

22<sup>nd</sup> October 2010

Companies Announcement Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

**ASX ANNOUNCEMENT  
MARKET UPDATE**

The Board of Forge Resources Ltd writes to provide the market with an update in relation to a potential material transaction.

As per the Company's IPO Prospectus dated 30<sup>th</sup> July 2010, a key part of the Company's charter is to actively pursue the acquisition of, and/or participation in, additional resource and energy assets to complement the Company's existing Projects.

The Board confirms that it is currently in the process of negotiating the potential purchase of a material project. This process has not been finalised and the Company will continue to keep the market updated as it progresses this potential transaction.