

Sale of Chipper and proposed Settlement of Altor Finance Borrowing Facility

We are pleased to announce that on 11 March 2024, **Essential Queensland Pty Ltd** (“**Essential Queensland**”), a wholly owned subsidiary of **Foresta Group Holdings Limited** (ASX: FGH) (“**Foresta**” or the “**Group**” or the “**Company**”), completed the sale of its **Vermeer HG6000TC Horizontal Grinder**, otherwise referred to as the “**Chipper**”. Essential Queensland has been actively advertising the Chipper for sale and has accepted an offer of \$990,000 AUD plus GST from an independent party.

Furthermore, we are delighted to report that the proceeds from the sale will enable the Group to settle and be released from the Altor Finance borrowing facility associated with the Chipper. The outstanding principal amount owed on this facility, totalling \$129,954 AUD, will be fully discharged. This represents a significant achievement for the Group, thereby materially reducing the Group’s monthly outgoings.

As a direct consequence of the sale of the Chipper and the impending settlement of the borrowing facility, the Company has decided to postpone its capital raising activities earmarked for March 2024 as disclosed in the Company’s half-year financial reports. The infusion of funds resulting from the sale of the Chipper provides the Group with the opportunity to reassess its financial strategy and project funding alternatives.

Foresta Group Holdings Limited

Ray Mountfort

Managing Director

info@forestagroup.com.au info@foresta.nz

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.

