



ASX RELEASE

30 October 2024

## FORESTA ENTERS INTO \$2 MILLION CONVERTIBLE NOTE AGREEMENT

**Foresta Group Holdings Limited** (ASX: FGH, “Foresta” or the “Company”) is pleased to announce that it has entered into a convertible note agreement with an entity associated with the Company’s director, Mr Russell Allen, for an investment of 2 million Australian dollars (\$2,000,000 AUD) (before costs) through a convertible note subscription. The proceeds of the convertible notes will provide the Company with general working capital.

### Convertible Note Offer Details

Upon payment of the principal amount of the subscription, the Company will issue 2,000,000 convertible notes with a face value of \$1.00 each (**Convertible Notes**) convertible into fully paid ordinary shares in the Company (**Shares**) and one (1) free attaching unlisted option to acquire a Share (**Option**). The conversion price is \$0.005 per Share, and conversion is subject to shareholder approval.

The key terms of the Convertible Notes are summarised as follows:

- Total amount to be raised: \$2,000,000 AUD.
- Issue price: Face value of \$1.00 AUD per Convertible Note.
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The subscriber may elect to be paid interest in Shares on the same terms as the conversion shares, subject to shareholder approval, or in cash to a bank account to be confirmed by the Subscriber.
- Subscription Date: 31 March 2025 (or such other date as mutually agreed).
- Maturity date: Three (3) years from the Subscription Date.
- Security: The Convertible Notes are unsecured.
- Conversion: The Convertible Notes may be converted, subject to shareholder approval, at the sole discretion of the subscriber. For every one Share issued at conversion, the subscriber will receive one free attaching unlisted option exercisable at \$0.01 AUD on the date that is three (3) years from the date of issue.
- Conversion price: \$0.005 AUD per Share.

The Company will seek approval for the conversion of the Convertible Notes into Shares and the issue of the free attaching options at a General Meeting of Shareholders to be convened in due course. Further details regarding the terms and conditions of the Convertible Notes will be included in the notice of meeting.

Please refer to the Appendix 3B released by the Company for further information.

For more information please contact:

**Foresta Group Holdings Limited**

**Henry Cheng**

*Executive Chairman*

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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 a leading natural and renewable pine chemical and biomass pellet manufacturing company. 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.