

10 February 2015

Company Announcements Office  
Australian Stock Exchange Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam,

Please find attached a letter dispatched today to shareholders regarding the non-renounceable entitlement offer announced to ASX on 9 February 2015.

Yours faithfully

Bruno Firriolo  
Company Secretary

10 February 2015

Dear Shareholder

## **FORTE CONSOLIDATED LIMITED – NON-RENOUNCEABLE RIGHTS ISSUE**

As announced on 9 February 2015, Forte Consolidated Limited (ACN 148 168 825) (**Company**) is undertaking a pro-rata non-renounceable rights issue (**Rights Issue** or **Offer**) of approximately 95,805,002 fully paid ordinary shares (**New Share**) to raise up to \$1,916,100 before costs. The price of New Shares under the Offer is A\$0.02 each (**Issue Price**) and will be offered to eligible shareholders on the basis of one (1) Share for every one (1) Share held on the Record Date. The Company lodged an offer document for the Rights Issue (**Offer Document**) with ASX on 9 February 2015.

The Company intends to apply the funds raised from the Offer towards:

<b>Item of Expenditure</b>	<b>Amount (\$)</b>	<b>Percentage (%)</b>
<b>Further the development of the Company's Johnnycake Project</b>	\$1,150,000	60%
<b>Working capital</b>	\$739,000	38%
<b>Expenses of the Offer</b>	\$27,100	2%
<b>TOTAL</b>	<b>\$1,916,100</b>	<b>100%</b>

The above table is a statement of the Board's current intentions as at the date of the Offer. The allocation of funds set out in the above table may change depending on a number of factors. The Board reserves the right to alter the way the funds are applied.

The Offer is being made to all shareholders of the Company named on its register of members at 5pm (WST) on 13 February 2015, whose registered address is in Australia, New Zealand, or Hong Kong (**Eligible Shareholders**).

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 95,805,002 New Shares resulting in total Shares on issue of approximately 191,610,004.

A copy of the Offer Document is available on ASX's and the Company's website. Eligible Shareholders will be mailed an Offer Document together with an Entitlement and Acceptance Form no later than 18 February 2015. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Offer Document.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

## Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

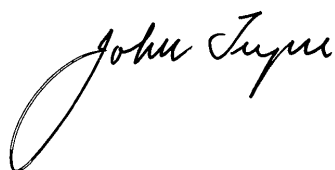
- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Offer Document (**Entitlement**) or part of your Entitlement. To take up all or some of your Entitlement you will need to ensure your application money for the Entitlement you wish to take up is received by the Company by no later than 5pm (WST) on 27 February 2015, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft or money order made payable in Australian currency, for the appropriate application monies (at \$0.02 per Share) by following the instructions set out in the Entitlement and Acceptance Form.
- You may wish to accept your full Entitlement **and** apply for additional Shortfall Shares. To take up all your Entitlement and apply for Shortfall Shares you will need to ensure your application money for the Entitlement and Shortfall Shares you wish to take up is received by the Company by no later than 5pm (WST) on 27 February 2015, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form, including filling in the number of Shortfall Shares you wish to apply for in the shortfall section on the Entitlement and Acceptance Form, and attach your cheque, drawn on an Australian bank or bank draft or money order made payable in Australian currency, for the appropriate application monies (at \$0.02 per Share) by following the instructions set out in the Entitlement and Acceptance Form.
- You may do nothing. If you choose to do nothing with your Entitlement, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

## Key dates for the Offer

Company Announces Rights Issue	9 February 2015
Lodgement of Offer Document, Appendix 3B and s708AA Cleansing Notice with ASX	Prior to the commencement of trading on 9 February 2015
Notice sent to Shareholders	10 February 2015
Ex date	11 February 2015
Record Date for determining Entitlements	13 February 2015
Offer Document sent out to Eligible Shareholders & Company announces this has been completed & Offer Opening Date	18 February 2015
Closing Date	27 February 2015
Shares quoted on a deferred settlement basis	2 March 2015
ASX notified of under subscriptions	4 March 2015
Issue date/Shares entered into Shareholders' security holdings	6 March 2015
Quotation of Shares issued under the Offer	9 March 2015

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Mr Bruno Firriolo, Forte Consolidated Limited's Company Secretary, on +61 8 9240 4111.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Terpu'. The signature is fluid and cursive, with a large loop at the beginning.

**MR JOHN TERPU  
EXECUTIVE CHAIRMAN  
FORTE CONSOLIDATED LIMITED**