



High priority lithium drilling to commence at Forrestania's Gem/Giant pegmatite & South Iron Cap East following environmental approvals

Highlights:

- Second lithium focused drilling programme planned to commence across the Forrestania tenement package in January 2023
- Approval granted for POW at high priority Gemcutter and Giant prospects
- At the Giant Pegmatite prospect the drilling programme is aimed at confirming the extent of previous high-grade intercept of 34m @ 3.1% Li₂O
- ~5,000m RC drilling programme to also test South Iron Cap East, Gemcutter and Bounty East prospects.

Forrestania Resources Limited (ASX:FRS) (**Forrestania** or the **Company**), is pleased to announce plans for drilling programmes at the Company's flagship Forrestania Project. Following the receipt of requisite approvals the Company is planning to drill four target areas including:

- **Giant Pegmatite**, targeting extensions of a previous discovery of **34m @ 3.1% Li₂O** from 68m
- **Gemcutter**, targeting extensions to historic pegmatite and lithium intercepts, beneath the Gem Mine
- **Bounty East**, drilling across the major tantalum anomaly zone, on a line which has not previously been drilled, only 6km east of the world class Mt Holland lithium mine
- **South Iron Cap East**, testing the prospect identified in April, which includes an anomalous tantalum in soil zone of over 2.5km in length with a pegmatite outcrop, located less than 1km the to east of IGO's South Iron Cap drill intercept where **50.6m @ 0.95% Li₂O** was recorded from a nickel focussed drill hole

Chairman and Interim Chief Executive Officer, John Hannaford, commented:

"Today's announcement is significant marking the receipt of final approvals to drill the highly prospective Giant Pegmatite where a historic drillhole intercepted 34m @ 3.1% Li₂O. We are also planning to drill test other high quality prospects including South Iron Cap East, which is a significant, undrilled target given its proximity to IGO's South Iron Cap lithium discovery. Along with other planned drill targets the Company will have a very active drilling programme to start to 2023."

Discussion:

A drilling programme has been planned to test priority lithium targets at the Company's flagship Forrestania Project. An RC drill programme of approximately 5,000m has been scheduled for January 2023.

Drilling is planned to test lithium targets at South Iron Cap East, Gemcutter, the Giant Pegmatite and Bounty East prospects (see Figure 1).

A new Programme of Work (POW) approval was received for the Gemcutter and Giant Pegmatite targets on 14 December 2022, which means that POW approval has now been received for all targets. In addition, drill rig availability has been confirmed for mid-January 2023.

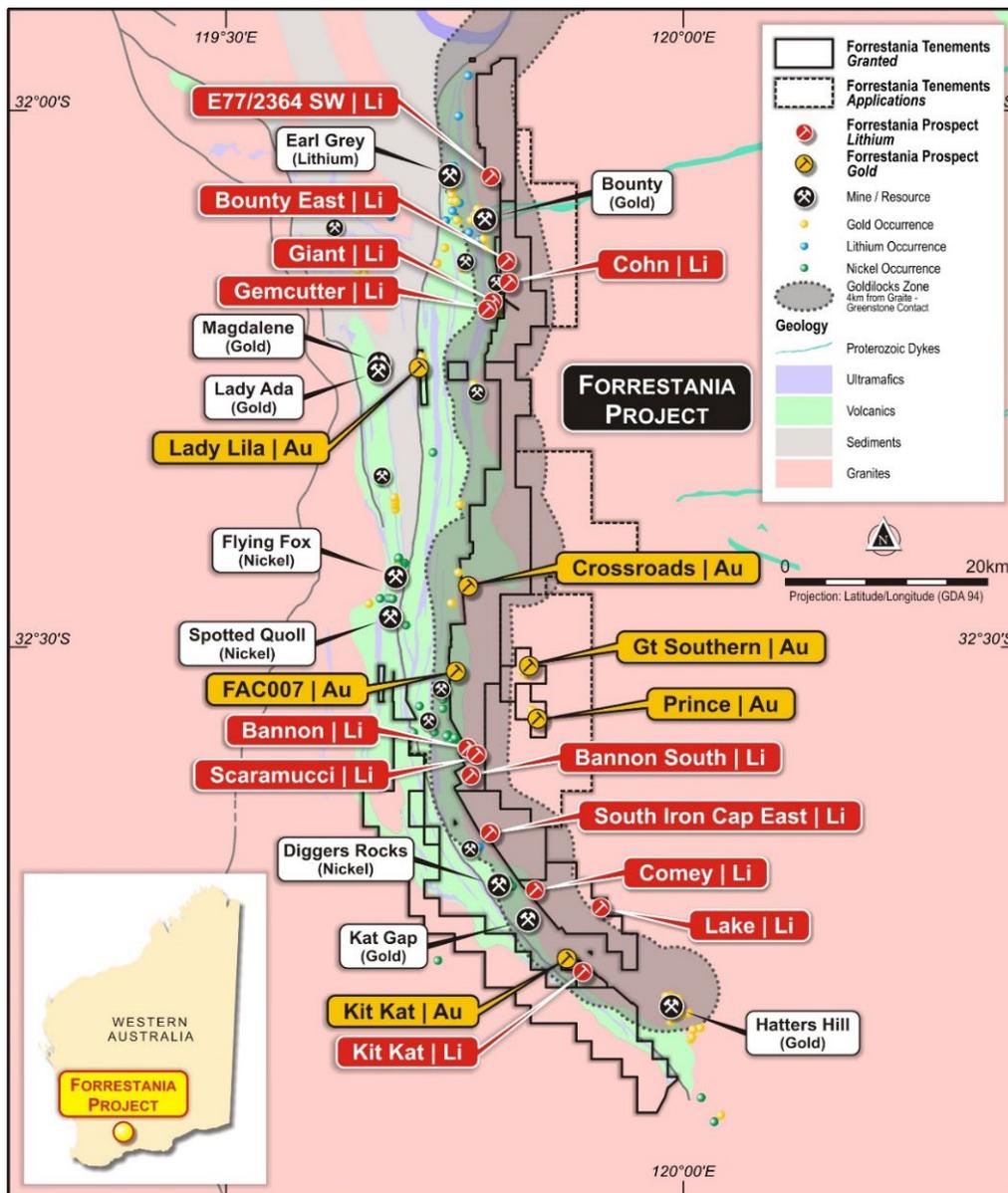


Figure 1: Forrestania Project showing location of South Iron Cap East, Gemcutter, Giant and Bounty East

The Company is particularly excited to be undertaking maiden drilling programmes at South Iron Cap East and the Giant Pegmatite.

South Iron Cap East

South Iron Cap East is a Company-generated target which is defined by an outcropping pegmatite within a strong tantalum in soil anomaly² and is located within 1km of IGO's (formerly Western Areas) South Iron Cap lithium occurrence, see Figures 2 & 3. South Iron Cap historically returned **50.6m @ 0.95% Li₂O**³ from a nickel focussed drill hole.

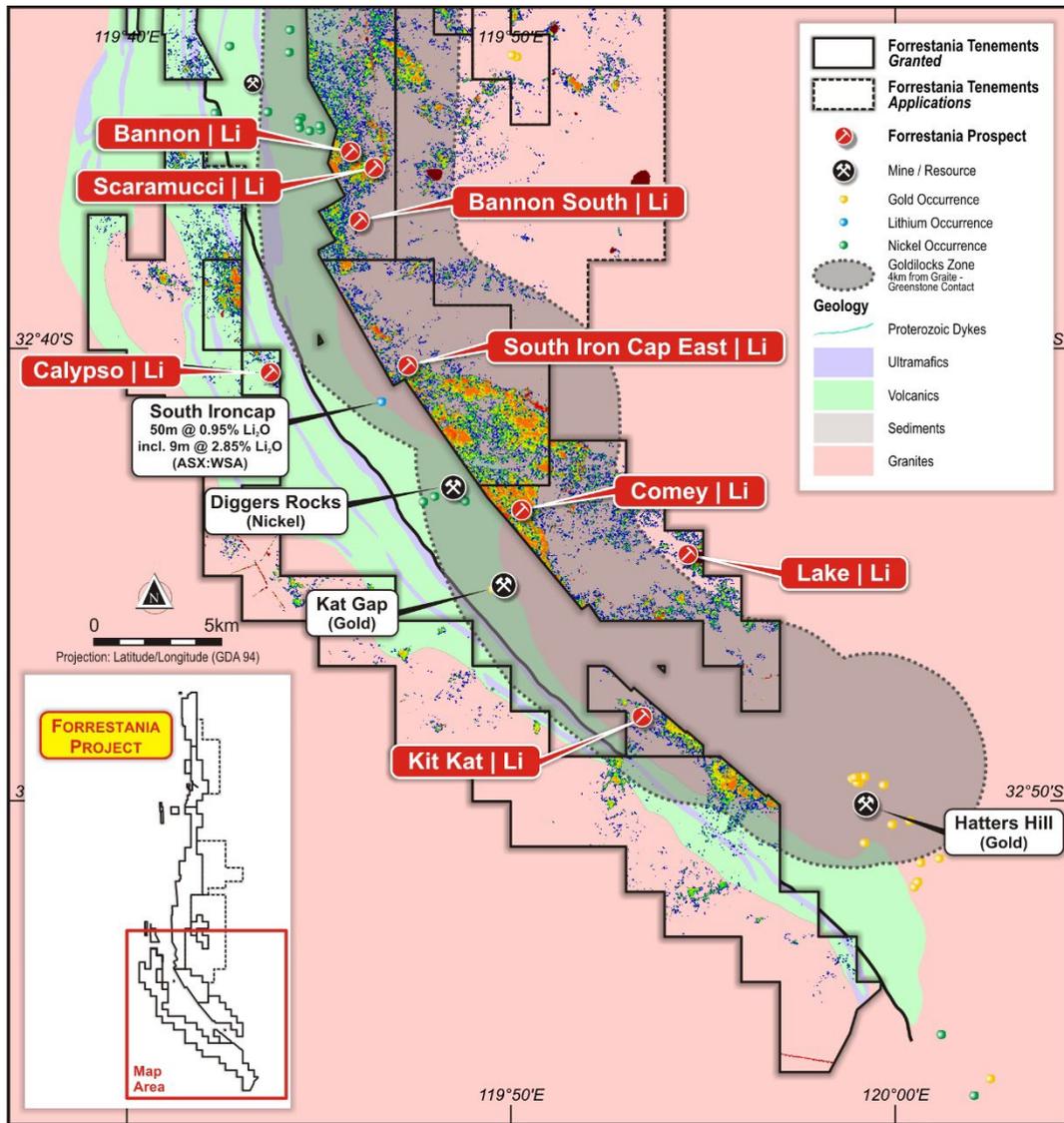


Figure 2: Location of South Iron Cap East and Calypso prospects, showing position relative to “Goldilocks” exploration corridor, coincident ASTER response and IGO’s South Iron Cap Prospect

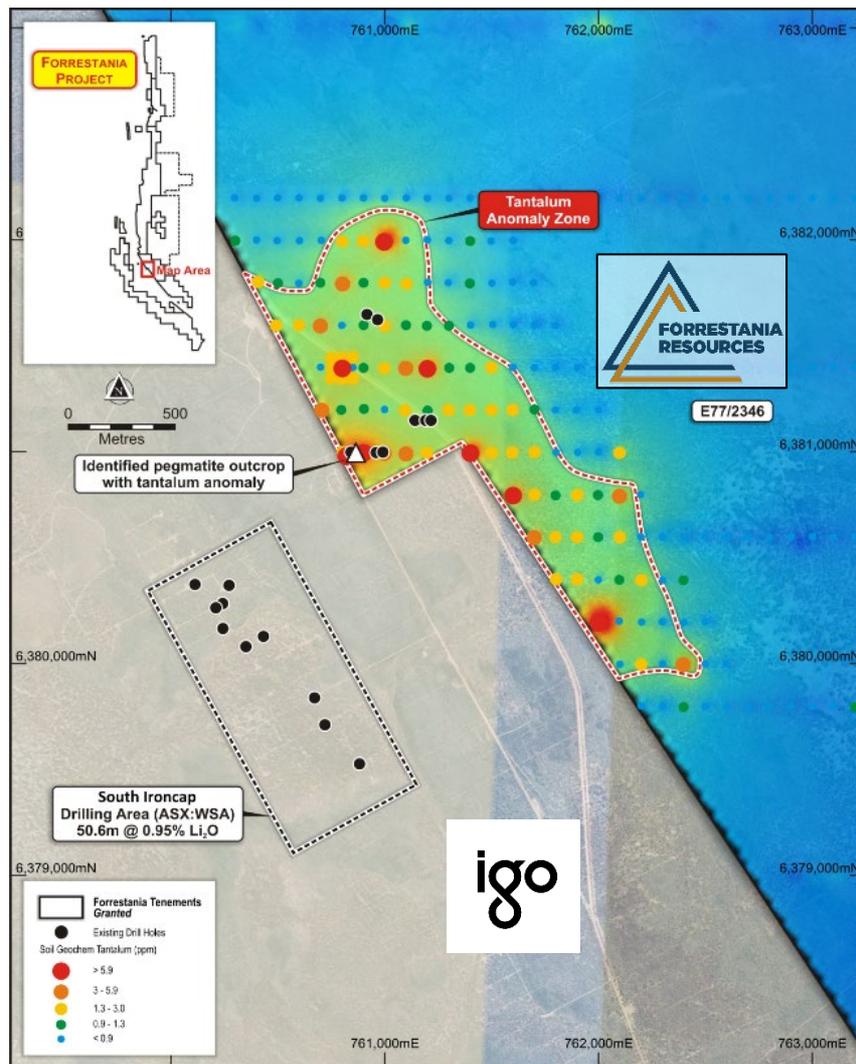


Figure 3: South Iron Cap East prospect showing pegmatite outcrop, anomalous tantalum soil sampling results and proximity to significant lithium drill hole intercepts at South Iron Cap previously reported by Western Areas³ (now IGO)

Giant Pegmatite

The Giant Pegmatite was drilled by Marindi Metals in 2016 and returned the best result of **34m @ 3.1% Li₂O¹** (see Figure 4). The true thickness of the pegmatite was later established to be between 5 – 10m. The Company plans to test the body of the pegmatite along strike and down dip to define the extent of the mineralisation.

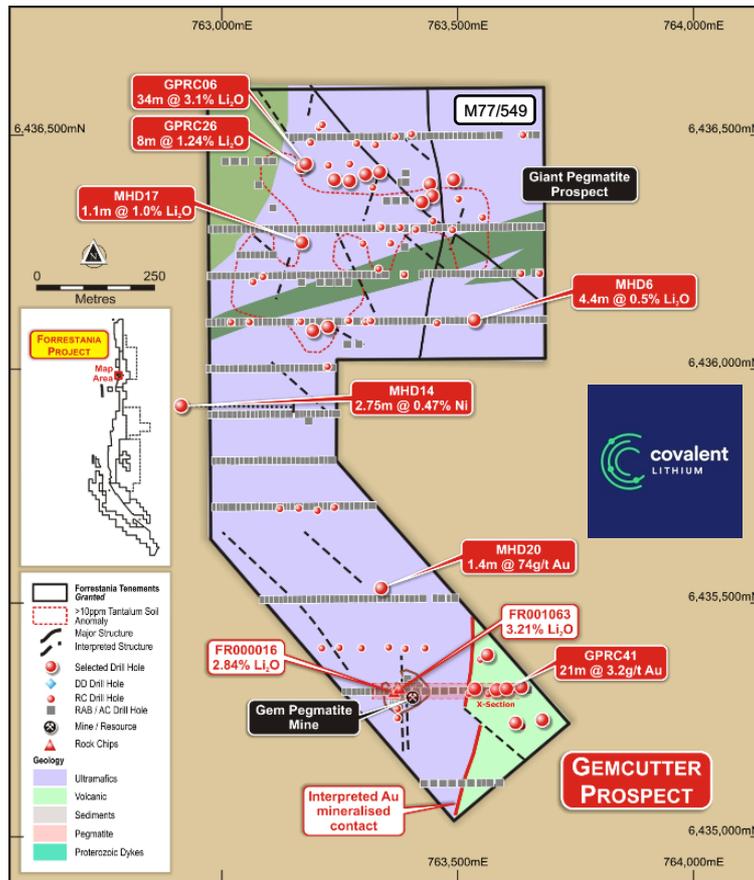


Figure 4: Giant Pegmatite and Gem Pegmatite prospects showing location of drillhole GPRC06 which returned 34m @ 3.1% Li₂O¹. Also showing previously reported significant drill hole and rock chip results⁴.

Preliminary maiden lithium drilling programmes were completed at both Gemcutter and Bounty East in November. However, recent POW approvals, have allowed a second drilling programme that enables more effective targeting of each prospect.

Gemcutter

At Gemcutter, a newly approved POW enables extensive targeting beneath the Gem Mine where historically logged pegmatite intercepts returned anomalous lithium (see Figure 5). Interpretation and modelling of the historic pegmatite intercepts suggest that the pegmatite is still open down dip to the north, west and south of the logged pegmatites.

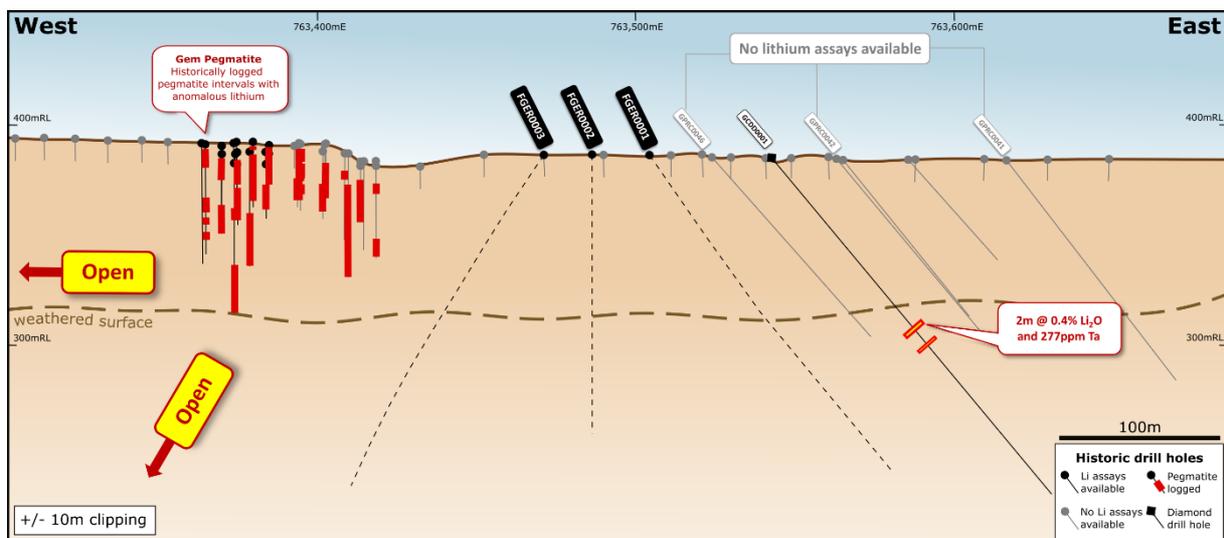


Figure 5: Cross Section at the Gem Mine target area (also refer Figure 4) showing recently completed drill holes FGPR001-FGPR003 in relation to historically logged pegmatite intervals, awaiting assay. Note pegmatite still open beneath and to the west of the Gem Mine.

Bounty East

At Bounty East, several pegmatites were intercepted in the maiden lithium programme completed in November⁵. The new POW approval provides access to the central part of a strong tantalum geochemical anomaly (see Figure 6) and is interpreted to be the optimal position to target and follow up on the returned pegmatite intercepts.

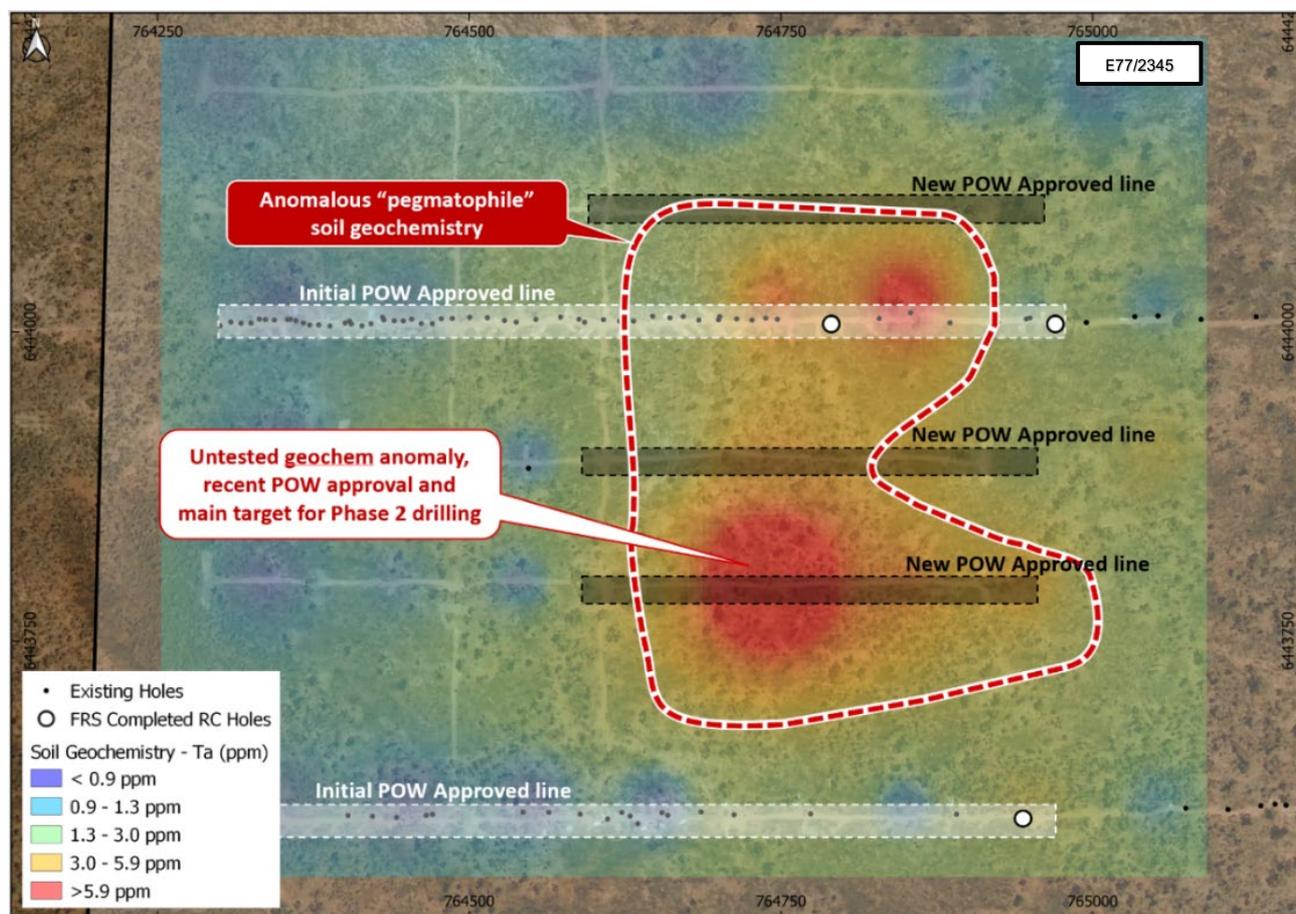


Figure 6: Location of new drilling at Bounty East and geochemical anomaly identified from historical soil sampling⁶. Note location of new POW providing access to the central part of the anomaly.

Final drill designs and site preparation works continue to be progressed ahead of drilling.

1. See ASX:MZN release 20 December 2016
2. See ASX:FRS release 11 April 2022
3. See ASX:WSA release 22 April 2016
4. See ASX:FRS release 14 January 2022
5. See ASX:FRS release 21 November 2022
6. See ASX:FRS release 12 January 2022

Next Steps

Forrestania is engaging with drilling contractors to confirm timing for the upcoming RC drill programme. Multiple workstreams continue to be progressed by the Company, including regional soil sampling, heritage surveys and environmental surveys. As these workstreams progress, additional targets are anticipated to be generated and available for drilling.

Forrestania Resources is excited be kicking the year off with an extensive lithium targeted drilling programme over some of the Company's high priority targets at the Forrestania Project and we look forward to keeping our shareholders updated with results.

End

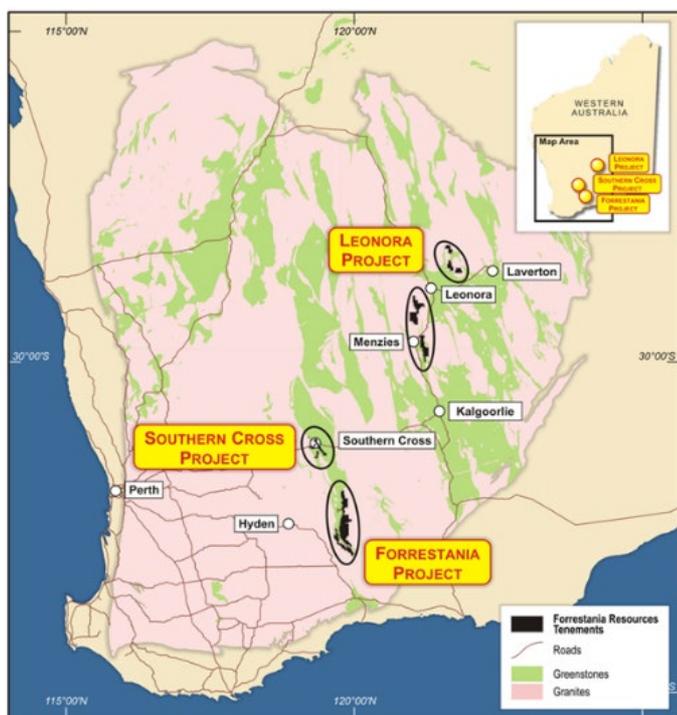
This announcement is authorised for release by the Board.

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About Forrestania Resources Limited



Forrestania Resources Limited is an exploration company searching for lithium, gold, and nickel in the Forrestania, Southern Cross and Leonora regions of Western Australia. The Forrestania Project is prospective for lithium, gold and nickel and is currently the only project, within the tenement portfolio that holds a gold Mineral Resource.

The Forrestania Project is situated in the well-endowed southern Forrestania Greenstone Belt, with a tenement footprint spanning approximately 100km, north-to-south of variously metamorphosed mafic/ ultramafic/volcano-sedimentary rocks host to the historic 1Moz Bounty gold deposit, emerging Kat Gap gold deposit, the operating Flying Fox, and Spotted Quoll nickel mines, and the more recently discovered Earl Grey lithium deposit.

The Southern Cross Project tenements are scattered within proximity to the town of Southern Cross and located in and around the Southern Cross Greenstone Belt, which extends along strike for approximately 300km from Mt Jackson to Hatters Hill in the south. It is the Company's opinion that the

potential for economic gold mineralisation at the Southern Cross Project has not been fully evaluated. In addition to greenstone shear-hosted gold deposits, Forrestania is targeting granite-hosted deposits. New geological models for late Archean granite-controlled shear zone/fault hosted mineralisation theorise that gold forming fluids, formed at deep crustal levels do not discriminate between lithologies when emplaced in the upper crust. Applying this theory, Forrestania has defined seven new targets.

The Leonora Project tenements are located within the Norseman-Wiluna Greenstone Belt of the Yilgarn Craton. The Project includes four Exploration Licences and six Exploration Licence Applications, covering a total of ~920km². The tenements cover over 200km length of the greenstone belt. The southernmost tenement is approximately 15 km southeast of the town of Menzies, and the northernmost tenement is located approximately 70 km northeast of Leonora. Prior exploration over the project area has focussed on gold, diamonds, and uranium. Tenements in the Project have been subjected to soil sampling, stream sampling, drilling, mapping, rock chip sampling and geophysical surveys.

Priority drilling targets have been identified in both project areas and the Company is well funded to undertake effective exploration programmes.

The Company has an experienced Board and management team which is focused on discovery to increase value for Shareholders.

Competent Person's Statement

The information in this report that relates to Lithium Exploration Results is based on and fairly represents information compiled by Ms Melissa McClelland. Ms McClelland is the Lithium Exploration Manager of Forrestania Resources Limited and is a member of the Australian Institute of Geoscientists. Ms McClelland has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms McClelland consents to the inclusion in this report of the matters based on information in the form and context in which they appear.

Disclosure

The information in this announcement is based on the following publicly available ASX announcements and Forrester Resources IPO, which is available from <https://www2.asx.com.au/>

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements and that all material assumptions and technical parameters underpinning the relevant ASX announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original ASX announcements.