



ASX RELEASE

11 September 2023

Foresta Signs Term Sheet for Supply of Feedstock

HIGHLIGHTS

- Foresta Group Holdings Limited signs a Term Sheet with a major forestry company in relation to a combined supply pool of approximately 7,325,000 tonnes of wood feedstock to meet the requirements of the proposed manufacturing plant at Rotorua, New Zealand.

BACKGROUND

Foresta Group Holdings Limited (ASX: FGH, 'Foresta' or the 'Company') is a leading natural and renewable pine chemical and biomass pellet manufacturing company.

Foresta is pleased to announce that it has signed a Term Sheet with a major forestry company for the supply of approximately 7,320,000 tonnes of stumps, logs and slash. The total supply requirement for Stage 1a and 1b for the proposed manufacturing facility at Rotorua, New Zealand is approximately 915,000 tonnes of feedstock per annum. The total combined supply quantity will be the equivalent to an estimated 8 years of supply requirement for Stage 1a and 1b of the Rotorua plant. The Term Sheet will be conditional upon the Company constructing and commissioning the Facility.

The Term Sheet is subject to a confidentiality clause wherein the counterparty has specifically requested that the company name not be disclosed until such time as a definitive supply agreement has been signed and executed between the parties. However, the forestry company is a large-scale forest owner with significant forest management experience, dealing principally with forest rights and harvesting.

Foresta welcomes this new strategic development to drive the company's growth and long-term business goals.

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AUTHORISATION STATEMENT

This release has been authorised to be given to the ASX by the Board of Foresta Group Holdings Limited.

ABOUT FORESTA GROUP HOLDINGS

Foresta is positioning itself to become a leading global supplier of natural and renewable pine chemicals and biomass pellets. It has developed a proprietary process to naturally extract pine chemicals by employing the tree's own solvent chemicals to extract rosin and terpenes. These products are commonly used in industrial manufacturing and are a key input to everyday end products. These products include adhesives, gum, inks, paint, car tyres and perfume.

ATTACHMENT



Figure: Photos of the supply of wood feedstock