

## Quarterly Activities Report and Appendix 4C For Quarter Ending 31 March 2025

### Highlights

- **Foresta Group Holdings Limited's** (ASX: FGH, "FORESTA" or the "Company") Flagship Project Included in New Zealand's Fast-Track Approvals Act
- FORESTA Signs Term Sheet with GENESIS for Supply of Torrefied Wood Pellets
- FORESTA Granted Resource Consent for Stage 1 Development at Kawerau
- FORESTA Receives 2 Million Dollars from Convertible Note Agreement
- Settlement of Acquisition of Substantial Shareholders' Shares

### Flagship Project Included in New Zealand's Fast-Track Approvals Act

FORESTA is pleased to announce that Stage 1 (construction and operation of a pine chemical and torrefied wood pellet plant) of the Company's flagship project in Kawerau, New Zealand, is included as one of 22 renewable energy projects in New Zealand's Fast-Track Approvals Act 2024 (Act).

The purpose of the Fast-track Approvals legislation is to provide a streamlined decision-making process to facilitate the delivery of infrastructure and development projects with significant regional and/or national benefits, which currently includes a total of 149 'listed projects' comprising housing or land developments, renewable energy projects, mining projects and other roading, quarrying and farming projects.

More information on the Fast-Track Approval Act announcement available [here](#).

### Term Sheet with GENESIS for Supply of Torrefied Wood Pellets

FORESTA has signed a non-binding term sheet with Genesis Energy Limited ("GENESIS") to advance negotiations on the supply of torrefied 'black' wood pellets for electricity generation at Huntly Power Station. This is the first term sheet that GENESIS has signed with a potential New Zealand producer of torrefied wood pellets as GENESIS seeks to establish a sustainable, economic biomass supply for Huntly Power Station. GENESIS is targeting a supply of 300,000 tonnes per annum of torrefied biomass by financial year 2028 to reduce or, if possible, eliminate New Zealand's current dependency on coal\*.

### Granted Resource Consent for Stage 1 Development at Kawerau

FORESTA has been granted resource consent by the Bay of Plenty Regional Council (BOPRC) for earthworks and temporary stormwater discharge for Stage 1 of its development at Kawerau, New Zealand.

This approval represents a significant milestone for Foresta's Stage 1 development of its integrated biomass manufacturing facility at Kawerau, enabling the commencement of critical earthworks and stormwater management activities. For context, with the receipt of these approvals, the Company is now ready to commence

construction of its facility, subject to raising sufficient funding. The Company will continue to provide updates to the market as to the status of the development of the facility, including its capital raising efforts.

## 2 Million Dollars Received from Convertible Note Agreement

FORESTA has received \$2,000,000 AUD from SWAT7D Pty Ltd pursuant to the convertible note agreement previously announced to the market on 30 October 2024. The Company has issued a total of 2,000,000 convertible notes with a face value of \$1.00 each (Convertible Notes), convertible into fully paid ordinary shares in the Company, together with one (1) free attaching unlisted option to acquire a share, as approved by shareholders at the Company's general meeting held on 24 January 2025. The proceeds of the Convertible Notes will provide the Company with general working capital.

## Settlement of Acquisition of Substantial Shareholders' Shares

SWAT7D Pty Ltd (ACN 665 234 391) as trustee for SWAT7D Investment Trust (SWAT7D) has acquired 432,650,000 fully paid ordinary shares in the capital of the Company (Shares) from the Company's substantial shareholders Mr Ramon Dudley Mountfort and Mrs Shirley Joy Mountfort as trustees for Mounties1 Family Trust at a price of \$0.005 per share (Acquisition), pursuant to a *Share Sale Agreement* as announced on 22 November 2024. The Company's shareholders approved the Acquisition, pursuant to section 611 (item 7) of the Corporations Act 2001 (Cth) by resolution at an extraordinary general meeting of shareholders held on 24 January 2025.

## Project Development

### Kawerau Plant

#### Power

Horizon has completed the cable design study and is preparing a proposal for the detailed design proposal for the project's necessary energy infrastructure. Concurrently, we are assessing options to future-proof our power requirements for subsequent development projects in Kawerau.

### Fast Track Consenting Application

The Kawerau project is one of the twelve projects in the Bay of Plenty region supported by the Government to participate in the new streamlined consenting programme. Our planning team has been engaged and is compiling the necessary information for our consenting application.

### Earthworks Consent (Stage 1)

The Stage 1 Earthworks Consent was granted on 11 March 2025, as previously announcement on the ASX. Earthworks are scheduled to commence in September, aligning with the Bay of Plenty Regional Council (BOPRC) approved earthworks season which begins on 16 September.

## Forest Supply and Collaborative Partnerships

Key supply opportunities within New Zealand's forestry sector have been identified, with contractual negotiations now in their final stages. Concurrently, we are building and strengthening relationships with local Māori iwi and corporations. Recognising their role as kaitiaki (guardians) of the land and forests, we aim to foster partnerships that support economic opportunities, cultural preservation, and sustainable stewardship of natural resources.

In addition, we are actively engaging with government bodies, including local and regional councils and the Crown, to ensure our project aligns with national policies and regional development goals.



## Financials

Payments to related parties include compensation paid to Directors for services performed and executive consulting fees for Directors providing executive consulting services to the Board, which were \$126,900 for the quarter (exc GST of \$12,690).

Foresta Group Holdings Limited had a cash balance of \$2,131,000, as at 31 March 2025.

For more information please contact:

### Foresta Group Holdings Limited

**Henry Cheng**

*Executive Chairman*

Email: [info@forestagroup.com.au](mailto:info@forestagroup.com.au)

## 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.

**Appendix 4C: Quarterly cash flow report for entities  
subject to Listing Rule 4.7B**

**Name of entity**

FORESTA GROUP HOLDINGS LIMITED

**ABN**

18 074 969 056

**Quarter ended ("current quarter")**

31 March 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(5)	(39)
(c) advertising and marketing	(1)	(29)
(d) leased assets	-	-
(e) staff costs	(309)	(1,306)
(f) administration and corporate costs	(110)	(918)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(24)	(64)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Insurance recoveries)	-	800
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(449)</b>	<b>(1,556)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(31)	(237)
(d) investments	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	4	172
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other - Proceeds received on acquisition of Essential Queensland Pty Ltd	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(27)</b>	<b>(65)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	80	1,230
3.2	Proceeds from issue of convertible debt securities	2,000	2,575
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(11)	(30)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (principal portion of finance leases)	(53)	(177)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,016</b>	<b>3,598</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	598	186
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(449)	(1,556)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(27)	(65)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,016	3,598
4.5	Effect of movement in exchange rates on cash held	(7)	(32)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,131</b>	<b>2,131</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,131	598
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,131</b>	<b>598</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	127
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

6.1 Payments to related parties, including fees paid to directors were \$126,900 (excluding GST of \$12,690). Foresta Group Holdings Limited has a cash balance of \$2,131,000 as at 31 March 2025. Items included in item 6.1 include: Director's fees – Compensation paid to Directors for services performed. Executive consulting fees – Fees paid to Directors providing executive consulting services to the Board

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	25	25
7.2	Credit standby arrangements	-	-
7.3	Other (convertible notes)	2,000	2,000
7.4	<b>Total financing facilities</b>	2,025	2,025

7.5	<b>Unused financing facilities available at quarter end</b>	0
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7.6 7.1 The Company has short-term borrowing facilities on insurance premiums, being:

Facility supplier	BOQ Finance – Insurance Premium Funding	BOQ Finance – Insurance Premium Funding
Principal amount	\$29,150	\$15,641
Monthly repayments	\$2,654	\$1,392
Interest	9.26%	14.57%
Term	12 months – ending 31 December 2025	12 months – ending 30 May 2025
Balance at 31 Mar 2024	\$21,862	\$2,743

7.3 The Company has entered into the following convertible note.

	<b>Convertible Note</b>
Principal amount	\$2,000,000
Issue date	31 March 2025
Monthly repayments	Nil
Interest	10% per annum capitalised annually and payable on conversion or redemption
Maturity Date	31 March 2028
Security	None
Conversion	The convertible notes can be converted at the sole discretion of the subscriber. The conversion price is \$0.005 per share and the subscriber will receive one free attaching unlisted option exercisable at \$0.01 on the date that is three years from the date of issue.
Balance at 31 Mar 2025	\$2,000,000

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(449)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,131
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,131
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.7

*Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.*

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2025.....

Authorised by: By the Board.....

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.