



foresta



ASX RELEASE

31 July 2025

Quarterly Activities Report and Appendix 4C For Quarter Ending 30 June 2025

Highlights

- FORESTA Receives Extension from Overseas Investment Office for Flagship Project in New Zealand
- FORESTA Signs Collaboration Agreement with Energy Efficiency and Conservation Authority (EECA)

Extension from Overseas Investment Office for Flagship Project in New Zealand

FORESTA is pleased to announce that it has received approval from the New Zealand Overseas Investment Office ("OIO") to extend the time to meet certain special conditions to comply with the consent.

New Zealand has a transparent regulatory framework in place to oversee foreign investment. Certain investments in sensitive assets may require approval from the Overseas Investment Office (OIO). To this extent, FORESTA is considered an "overseas person" pursuant to the New Zealand Overseas Investment Act 2005 as it is an entity that is incorporated outside New Zealand (i.e. Australia).

This OIO approval provides FORESTA with additional time to advance negotiations in a structured manner, ensuring that all decisions align with the Company's strategic objectives and uphold the best interests of shareholders.

More information on the extension announcement is available [here](#).

Collaboration Agreement with Energy Efficiency and Conservation Authority (EECA)

FORESTA has signed a collaboration agreement with EECA to investigate the feasibility of utilising geothermal steam for process heat at its proposed flagship integrated biomass manufacturing facility in Kawerau, New Zealand. As part of its commitment to sustainable energy solutions, FORESTA will assess the feasibility of utilising local geothermal steam to enhance energy efficiency and minimise environmental impact.

The study will assess operational requirements and energy availability to develop and screen technology options, which will be summarised in a report including feasibility, cost estimates, and recommendations.

This collaboration marks a significant step in FORESTA's project development at Kawerau, reinforcing its commitment to innovative, low-carbon manufacturing. The study outcomes will inform the design and implementation of energy-efficient processes, supporting FORESTA's goal of becoming a global leader in renewable pine chemicals and biomass torrefied pellets.

More information on the collaboration agreement announcement is available [here](#).

For personal use only



info@forestagroup.com.au



forestagroup.com.au



Project Development

Kawerau Plant

Earthworks

Consultants were engaged to prepare the 'Request for Tender' documentation for the bulk earthworks, which was released on 13 June 2025 for the preferred Main Contractor to price. The tender submissions are due 11 July 2025.

The earthworks construction contract is currently being negotiated in parallel with the preferred Main Contractor and once the contract is awarded, it will be announced accordingly.

Fast Track Consenting Application

The Kawerau project is one of the twelve projects in the Bay of Plenty region supported by the Government to participate in the new streamlined consenting programme. Our planning team has been engaged and is compiling the necessary information for our consenting application. We are also in the process of engaging other consultants to support the development of our application.

Forest Supply and Collaborative Partnerships

Key supply opportunities within New Zealand's forestry sector have been identified, with contractual negotiations now in their final stages. Concurrently, we are building and strengthening relationships with local Māori iwi and corporations. Recognising their role as kaitiaki (guardians) of the land and forests, we aim to foster partnerships that support economic opportunities, cultural preservation, and sustainable stewardship of natural resources.

In addition, we are actively engaging with government bodies, including local and regional councils and the Crown, to ensure our project aligns with national policies and regional development goals.

Financials

Payments to related parties include compensation paid to Directors for services performed and executive consulting fees for Directors providing executive consulting services to the Board, which were \$253,800 for the quarter (ex GST of \$25,380).

Foresta Group Holdings Limited had a cash balance of \$1,198,000, as at 30 June 2025.

For more information please contact:

Foresta Group Holdings Limited

Henry Cheng

Executive Chairman

Email: info@forestagroup.com.au

Authorisation Statement

This release has been authorised to be given to the ASX by the Board of Foresta Group Holdings Limited.





foresta



About Foresta Group Holdings

FORESTA is positioning itself to become a leading global supplier of natural and renewable pine chemicals and biomass pellets. It has developed a proprietary process to naturally extract pine chemicals by employing the tree's own solvent chemicals to extract rosin and terpenes. These products are commonly used in industrial manufacturing and are a key input to everyday end products. These products include adhesives, gum, inks, paint, car tyres and perfume.

For personal use only



info@forestagroup.com.au



forestagroup.com.au



foresta



Appendix 4C: Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

FORESTA GROUP HOLDINGS LIMITED

ABN

18 074 969 056

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	(39)
(c) advertising and marketing	-	(29)
(d) leased assets	-	-
(e) staff costs	(471)	(1,777)
(f) administration and corporate costs	(286)	(1,204)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(23)	(87)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Insurance recoveries)	-	800
1.9 Net cash from / (used in) operating activities	(780)	(2,336)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(79)	(316)
(d) investments	-	-





Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	172
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other - Proceeds received on acquisition of Essential Queensland Pty Ltd	-	-
2.6	Net cash from / (used in) investing activities	(79)	(144)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,230
3.2	Proceeds from issue of convertible debt securities	-	2,575
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(30)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (principal portion of finance leases)	(65)	(242)
3.10	Net cash from / (used in) financing activities	(65)	3,533

For personal use only





Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,131	186
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(780)	(2,336)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(79)	(144)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(65)	3,533
4.5	Effect of movement in exchange rates on cash held	(9)	(41)
4.6	Cash and cash equivalents at end of period	1,198	1,198

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,198	2,131
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,198	2,131

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	254
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 Payments to related parties, including fees paid to directors were \$253,800 (excluding GST of \$25,380). Foresta Group Holdings Limited has a cash balance of \$1,198,000 as at 30 June 2025. Items included in item 6.1 include: Director's fees – Compensation paid to Directors for services performed. Executive consulting fees – Fees paid to Directors providing executive consulting services to the Board





7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	15	15
7.2	Credit standby arrangements	-	-
7.3	Other (convertible notes)	2,000	2,000
7.4	Total financing facilities	2,015	2,015

7.5 **Unused financing facilities available at quarter end** 0

7.6 7.1 The Company has short-term borrowing facilities on insurance premiums, being:

Facility supplier	Iqumulate – Insurance Premium Funding
Principal amount	\$29,150
Monthly repayments	\$2,654
Interest	9.26%
Term	12 months – ending 31 December 2025
Balance at 30 June 2024	\$14,575

7.3 The Company has entered into the following convertible note.

	Convertible Note
Principal amount	\$2,000,000
Issue date	31 March 2025
Monthly repayments	Nil
Interest	10% per annum capitalised annually and payable on conversion or redemption
Maturity Date	31 March 2028
Security	None
Conversion	The convertible notes can be converted at the sole discretion of the subscriber. The conversion price is \$0.005 per share and the subscriber will receive one free attaching unlisted option exercisable at \$0.01 on the date that is three years from the date of issue.
Balance at 30 June 2025	\$2,000,000





For personal use only

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(780)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,198
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,198
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.5
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes		
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes. The Company is in continued negotiations for final payment in relation to the insurance claim at the Apple Tree Creek site. Additionally, the Company is in continuing discussions with the New Zealand government and potential investors regarding further capital raising.		
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes. The Company expects it will have sufficient funds to continue operations and meet its business objectives as highlighted above in 8.6.2.		
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		





foresta



Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2025.....

Authorised by: By the Board.....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

For personal use only

