



Highlights:

- ▶ **Forrestania Resources Limited completes IPO and shares commence trading on ASX.**
- ▶ **Multiple lithium, gold and nickel targets identified at the Forrestania Project.**
- ▶ **On-ground lithium-focussed, geological mapping and sampling program carried out at Forrestania Project, located adjacent to the world-class Wesfarmers / SQM Mt Holland Lithium Mine and Western Areas Nickel Projects.**
- ▶ **Analysis is ongoing with encouraging initial observations from the Gem Mining Lease 77/549:**
 - **mapping identified pegmatites in structural orientations analogous to Earl Grey (Mt Holland);**
 - **coarse-grained, fractionated pegmatites containing potential lithium-bearing minerals; and**
 - **assays from rock chip sampling expected in approximately four to six weeks.**
- ▶ **Deep Ground Penetrating Radar (DGPR) geophysical survey completed at Forrestania (after the quarter-end), focused on lithium and gold exploration, with key aims:**
 - **to identify potential pegmatite horizons that may be associated with historical intercept of 33 metres grading 3.2% LiO₂;**
 - **to characterise the geometry of potential pegmatite accumulations; and**
 - **to directly identify drill ready pegmatite targets to follow up.**
- ▶ **Review of historic data reveals potential for untested voluminous pegmatites on the Gem M77/549 and right across the Forrestania Project.**

FORRESTANIA LITHIUM, GOLD AND NICKEL PROJECT

Forrestania Resources Ltd (**Forrestania** or the **Company**) completed its inaugural lithium-focused mapping and sampling program across priority targets at the Forrestania Lithium, Gold, and Nickel Project, located in Western Australia, approximately 80 kilometres east of Hyden (Figure 1).

The Forrestania Lithium, Nickel and Gold Project (**Forrestania Project**) is situated in the premier southern Forrestania Greenstone Belt and occupies a tenement footprint that spans approximately 100km. The Forrestania Project is directly adjacent to various lithium, gold and nickel deposits and hosts numerous overlooked and highly prospective, undrilled lithium

targets, historical high-grade gold projects, and early-stage nickel geochemical anomalies. Notable gold deposits include the historic +1Moz Bounty deposit (ASX:WES) and Kat Gap, Lady Ada and Lady Magdalene gold deposits (ASX:CLZ), which are collectively endowed with a current mineral resource of approximately 404Koz.

Lithium

Background

In mid 2016, Kidman Resources Limited (ASX: KDR) reported that “spectacular” high-grade lithium was identified from re-assaying drilling samples from underneath the Bounty gold deposit, with initial results including 52.2 metres grading 1.53% Li₂O from 33m. This discovery became known as the world-class Earl Grey deposit, subsequently acquired by Wesfarmers and SQM. Today, Earl Grey and adjacent deposits contain proven and probable ore reserves of 94.2Mt @ 1.5% Li₂O. Construction has commenced on the Mt Holland lithium mine and first production is expected in 2H CY24.

The Gem Pegmatite Mine was operated by private owners during the 1980s to extract the lithium-rich gemstone mineral rubellite and tantalum minerals as a by-product. Gem was mined to a depth of approximately 15m and several exploration shafts were sunk in anticipation of extracting further rubellite.

Drilling traverses conducted by Firefly Resources Ltd (**Firefly**) (ASX:FFR) during 2016 and 2017 identified lithium-caesium-tantalum (LCT) pegmatites across M77/549, with the most significant intercept from the Giant Prospect, where GPRC06 returned a **33m grading 3.2% Li₂O from 69m, including 13m @ 4% Li₂O from 81m.**

The Company believes that historic drilling initially targeted, and indeed intersected, the north-south oriented pegmatite veins, and that the volume of pegmatites at Gem may be potentially much larger. No previous drilling specifically targeted the east-west oriented pegmatite accumulation zones at the Gem Project.

Forrestania intends to systematically test this theory and has commenced the drill permitting process. Drilling is planned to commence once all the requisite statutory and environmental approvals are in place.

Lithium Exploration Undertaken

The Company has been conducting a major database validation project to assist the first phase of lithium exploration. Areas of priority for Forrestania have been broadly determined by large ASTER (Advanced Spaceborne Thermal Emission and Reflection Radiometer) alteration footprints that were identified following the processing and interpretation of ASTER data, during and after the September quarter, by Dr. Neil Pendock of DIRT Exploration, an expert consultant geophysicist and remote image processing specialist.

Two geological mapping and sampling program campaigns were completed during the quarter, which aimed to identify the orientation of, and sample outcropping pegmatite occurrences across the Northern and Central Project Areas and ground truth the major lithium ASTER anomalies across the Northern Project Area.

Analysis is ongoing, however initial observations are encouraging, with coarse grained-fractionated pegmatites noted, and sampled across several localities.

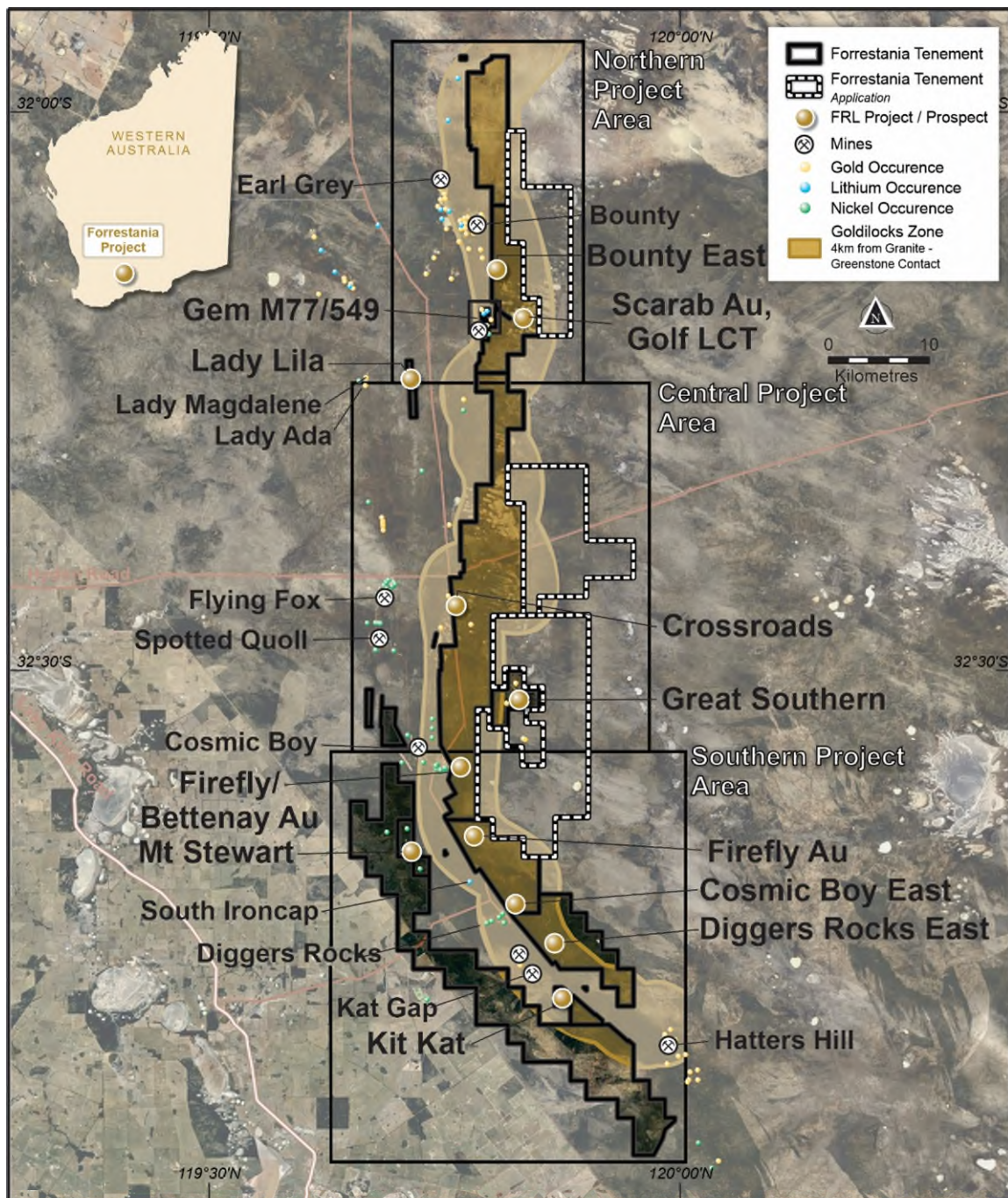


Figure 1. Forrestania Lithium, Gold and Nickel Project, Western Australia.

The Company engaged Ultramag Geophysics to conduct a deep ground penetrating radar (DGPR) survey across M77/549 to determine whether existing LCT drilling intercepts and geochemical anomalies are related to sub-surface pegmatites and/or structure.

This work was carried out in the September quarter and results will be announced when the analysis of the DGPR data is complete.

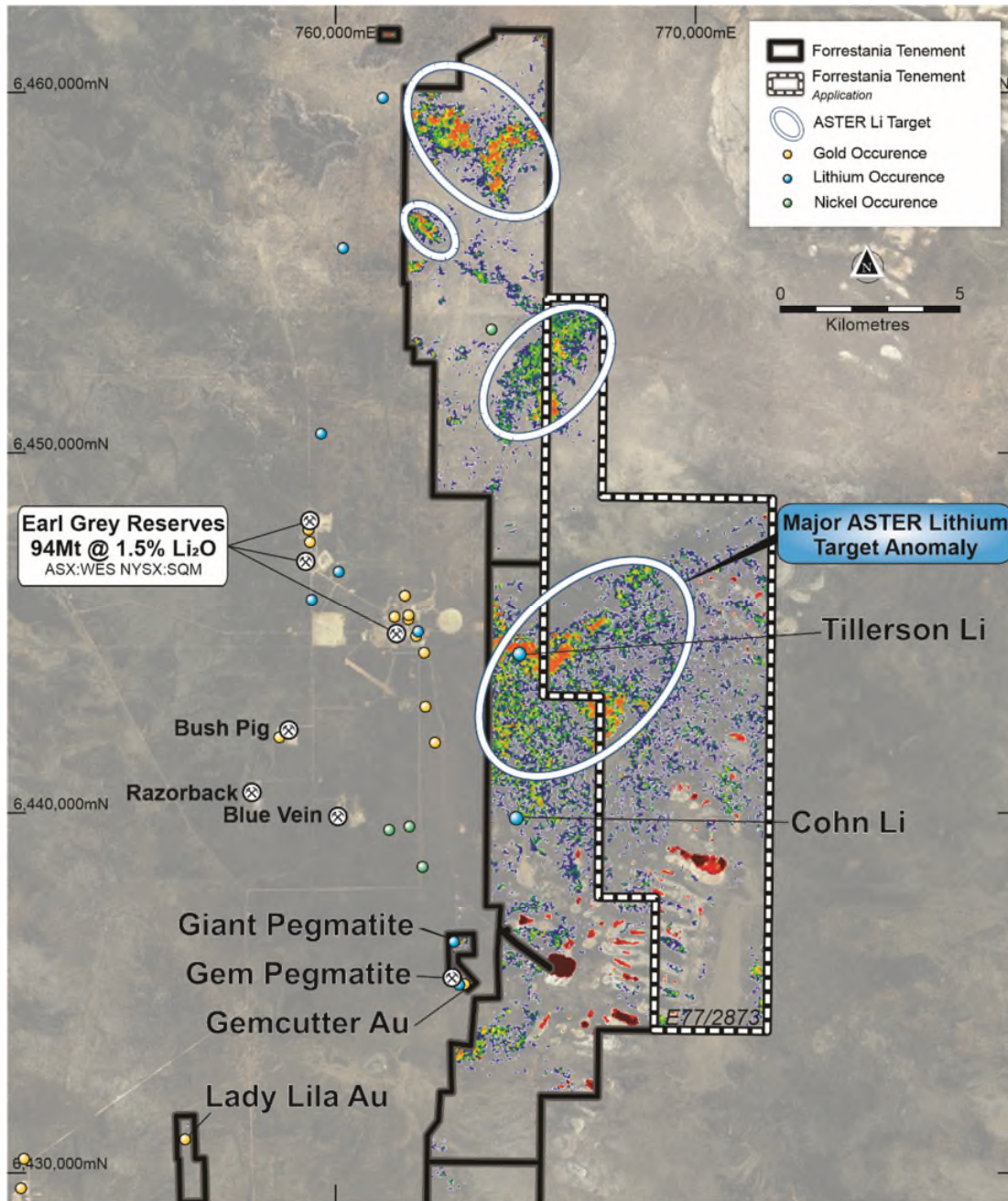


Figure 2. Northern Forrestania Project Area; showing ASTER lithium target map.

Figure 2 above and figure 3 (overleaf), show several major ASTER lithium target areas to the east of the original Forrestania Project area. Subsequent to the end of the quarter, the Company made applications for several new exploration licences based on the ASTER anomalies. The new applications, which represent a significant area, will be the subject of future exploration programs.

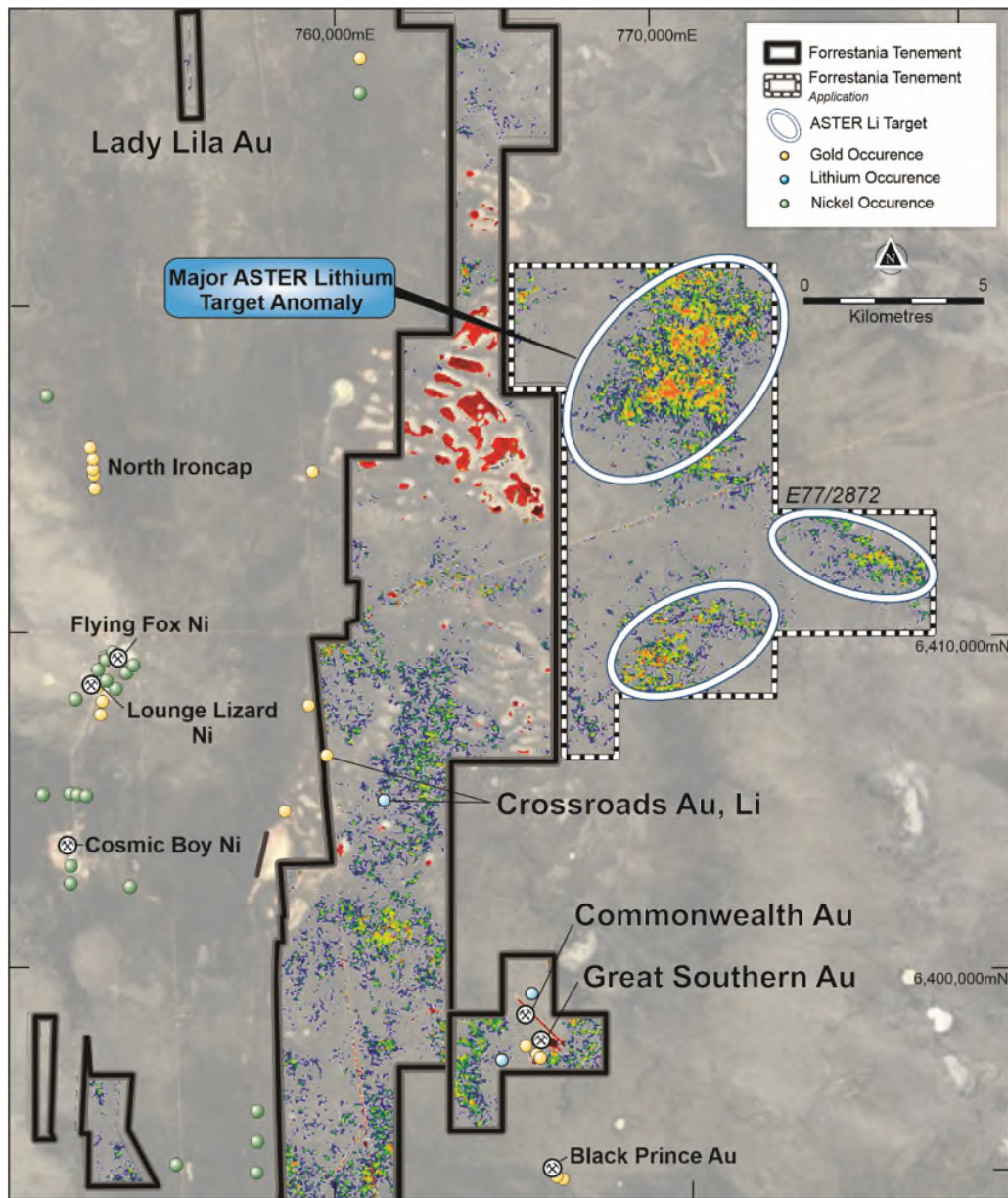


Figure 3. Central Forrestania Project Area; showing ASTER lithium target map.

Gold

Background

The southern Forrestania region, host to the +1Moz Bounty Gold Mine has also produced high-grade gold from historical deposits, including the Company's Great Southern Gold Mine.

Former owners have identified several priority gold targets with variable levels of exploration completed to date. These include the *Kit Kat*, *Gemcutter*, *Great Southern*, and *Crossroads* Prospects and the *Lady Lila* Project.

Gold Exploration Completed

During the quarter, a DGPR survey was carried out by Ultramag Geophysics to determine whether existing gold drilling intercepts and geochemical anomalies are related to sub-surface and/or structure.

The Forrestania Project area has minimal outcrop and a significant veneer of transported material, thus shallow soil sampling and field mapping can be unreliable, and the interpretation of results can prove challenging.

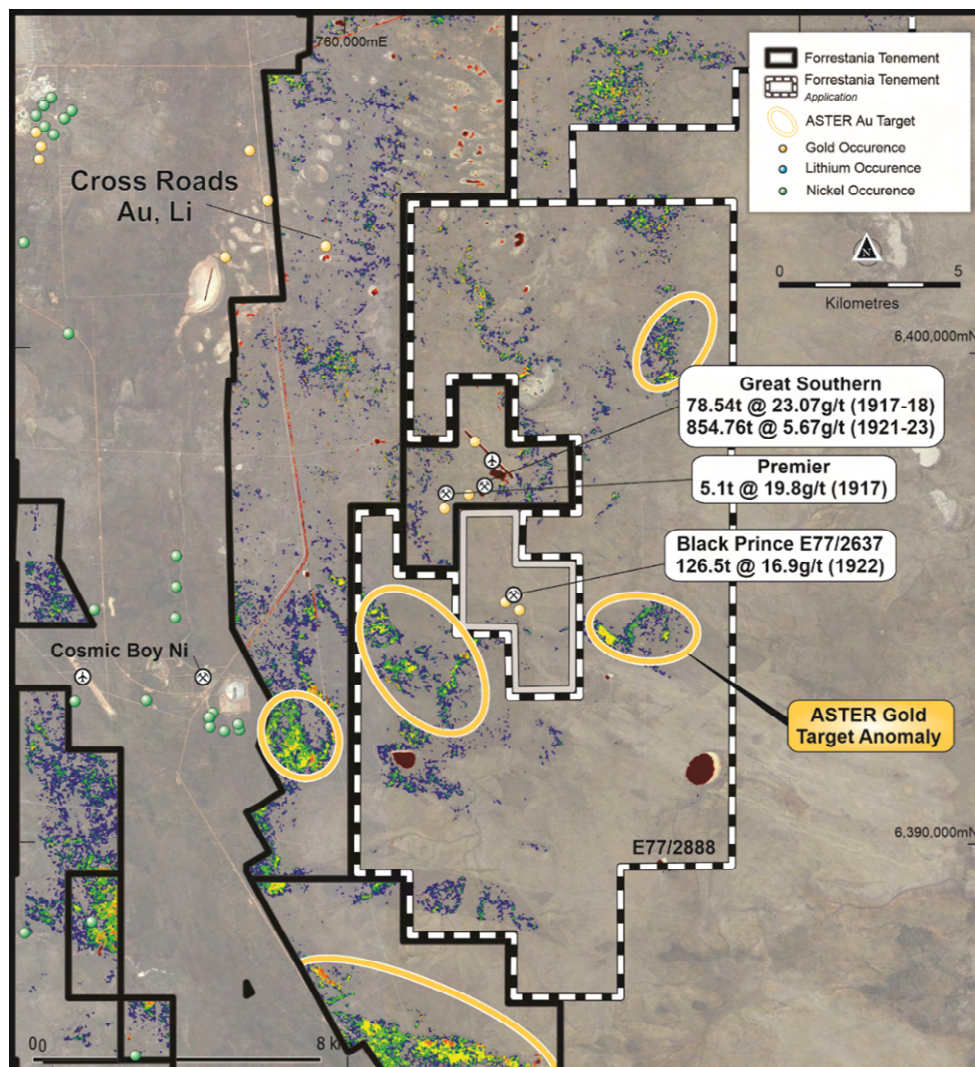


Figure 4. Forrestania Project Great Southern Project Area inset, showing ASTER gold target map and significant historical production. The additional tenement acquisition and application occurred subsequent to the end of the quarter.

A targeted orientation program of Ultrafine geochemical soil samples has been completed during the quarter across specific areas at the Great Southern prospect.

The Ultrafine geochemical technique (UFF+) delivers multielement analysis, mineralogy and several related parameters derived from the ultrafine (<2 µm) fraction of soil samples. The concentration of gold and related metals in the ultrafine fraction gives stronger signals,

generally well above instrumental detection limits, and increased signal-to-background ratios allowing better targeting.

Southern Cross & Leonora Gold Projects

No field exploration activities were carried out at the Southern Cross and Leonora gold projects during the quarter.

Exploration activities scheduled for Q4 2021

The company is planning the following exploration activities during the current quarter:

- Subsequent to the end of the quarter the Company secured additional exploration acreage in the north project area where ASTER anomalies were present. Initial field exploration programs will be commenced in Q4 2021.
- The company completed environmental surveys over the Lady Lila gold project enabling approval of a Program of Works for a maiden RC drilling program to commence over the project.
- The company also plans to drill test the Gem Project pending results of the DGPR survey and results of field sampling programs.
- The company is also planning an aeromagnetic survey over the Crossroads, Great Southern and Kit Kat projects.

Corporate

ASX Listing

Forrestania Resources Limited appointed CPS Capital as Lead Manager to the Company's IPO. The Company raised \$5,000,000 (before costs) pursuant to the offer under its prospectus dated 19 August 2021 by the issue of 25,000,000 shares at an issue price of \$0.20 per share and listed on the Australian Securities Exchange (ASX) on 30 September 2021. As at the end of the quarter the company had a total of 51M shares and 18.25M unlisted options on issue.

Annual Report

The Forrestania Resources Limited's Annual Report for the period ended 30 June 2021 was lodged with the ASX on 30 September 2021.

Annual General Meeting

The Company has advised that the Annual General Meeting of shareholders of Forrestania Resources Limited will be held on Tuesday 30 November, 2021 at 11am (AWST) at the office of Hall Chadwick, 283 Rokeby Road, Subiaco WA 6005.

Financial Commentary

The Quarterly Cashflow Report (Appendix 5B) for the current period provides an overview of the Company's financial activities.

Exploration expenditure for the current period was \$508k including the completion of vendor agreements. Corporate and other expenditure amounted to \$476k and included the costs of the Company listing. The total amount paid to directors and their associates in the period (item 6.1 of the Appendix 5B) was \$135k and includes directors' fees and superannuation, office rent and administration services.

This announcement is authorised for release on behalf of the Board by Melanie Sutterby, CEO.

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APPENDIX A - TENEMENT SCHEDULE

Project	Location	Tenement	Status	Equity at 01 Jul 2021	Equity at 30 Sep 2021	Changes During Quarter
Forrestania	Kondidin/Lake Grace	E 74/586	Live	-	100%	Acquired
Forrestania	Kondidin/Lake Grace	E 74/591	Live	-	100%	Acquired
Forrestania	Lake Grace	E 74/627	Live	-	100%	Acquired
Forrestania	Kondidin	E 77/2313	Live	-	100%	Acquired
Forrestania	Yilgarn	E 77/2364	Live	-	100%	Acquired
Forrestania	Kondidin	E 77/2348	Live	-	100%	Acquired
Forrestania	Kondidin /Yilgarn	E 77/2345	Live	-	100%	Acquired
Forrestania	Kondidin	E 77/2346	Live	-	100%	Acquired
Forrestania	Yilgarn	M 77/549	Live	-	100%	Acquired
Forrestania	Kondidin	E 77/2575	Live	-	80%	Acquired
Forrestania	Kondidin	E 77/2576	Live	-	80%	Acquired
Forrestania	Kondidin	E 77/2701	Live	-	80%	Acquired
Forrestania	Kondidin	P 77/4326	Live	-	100%	Acquired
Forrestania	Kondidin	P 77/4325	Live	-	100%	Acquired
Forrestania	Kondidin	E 77/2764	Pending	-	0%	Acquired
Forrestania	Yilgarn	E 77/2819	Pending	-	0%	Application
Forrestania	Yilgarn	E77/2872	Pending	-	0%	Application
Forrestania	Yilgarn	E77/2873	Pending	-	0%	Application
Southern Cross	Yilgarn	M 77/1266	Live	-	100%	Acquired
Southern Cross	Yilgarn	P 77/4544	Live	-	100%	Acquired
Southern Cross	Yilgarn	P 77/4546	Live	-	100%	Acquired
Southern Cross	Yilgarn	E 77/2656	Live	-	100%	Acquired
Southern Cross	Yilgarn	E77/2676	Pending	-	0%	Acquired
Southern Cross	Yilgarn	E77/2830	Pending	-	0%	Acquired
Southern Cross	Yilgarn	E77/2832	Pending	-	0%	Acquired
Leonora	Leonora	E 37/1416	Live	-	100%	Acquired
Leonora	Menzies	E 29/1103	Pending	-	0%	Acquired
Leonora	Menzies	E 29/1118	Pending	-	0%	Acquired
Leonora	Leonora /Laverton	E 39/2222	Pending	-	0%	Acquired
Leonora	Leonora /Laverton	E 37/1438	Pending	-	0%	Acquired
Leonora	Leonora/ Menzies	E 29/1119	Pending	-	0%	Acquired

Firehawk Gold Pty Ltd (Firehawk) is the registered holder of E74/586, E74/591, E74/627, E77/2313, E77/2364, E77/2348, E77/2345, E/2346 and E77/549; Forrestania has entered into a binding option agreement with Firehawk to acquire a 100% interest in the tenements.

Jindalee Resources Ltd (Jindalee) is the registered holder of E77/2575, E77/2576 and P77/2701; Forrestania has entered into a binding option agreement with Jindalee to acquire an 80% interest in the tenements.

West Australian Prospectors Pty Ltd (WAPPL) is the registered holder of P77/4326, P77/4325 and P77/2764; Forrestania has entered into a binding option agreement with WAPPL to acquire a 100% interest in the tenements.

West Australian Prospectors Pty Ltd (WAPPL) is the registered holder of P77/4544 and P77/4546; Forrestania has entered into a binding option agreement with WAPPL to acquire a 100% interest in the tenements.

Vernon Strange (Strange) is the registered holder of M77/1266; Forrestania has entered into a binding option agreement with WAPPL to acquire a 100% interest in the tenements.

Quattro Gold Pty Ltd (Quattro) is the registered holder of E77/2656, E77/2676, E77/2830 and E77/2832; Forrestania has entered into a binding option agreement with Quattro to acquire a 100% interest in the tenements.

BA Exploration Pty Ltd (BA) is the registered holder of E37/1416 and E29/1103; Forrestania has entered into a binding option agreement with BA to acquire a 100% interest in the tenements.

Tigers Paw No 1 Pty Ltd (TPPL) is the registered holder of E29/1118, E39/2222, E37/1438 and E29/1119; Forrestania has entered into a binding option agreement with TPPL to acquire a 100% interest in the tenements.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

FORRESTANIA RESOURCES LIMITED

ABN

41 647 899 698

Quarter ended ("current quarter")

30 JUNE 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(38)	(38)
	(e) administration and corporate costs	(434)	(434)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(5)	(5)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(477)	(477)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(326)	(326)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(182)	(182)
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(508)	(508)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,556	5,556
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(331)	(331)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(197)	(197)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	5,028	5,028
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	22	22
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(476)	(476)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(508)	(508)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,028	5,028
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,066	4,066

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5.	Reconciliation of cash and cash equivalents 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	4,066	22
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,066	22

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	136
6.2	Aggregate amount of payments to related parties and their associates included in item 2	150

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.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(476)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(182)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(658)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,066
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,066
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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	
8.8.2 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	
8.8.3 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	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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:28/10/21.....

Authorised by: 
(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

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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 6: Exploration for and Evaluation of Mineral Resources* and *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 standards apply 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.