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Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

West Eucla Project – Exploration Update
Preliminary Results of Drilling at the Bristol Target

Highlights

- *Three of four planned drill holes were completed at the Bristol target using RC pre-collars and diamond core tails, for total of 772.4m.*
- *The three drill holes intersected graphite bearing rocks containing variable pyrrhotite content up to 1% within the electromagnetic conductor target zone.*
- *The central graphite zone comprises a graphite bearing unit with an estimated 10m true thickness. Graphite bearing rocks were intersected in each hole with visual estimates of the graphite contents ranging from 20-50%. The graphite is generally medium to coarse grained and appears to be continuous in the area tested by drilling.*
- *The sulphide mineralisation comprises mostly pyrrhotite which occurs as disseminated zones, blebs and thin veinlets. Reconnaissance XRF analysis indicates the pyrrhotite contains low level copper and zinc values up to 0.12% and 0.2% respectively. Minor visible chalcopyrite is present within some of the larger pyrrhotite clots.*
- *The target zone area displayed evidence of strong hydrothermal alteration with silica flooding and quartz veining, albite, sericite and variable sulphide alteration and these zones will be analysed for precious metals.*
- *Forge will complete assay and metallurgical test work on the graphite bearing rocks and will assess other basement targets within the project.*

Forge Resources Ltd ("Forge", ASX:FRG) announces completion of drilling at the Bristol anomaly within the Eucla West Project near Balladonia in Western Australia. The project area is in the highly prospective Albany-Fraser Orogen approximately 40km south of Sirius Resources Ltd's recently discovered Nova nickel deposit (Figure 1). The drilling at the Bristol target has shown that the source of the electromagnetic conductor is graphite bearing rocks hosting minor sulphides. The graphite intersected appears to be of high quality and following initial assay work, metallurgical test work will be completed to assess the economic potential of the graphite discovery. Although massive base metal sulphides were not intersected in this drill program Forge is eager to further investigate the project tenure for base metals and if warranted, graphite.

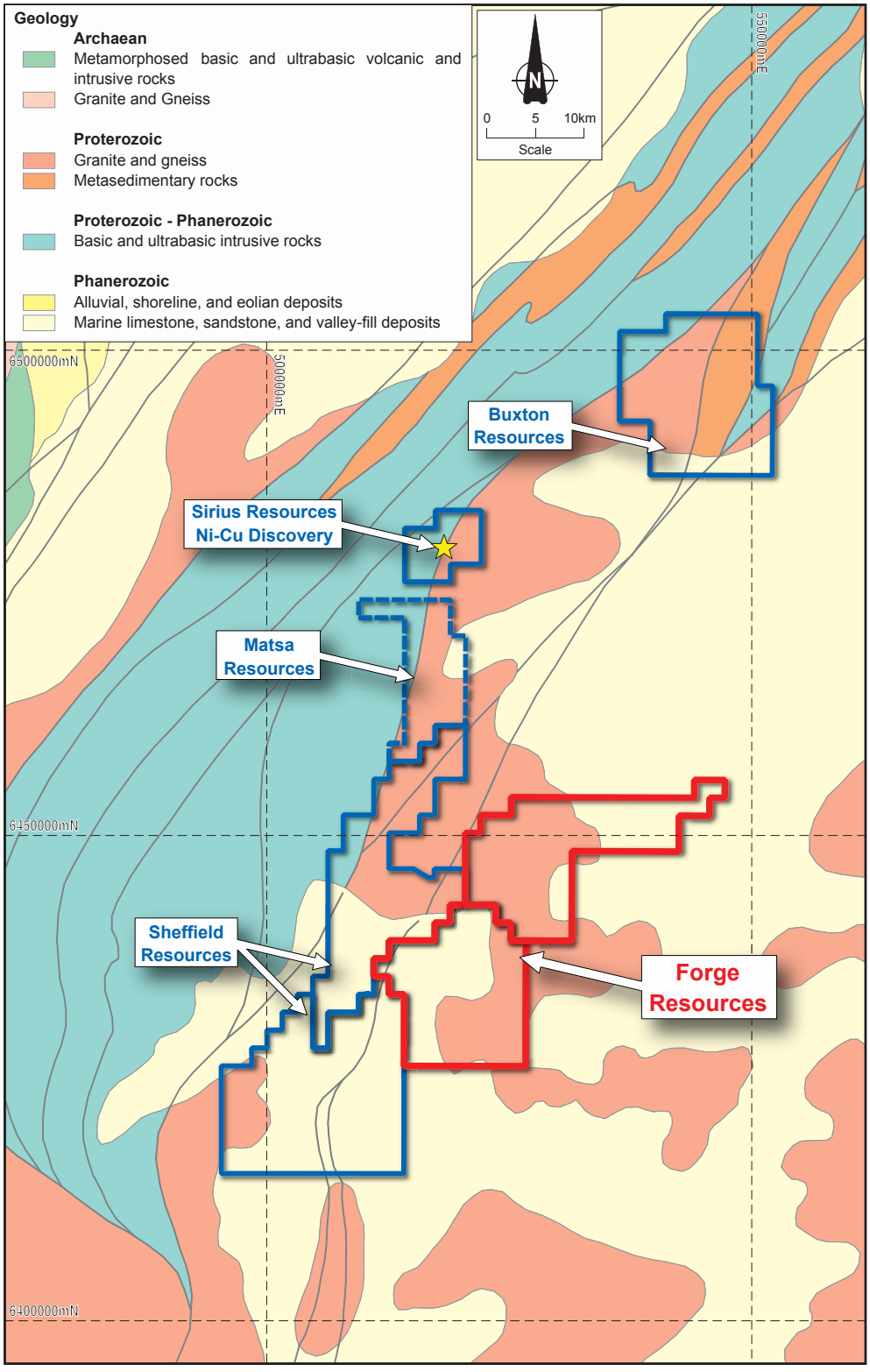


Figure 1 West Eucla tenements in relation to Fraser Range projects.

Drill Program

A first pass drilling program was designed to test the Bristol anomaly; a strong basement conductor defined in both TEMPEST and ground electro-magnetic surveys. Modelling of the anomaly indicated

a series of tabular bodies with a combined strike length of 1200m oriented north-south and dipping steeply to the west at 70° (Figure 2).

To test the Bristol anomaly target area, a four-hole reverse circulation and diamond drilling program was planned with depths ranging from 200-300m. The holes were planned to be drilled on 100m x 80m grid angled at -60° to intersect the conductor at depths from 100-250m below surface.

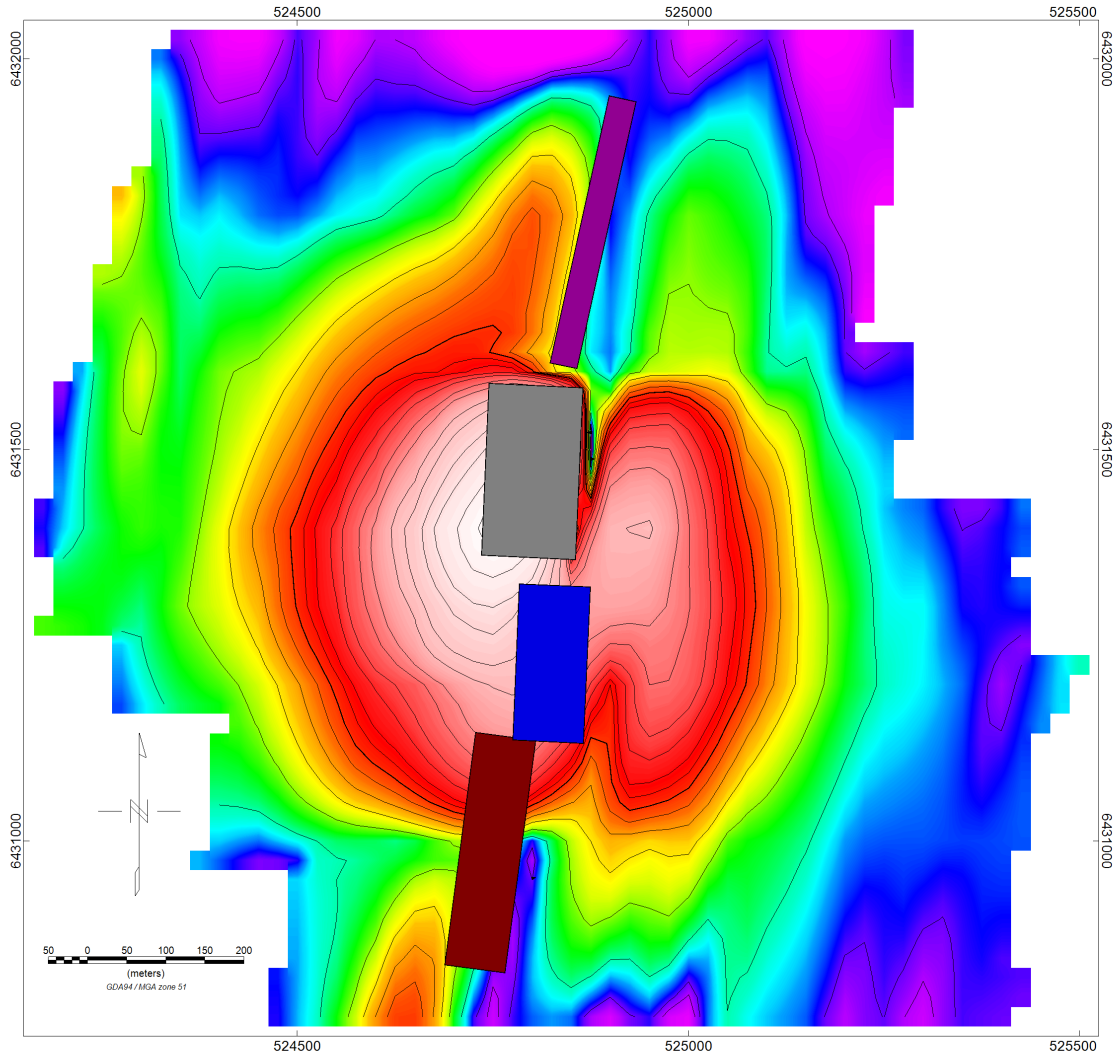


Figure 2. Close up of the preliminary image shown in Figure 2, showing MLEM B-field mid-late time (decay channel 24) amplitude with preliminary EM plate models overlain. The grey plate is the primary conductor with a conductance of 1600 Siemens while the other plates range from 100 to 400 Siemens.

Drilling Program Results

Three of the four planned holes were completed to test the Bristol anomaly (Figure 3). Each hole was started using reverse circulation (RC) drilling to nominal depth of 75m and the remaining portion of each hole was competed using HQ and NQ diameter diamond core. A total of 299.3m of RC was completed and 473.1m of diamond core. A summary of the drill holes is presented in Table1.

Table 1. Drill Hole Summary Table

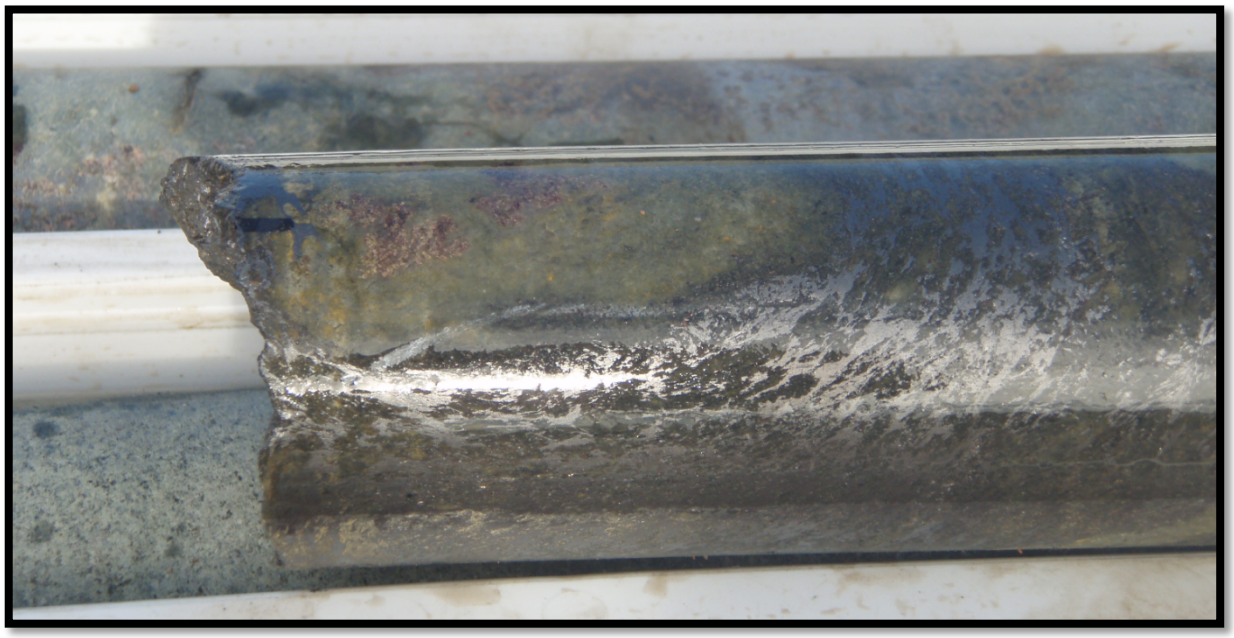
Hole ID	Northing (m)	Easting (m)	Dip	Azimuth	RC Depth (m)	Core Depth (m)	Total Depth (m)
FBRCD001	6431447	524668	-60	090	74.6	213.4	288
FBRCD002	6431346	524720	-60	090	74.8	126.2	201
FBRCD003	6431448	524750	-60	090	74.9	133.5	208.4
FBRC004	6431551	524722	-60	090	75	0	75

The drill holes intersected a package of high grade metamorphic rocks comprising pyroxene-garnet ± magnetite-pyrrhotite, pegmatite, quartz-albite-biotite, quartz-albite-garnet and garnet-calcite rocks bounded by granite and granitoid gneiss. Within the central zone of the conductor the main graphite and sulphide zone is most commonly enclosed within the pyroxene-garnet unit which is generally strongly altered, silicified and quartz veined adjacent to the graphite zones. Minor graphite zones outside the main graphite zone are bound by quartz-albite-biotite rocks. In each hole the main graphite and sulphide zone was coincident with the modelled electromagnetic conductor. The graphite unit dips at around 70^0 to 80^0 to the west.

The main graphite zones, which vary from 4m to 12m in thickness downhole, are comprised of medium to coarse grained flake graphite occurring as multiple thin lenses (photos 1 and 2). The graphite zones are estimated to contain between 20% and 50% graphite and is likely to form a continuous zone in the tested area. The main graphite zone is often surrounded by minor thinner graphite zones varying from a few centimetres to one metre in thickness. The host rock assemblage and the nature of the graphite indicate a high temperature contact and regional metamorphic geological environment.

The graphite zone and the areas adjacent contain elevated pyrrhotite (iron sulphide) as disseminations, blebs and thin veinlets. Field portable XRF analyses indicates the pyrrhotite is host to minor copper and zinc up to a maximum level of 0.1% and 0.2 % respectively. Drillhole summaries for each hole are presented in Table 2.

Photograph 1. Graphite zone in drill hole FBRCD001 from 235-240.9m



Photograph 2. Close up of the graphite zone in drill hole FBRCD001- 233.7m (50mm core)

Table 2. Drill hole summary (based on geological logging)

Drill Hole Number	Depth From (m)	Depth To (m)	Rock Description
FBRCD001	0	191.5	Granite and granitoid gneiss
FBRCD001	191.5	216	Quartz-albite-biotite rock, minor pyroxene-garnet bands
FBRCD001	216	230.2	Dominantly pyroxene-garnet-magnetite-pyrrhotite, minor pegmatite
FBRCD001	230.2	242.9	Main graphite zone with up to 50% graphite. Host to graphite is quartz-albite-garnet (albite is commonly altered to sericite)
FBRCD001	242.9	288 (EOH)	Pyroxene-garnet ± magnetite-pyrrhotite, minor pegmatite, quartz-garnet
FBRCD002	0	93.15	Granitoid gneiss
FBRCD002	93.15	133.1	Quartz-albite-biotite rock and quartzite
FBRCD002	133.1	137.6	Main graphite zone up to 30% graphite – graphite finer grained than in FBRCD001
FBRCD002	137.6	140.5	Quartz-albite-biotite rock and minor pegmatite
FBRCD002	140.5	144.1	Second graphite zone up to 30% graphite – graphite finer grained than in FBRCD001 and FBRCD003.
FBRCD002	144.1	146.3	Quartzite with red garnets and minor graphite bands up to 0.7m thick
FBRCD002	146.3	187.5	Quartzite with red garnets
FBRCD002	187.5	190.4	Third graphite zone- 2 graphite bands up to 1m thick hosted by quartzite
FBRCD002	190.4	201	Quartzite with red garnets
FBRCD003	0	94.7	Granitoid gneiss
FBRCD003	94.7	107.5	Quartz-albite-biotite rock, minor pegmatite and pyroxene-garnet zones
FBRCD003	107.5	120	Pyroxene-garnet ± magnetite-pyrrhotite
FBRCD003	120	122.3	Quartzite with red garnets
FBRCD003	122.3	135.9	Main graphite zone with graphite up to 40%, graphite grain size similar to drill hole FBRCD001, minor pegmatite bands
FBRCD003	135.9	140.65	Several thin graphite zones up to 0.8m thick, bands of pink-mauve garnet
FBRCD003	140.65	142.35	Pegmatite with pyrite and pyrrhotite blebs
FBRCD003	142.35	169.8	Pyroxene-garnet rock with minor magnetite -pyrrhotite
FBRCD003	169.8	184.4	Quartz-albite-red garnet rock
FBRCD003	184.4	191.7	Minor green garnet rock and quartz-red garnet rock, dominantly quartz-albite-biotite rock.
FBRCD003	191.7	208.4	Granitoid gneiss
FBRC004	0	75	Granitoid gneiss

The drilling has provided a definitive explanation of the TEMPEST and ground electromagnetic anomaly at the Bristol target. The graphite sections of the drill core have been sampled and sent to ALS Laboratories in Perth for analysis. Forge will also complete some initial test work to assess the physical characteristics of the graphite. The silicified and quartz veined sulphide zones will be assayed for gold and a multi-element suite.

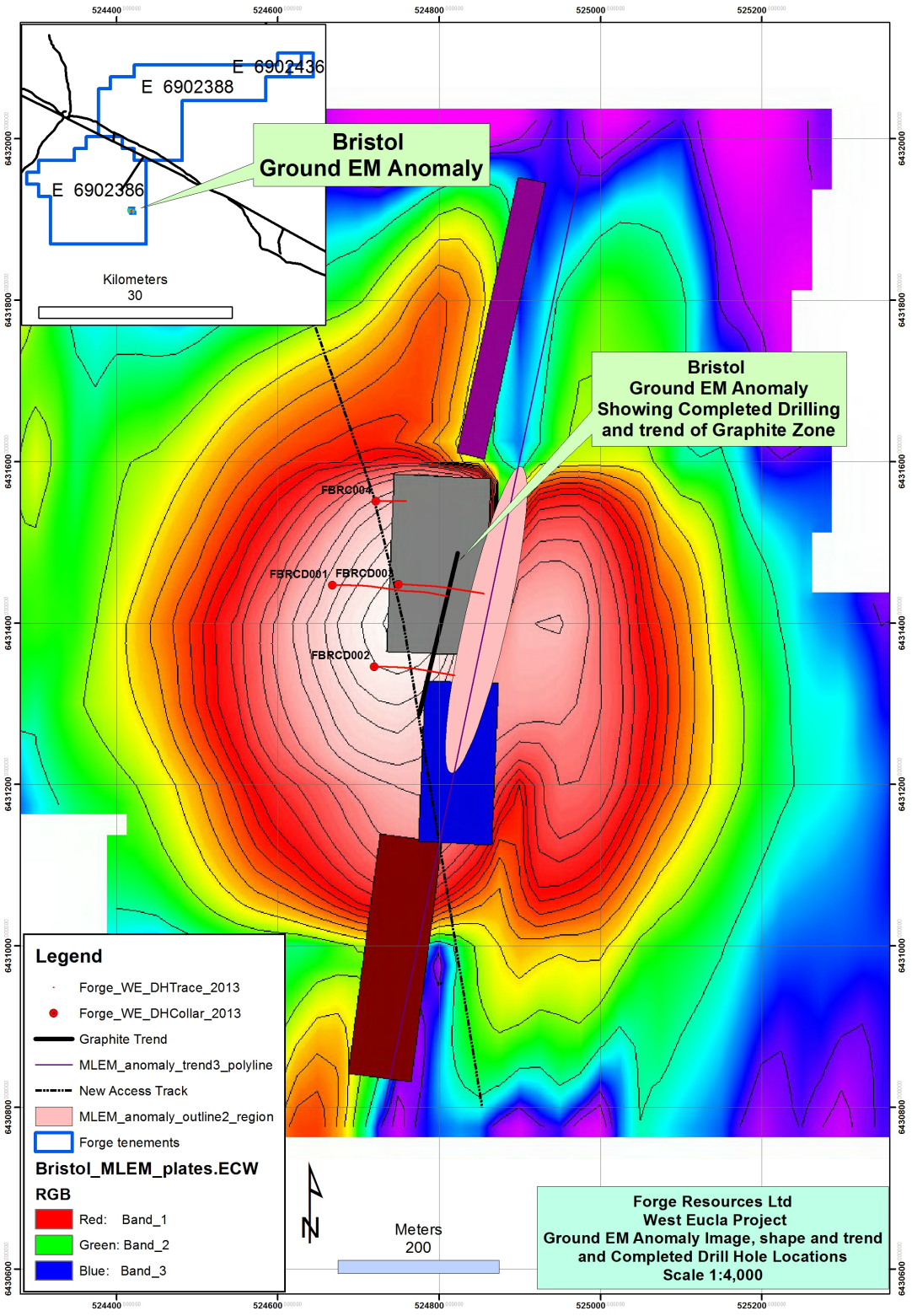


Figure 3. Bristol ground EM anomaly image and completed drilling.

Background

As previously announced (Forge ASX announcement of 29 September 2011) Forge has entered into a Farm-in agreement whereby Forge has the right to earn 50.1% of the West Eucla tenements by spending $2.0 million within two years, and the Company is on track to meet this obligation. Forge

may either elect to earn a further 28.9% (total 80%) by spending a further $4.0 million over a further three-year period, or acquire the project outright with a payment of $7.5 million and the grant of a 1.5% gross sales royalty. Should Forge earn-in to 80%, Forge then has the right to acquire the project outright for a payment of $5 million and the grant of a 1.0% gross sales royalty.

- END -

For further information please contact Dr. Matthew James, Managing Director, on +61 2 9259 4400.

About Forge Resources:

The Company's primary project is its 75% interest in the advanced Balla Balla Vanadium – Titanium – Magnetite (VTi Magnetite) project that was acquired by Forge from Atlas Iron Ltd in May 2012. Balla Balla is located on granted mining tenements near the Pilbara coastline where Forge is planning a trans-shipment export route. A revised DFS is nearing completion. In addition Forge is currently farming-in to an exploration project within the Fraser Range region. Forge in conjunction with its Joint Venture partners are also advancing the exploration of prospective tungsten, molybdenum, gold and base metal projects located in New South Wales, Australia and in accordance with its charter will also seek to acquire or participate in additional resource and energy projects in Australia and overseas.

ASX Codes: FRG, FRGO		**Directors**
Issued Capital:		
Ordinary Shares:	80,577,667	Mr Nicholas Curtis: Chairman
Options (Exp 7/14, Ex $0.20):	19,855,905	Dr. Matthew James: Managing Director
Options (Exp 6/15, Ex $0.67):	900,000	Mr Emmanuel Correia: Non Exec Director
Options (Exp 12/15, Ex $0.54):	4,500,000	Mr Harold Wang: Non Exec Director
Options (Exp 5/14, Ex $0.50):	6,500,000	Mr Michael Wolley: Non Exec Director
Options (Exp 5/15, Ex $0.50):	1,000,000	
Principal Place of Business Level 24, 56 Pitt Street Sydney NSW www.forgeresources.com.au		**Company Secretary** Mr Shane Hartwig

Competent Person Statement

The information in this report that relates to Geological Exploration Results is based on information compiled by Mr Ralph Porter who is a member of the Australian Institute of Geoscientists. Mr Porter is a consultant to Forge Resources Limited and is employed by CSA Global Pty Ltd. Mr Porter has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration results, Mineral Resources and Ore Reserves". Mr Porter consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Disclaimer

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.