51,913)
Closing Balance at 31 December 2024		240,975,657		14,478,559

Notes to the Financial Statements

6. Share Based Payments

6.1. Share Based Payments

6.1.1. Options

	Director Options Class A	Director Options Class B
Date of issue	29/11/24	29/11/24
Number of options	6,000,000	6,000,000
Dividend yield (%)	-	-
Expected volatility (%)	147.1%	140.5%
Risk free interest rate (%)	3.94%	3.94%
Expected life of the option (years)	2	3
Option exercise price (\$)	0.05	0.075
Share price at grant date (\$)	0.014	0.014
Expected Vesting Date	5/12/2026	5/12/2027
Fair value per option (\$)	0.0070	0.0079
Total value at grant date (\$)	42,288	47,616
Expiry Date	5/12/2026	5/12/2027

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

	31-Dec-24 \$	31-Dec-23 \$
Expense arising from employee options issued and cancelled	89,904	-
Expense arising from performance rights issued	56,981	87,415
Expense arising from cancellation of performance rights	-	(75,145)
Total share-based payments expensed in profit or loss	146,885	12,270

6.1.3. Reserves

	31-Dec-24 \$	Number of Options/Performance shares
Founder options	-	7,000,000
Employee options	560,012	3,000,000
Broker options	633,361	21,049,474
Board member options	710,807	17,000,000
Vendor options	279,406	2,250,000
Entitlement issue	172,622	57,393,591
Total options held in reserve	2,356,208	107,693,065
Employee performance rights	249,292	5,000,000
Total performance shared held in reserve	249,292	5,000,000
Total Reserves	2,605,500	112,693,065

7. Commitments and Contingencies

As at 31 December 2024 the Company held 34 granted tenements with a combined minimum expenditure commitment of \$1,111,100 for the next 12 months.

Notes to the Financial Statements

8. Other

8.1. Events occurring after the reporting period

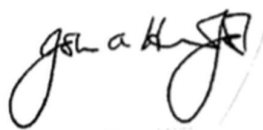
- 1) 16 January 2025 – The company issued 2,987,836 fully paid ordinary shares to Topdrill Pty Ltd pursuant to an agreement to allow part-payment for drilling services by way of share issue. The price of the issued shares was calculated by way of 5-day volume weighted average price prior to the issue date of the invoice. The date of the invoice was 31 October 2024, pricing the shares at \$0.0137 each.
- 2) 12 February 2025 – The company successfully completed a \$360,000 placement, to be issued in two tranches for a total of 36 million shares priced at \$0.01 per share.
18,491,000 shares were issued on 17 February 2025, representing the Tranche 1 shares.
A General Meeting is expected to be held before the end of April 2025, in which shareholder approval will be sought for approval of the remaining shares (Tranche 2).
- 3) 18 February 2025 – David Izzard resigned as Non-Executive Director. On the same day, Daniel Raihani was appointed as Non-Executive Director.
- 4) 12 March 2025 – The company announced a \$500,910 placement, with 20,036,400 shares to be issued at a price of \$0.025 per share. A General Meeting is expected to be held before the end of April 2025, in which shareholder approval will be sought for approval of the issue.

Directors Declaration

In accordance with a resolution of the directors of Forrestania 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 31 December 2024 and of its performance for the period ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 – interim Financial Reporting, 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) 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 half-year ended 31 December 2024.

On behalf of the Board,



John Hannaford
Chairman
13 March 2025

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

Conclusion

We have reviewed the accompanying half-year financial report of Forrestania Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Forrestania Resources Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1.5 in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$709,851 during the half year ended 31 December 2024. As stated in Note 1.5, these events or conditions, along with other matters as set forth in Note 1.5, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated this 13th day of March 2025
Perth, Western Australia

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Forrestania Resources Limited and its controlled entities for the half year ended 31 December 2024, 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 review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 13th day of March 2025
Perth, Western Australia