

29 May 2023

Dear Shareholder

### **Notice to Eligible Shareholders of Non-Renounceable Entitlement Offer**

We write to you as the registered holder of fully paid ordinary shares (**Shares**) in Forrestania Resources Limited (ACN 647 899 698 (ASX:FRS) (**Forrestania** or **Company**) as at 2 June 2023. Forrestania is undertaking a non-renounceable pro rata entitlement offer to eligible shareholders (**Eligible Shareholders**) at an issue price of \$0.07 per Share on the basis of 2 new Shares for every 5 Shares held as at the record date, being 5.00pm (AWST) on 2 June 2023 (**Record Date**), together with 1 free-attaching Option for every 1 new Share subscribed for and issued, each exercisable at \$0.15 each and expiring 30 June 2026 (**Entitlement Offer**).

The Entitlement Offer will seek to raise up to approximately \$1,935,607 (before costs) by the issue of up to approximately 27,651,522 Shares (subject to rounding). Eligible Shareholders will also be entitled to apply for (in excess of their entitlement) any Shares (and free attaching Options) not subscribed for by other Eligible Shareholders under the Entitlement Offer (**Shortfall Offer**). Applications pursuant to the Shortfall Offer will only be satisfied to the extent that the Entitlement Offer is undersubscribed and will be subject to the terms and conditions outlined in the prospectus lodged with ASIC and the ASX on 29 May 2023 (**Prospectus**).

Capitalised terms used, but not defined in this letter have the meaning ascribed to them in the Prospectus.

#### How to Access the Entitlement Offer and Shortfall Offer

1. ELECTRONIC - <https://investor.automic.com.au/#/home>
2. PAPER - Request a paper copy of the Prospectus and the personalised Entitlement Form from Automic: 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia)

The Entitlement Offer and Shortfall Offer are fully underwritten by RM Corporate Finance Pty Ltd (**Underwriter**) (being for up to 27,651,522 Shares and 27,651,522 Options).

### **Key Features of the Entitlement Offer and Shortfall Offer**

The Offers are available to Eligible Shareholders registered at 5:00pm (AWST) on the Record Date whose registered address is in Australia or New Zealand. The Offers are not being extended to any shareholders with addresses outside these jurisdictions.

The Entitlement Offer is non-renounceable, meaning that Eligible Shareholders will not be able to transfer their entitlements pursuant to the Entitlement Offer and, if they do not take up their entitlements pursuant to the Entitlement Offer, will be diluted.

All of the Shares issued pursuant to the Entitlement Offer and Shortfall Offer will rank equally with the existing Shares on issue in the Company. Further details regarding the rights and liabilities attaching to Shares are contained in the Prospectus.

The Company will apply for quotation of the Options subject to compliance with the requirements of ASX and the ASX Listing Rules. If official quotation of the Options is not granted by ASX within three months of the date of the Prospectus, the Company will proceed with the issue of the Options, however the Options will not be listed on ASX.

The funds raised from the Entitlement Offer are intended to be applied towards advancement of lithium focussed exploration at the Company's WA Projects, payment to ALX Resources Corp, expenses of the Offers and general working capital.

The above is a statement of current intentions at the date of the Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

## Prospectus

Details of the Offers are contained in the Prospectus. The Prospectus can be accessed from the ASX and Company websites, [www.asx.com.au](http://www.asx.com.au) and [www.forrestaniaresources.com.au](http://www.forrestaniaresources.com.au) respectively.

It is important that you read the Prospectus carefully before deciding whether to participate in the Offers, and seek advice from your financial adviser if you have any queries. This notice is to inform you of the Offers. You are not required to do anything in respect to this letter.

Event	Date
Lodgement of Prospectus with the ASIC	Monday, 29 May 2023
Lodgement of Prospectus and Appendix 3B with ASX	Monday, 29 May 2023
Ex date	Thursday, 1 June 2023
Record Date for determining Entitlements	Friday, 2 June 2023
Entitlement Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Wednesday, 7 June 2023
Last day to extend the Closing Date of the Entitlement Offer	Friday, 16 June 2023
Closing Date of the Entitlement Offer as at 5:00pm*	Wednesday, 21 June 2023
Securities quoted on a deferred settlement basis	Thursday, 22 June 2023
ASX and Underwriter notified of under subscriptions under Entitlement Issue	Monday, 26 June 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities to Eligible Shareholders under the Offer	Monday, 26 June 2023
Quotation of Securities issued under the Entitlement Offer*	Tuesday, 27 June 2023
Last day for the Underwriter to subscribe for Shortfall under terms of the Underwriting Agreement and issue of Shortfall Shares to Underwriter	Monday, 3 July 2023

Event	Date
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities to the Underwriter and/or its nominees	Monday, 3 July 2023

\* All dates (other than the date of the Prospectus and the date of lodgement of the Prospectus with ASIC and ASX) are indicative only. The Directors may extend the Closing Date in respect of the Offers by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such, the date the Shares and Quoted Options to be issued under the Offers are expected to commence trading on ASX may vary.

For enquiries concerning the Application Form, your Entitlement or general enquiries, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) or consult your professional advisor.

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 6391 0113.

Yours faithfully



Cecilia Tyndall  
Company Secretary  
Forrestania Resources Limited