



Resumption of field work at the Hydra Lithium Project in Quebec, Canada

Highlights:

- Exploration field work has recommenced at the Hydra Lithium Project Joint Venture in the James Bay Region of Quebec, Canada
- Field work to initially focus on sub-projects Python East and Python West - currently unaffected by Quebec forest fires
- Field work will be carried out by Forrestania's Joint Venture partner ALX Resources Corp. (TSXV:AL) and will involve reconnaissance and rock sampling of priority target areas

Forrestania Resources Limited (ASX:FRS) (**Forrestania, FRS** or the **Company**) is pleased to announce that fieldwork has recommenced at the Hydra Lithium Project in James Bay, Quebec, Canada.

Forrestania MD Michael Anderson commented:

"We are obviously pleased to be getting back on the ground after the delays related to the forest fires and associated restrictions. We are grateful to our Joint Venture partner ALX for managing the various logistical challenges created by the delays and now look forward to testing the potential of the Hydra Project, which comprises one of the larger landholdings in this highly prospective jurisdiction."

Discussion

On May 31, 2023, ALX commenced fieldwork exploration at the **Hydra Lithium Project** (Hydra) for LCT pegmatites, but the access restrictions imposed by the Government of Quebec due to forest fires in the region led to the suspension of the program on June 4, 2023.

Exploration activities have now resumed in the eastern area of Hydra, which is currently unaffected by fire conditions. The geological crew has mobilized to the area of the **Python East** and **Python West** sub-projects (Figures 1 and 2) where a lodge was secured for accommodation, and to serve as a base for the helicopter used in the work programme.

Prospecting is initially being guided by the use of satellite imagery and spectral analysis for lithium and associated pathfinder elements. The work programme at Python East and Python West is planned to continue into early September 2023.

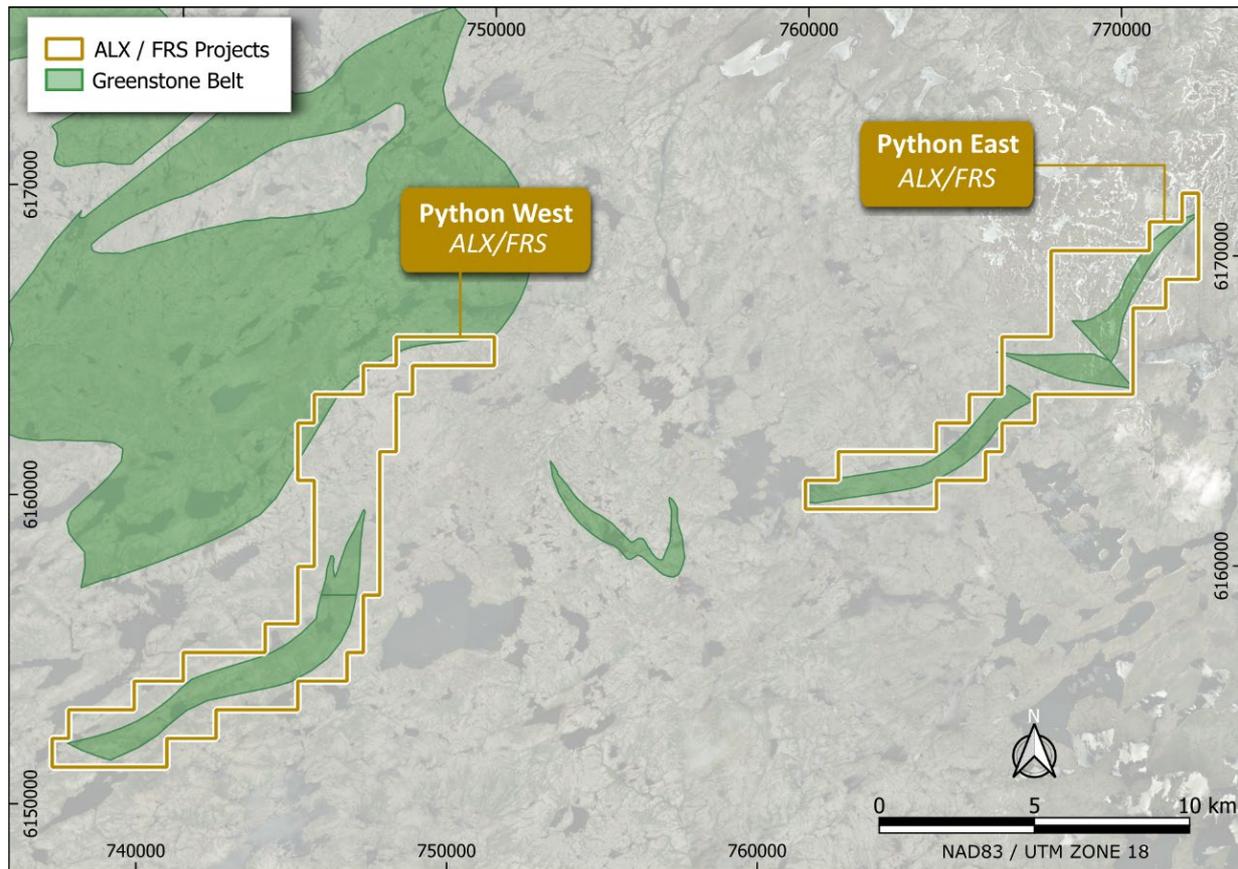


Figure 1: Python East and Python West sub-projects showing underlying greenstone

Background

Forrestania Resources holds 50% of the Hydra Lithium Project in northern Quebec, Canada through a partnership with ALX Resources Corp. The project consists of eight sub-projects (Figure 2) totalling 29,263 hectares (293km²), which is a significant ground holding relative to other James Bay explorers (Figure 3).

All of the sub-projects are either overlying or on the margins of highly prospective greenstone belts. The project areas were selected for staking by ALX after a review of public-domain geological mapping. ALX also utilized artificial intelligence technology to conduct a search of Quebec government assessment files.

Target generation over the sub-projects is ongoing using KorrAI, a proprietary artificial intelligence (“A.I.”) process, which combines AI based mapping with mineral spectroscopy to define pegmatite target points based on shape, profile and spectral signature of mapping features.

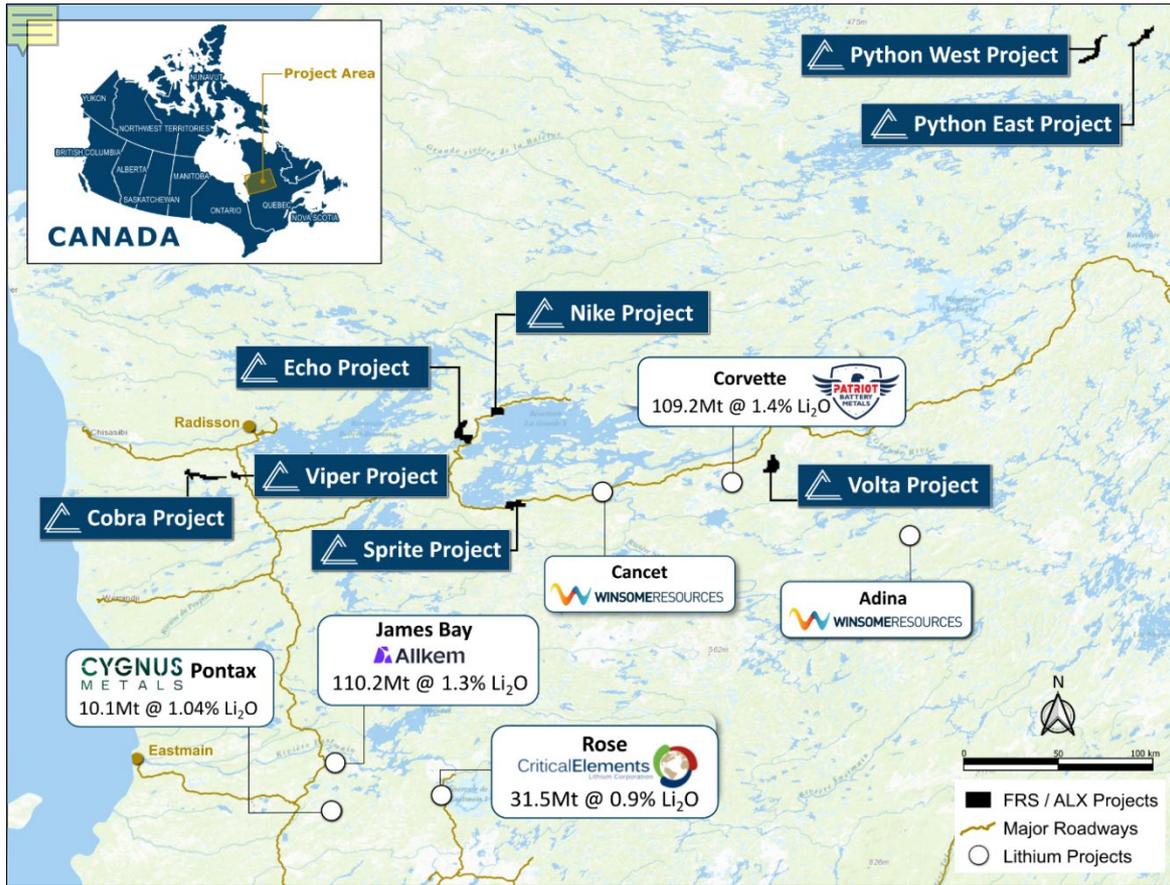


Figure 2: Hydra Lithium Project showing proximity to major lithium projects

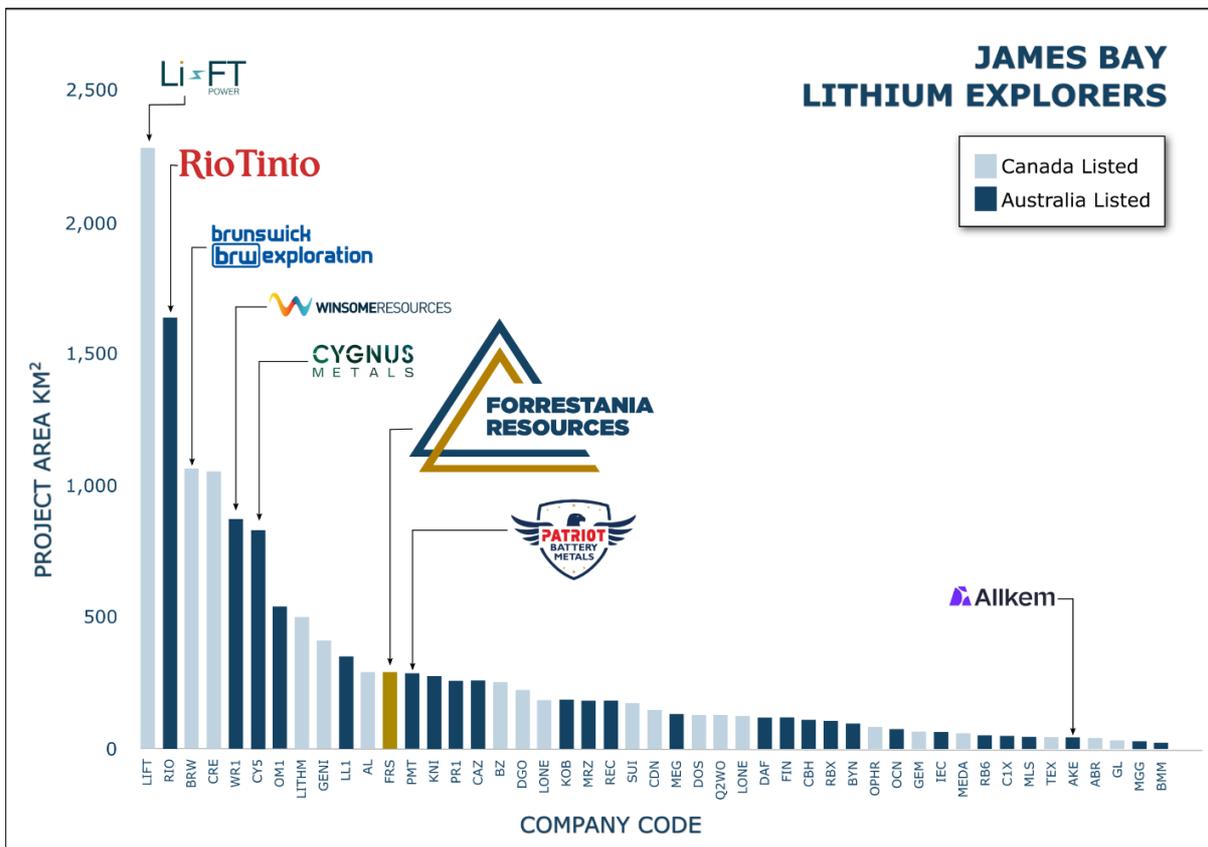


Figure 3: James Bay explorers – chart of project areas (km²)*

* Chart modified from ASX:CY5 release, Presentation for Pontax Maiden Resource dated 14 Aug 2023

The eight sub-projects are known as Volta (4,752 ha.), Echo (5,566 ha.), Nike (2,462 ha.), Sprite (3,437 ha.), Cobra (4,249 ha.), Viper (1,280 ha.), Python West (4,298 ha.) and Python East (3,218 ha.). The sub-projects are located within a world-class lithium exploration district that hosts the following projects:

- **CV5, Corvette** – Mineral Resource: 109.2 million tonnes at 1.42% Li₂O, owned by **Patriot Battery Metals**;¹
- **James Bay Lithium** – Mineral Resource: 110.2 million tonnes grading 1.3% Li₂O, owned by **Allkem Limited**;²
- **Rose** - Mineral Resource: 34.2 million tonnes grading 0.90% Li₂O owned by **Critical Elements Lithium Corporation**;³
- **Whabouchi** – Mineral Resource: 55.7 million tonnes grading 1.40% Li₂O, operated by **Nemaska Lithium Inc.**⁴

The **Volta** sub-project lies 20 kilometres to the east of the Corvette Deposit and is 1 kilometre north of the eastern Corvette property boundary.

The **Viper** and **Cobra** sub-projects are located 50 kilometres north of Q2 Metals Corp.'s Mia Lithium Property, where numerous spodumene-bearing pegmatite outcrop samples have returned significant lithium grades of up to 4.37% Li₂O⁵. Both **Viper** and **Cobra** are hosted by a similar greenstone belt setting.

¹ ASX:PMT release, Patriot Announces the Largest Lithium Pegmatite Resource in the Americas at CV5, Corvette Property, Quebec, Canada, July 31, 2023

² ASX: AKE release, James Bay resource increased by 173% to 110Mt, 11th August, 2023

³ Critical Elements Lithium Corporation – TSX-V release, 13th June, 2022

⁴ Nemaska Lithium NI 43-101 report, 31st May 2019

⁵ TSXV:QTWO news release December 21, 2022: "Queensland announces sampling results averaging 2.65% Li₂O from the Mia LI-1 occurrence at its Mia Lithium property in Quebec, Canada"

⁶ ASX: CY5 release, Maiden Resource at Pontax Project, dated 14 August 2023

Next Steps

The programme at Python East and Python West is planned to continue into early September 2023 and the Company looks forward to providing details of the work completed.

Pending a further easing of the access restrictions, the Joint Venture partners are hopeful of resuming work in due course on the various sub-projects located close to the town of Radisson in the western area of Hydra (i.e., Cobra, Viper, Echo, Sprite & Nike – Figure 2). Further updates will be provided as circumstances evolve.

This announcement is authorised for release by the Board.

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About ALX Resources Corp.

ALX is based in Vancouver, BC, Canada and its common shares are listed on the TSX Venture Exchange under the symbol “AL”, on the Frankfurt Stock Exchange under the symbol “6LLN” and in the United States OTC market under the symbol “ALXEF”. ALX’s mandate is to provide shareholders with multiple opportunities for discovery by exploring a portfolio of prospective mineral properties, which include uranium, lithium, nickel-copper-cobalt and gold projects. The Company uses the latest exploration technologies and holds interests in over 220,000 hectares of prospective lands in Saskatchewan, a stable Canadian jurisdiction that hosts the highest-grade uranium mines in the world, a producing gold mine, and production from base metals mines, both current and historical.

ALX’s uranium holdings in northern Saskatchewan include 100% interests in the Gibbons Creek Uranium Project, the Sabre Uranium Project and the Javelin and McKenzie Lake Uranium Projects, a 40% interest in the Black Lake Uranium Project (a joint venture with Uranium Energy Corporation and Orano Canada Inc.), and a 20% interest in the Hook-Carter Uranium Project, located within the uranium-rich Patterson Lake Corridor, with Denison Mines Corp. (80% interest) as operator of exploration since 2016.

ALX owns 100% interests in lithium exploration properties staked in 2022-2023 known as the Hydra Lithium Project, located in the James Bay region of northern Quebec, Canada, a 100% interest in the Anchor Lithium Project, located in Nova Scotia, Canada, and 100% interests in the Crystal Lithium Project and the Reindeer Lithium Project, both located in Saskatchewan, Canada.

ALX also owns 100% interests in the Firebird Nickel Project (now under option to Rio Tinto Exploration Canada Inc., who can earn up to an 80% interest), the Flying Vee Nickel/Gold and Sceptre Gold projects, and can earn up to an 80% interest in the Alligator Lake Gold Project, all located in northern Saskatchewan, Canada. ALX owns, or can earn, up to 100% interests in the Electra Nickel Project and the Cannon Copper Project located in historic mining districts of Ontario, Canada, the Vixen Gold Project (now under option to First Mining Gold Corp., who can earn up to a 100% interest in two stages), and in the Draco VMS Project in Norway.

About Forrestania Resources Limited

Forrestania Resources Limited is an exploration Company searching for lithium, gold, and nickel in the Forrestania, Southern Cross and Eastern Goldfields regions of Western Australia. The company is also exploring for lithium in the James Bay region of Quebec, Canada.

The Forrestania Project is prospective for lithium, gold and nickel. The Southern Cross Project is prospective for gold and lithium and the Eastern Goldfields project is prospective for gold, lithium, rare earth elements and copper.

The flagship 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 Mt Holland lithium mine (189mT @ 1.5% Li₂O), the historic 1Moz Bounty gold deposit and the operating Flying Fox, and Spotted Quoll nickel mines.

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. 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 and lithium bearing pegmatites, Forrestania is targeting granite-hosted gold 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 multiple new targets.

The Eastern Goldfields tenements are located within the Norseman-Wiluna Greenstone Belt of the Yilgarn Craton. The Project includes ten Exploration Licences and eight Exploration Licence Applications, covering a total of ~1,800km². The tenements are predominately non-contiguous and scattered over 300km length, overlying or on the margins of greenstone belts. The southernmost tenement is located approximately 15km north of Coolgardie, and the northernmost tenement is located approximately 70km northeast of Leonora. Prior exploration over the project area has focused on gold, copper, diamonds, and uranium. Tenements in the Project area have been variably subjected to soil sampling, stream sampling, drilling, mapping, rock chip sampling and geophysical surveys.

Forrestania Resources also holds a 50% interest in the Hydra Lithium Project (HLP) located in northern Quebec, Canada. ALX Resources (TSXV: AL; FSE: 6LLN; OTC: ALXEF) holds the other 50%. The HLP

comprises eight sub-projects totalling ~293km² within the world-class lithium exploration district of James Bay. These sub-projects strategically overlie or are positioned on the margins of highly prospective greenstone belts and are proximal to existing, significant lithium projects and deposits.

The Company has an experienced Board and management team which is focused on exploring, collaborating, and acquiring to increase value for Shareholders.

Competent Person's Statement

The information in this report that related 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 Forrestania 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.

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