

## Quarterly Activities Report and Appendix 4C For Quarter Ending 31 March 2026

### Highlights

- FGH Executes Lease Following Satisfaction of Conditions under Agreement to Lease

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As previously announced, Foresta Group Holdings **Limited** (ASX: **FGH**, “**FORESTA**” or the “**Company**”) executed a formal lease with the **Putauaki Trust** following satisfaction of the conditions precedent under the previously announced Agreement to Lease for the Kawerau site in New Zealand.

The Lease commenced on 1 March 2026 for an initial term of 30 years, with an option to extend for a further 20 years, and was formally executed at a signing ceremony held at the Executive Wing of New Zealand Parliament in Wellington on 9 February 2026. FORESTA’s *Executive Chairman* and *Executive Director*, **Mr Henry Cheng** and **Dr Maurizio Fabiani**, respectively, executed the Lease together with the *Chairman* and *CEO* of the **Putauaki Trust**, **Mr Tiaki Hunia** and **Mr John O’Brien**, respectively, at an event hosted by **The Hon. Shane Jones MP** and attended by the *Mayor of Kawerau*, **Ms Faylene Tunui**, and **Dana Kirkpatrick MP**. The formal execution of the Lease represents a significant milestone for the Company, providing long-term tenure certainty and a stable foundation for FORESTA’s strategic initiatives, and marking a major step toward the development of its integrated biomass manufacturing facility in Kawerau.

The formal execution of the Lease represents a significant milestone for the Company, providing a stable foundation for FORESTA’s strategic initiatives in the region and a significant step towards the advancement of the Company’s integrated biomass manufacturing facility in Kawerau.

### Project Development

#### Kawerau Stage 1 Plant

For the quarter ended 31 March 2026, the Kawerau Stage 1 Project maintained steady progress in accordance with Foresta’s established project development framework. Efforts were concentrated on advancing design maturity and de-risking future execution phases. Robust governance, reporting, and cost control mechanisms remained in effect throughout the period. Regular management and Board reporting provided comprehensive oversight of project status, programme development, and key risks. The Kawerau Stage 1 Project remains focused on disciplined project development and risk management as it advances through the pre-construction phase. Some of the key progress areas are listed below.

#### Programme

During the period, Foresta advanced development of the master project programme, including preparation and review of multiple schedule scenarios incorporating varying contingency allowances.



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## Design

Design activities advanced through multiple work packages this quarter, with several completed and others nearly finished, including refining key infrastructure interfaces and power supply assumptions for the Kawerau site.

## Reporting

Regular project status reporting continued, including issuance of the January–February 2026 Project Status Report, providing management and directors with updates on programme, design and approval pathways.

## Project Controls

Operational controls supporting disciplined project expenditure management, including invoice review and approvals, continued in line with established governance frameworks.

## Low Carbon Process Heat Feasibility Study

As announced in May 2025, FORESTA committed to developing a feasibility study on the utilisation of low-carbon options for process heat, including geothermal steam, in collaboration with EECA. Foresta has received a draft of this feasibility study, feedback has been communicated and we expect to receive the final report after in April 2026.

## Forest Supply and Collaborative Partnerships

We are advancing with purpose on multiple fronts to secure a robust and sustainable operational foundation. Our focus remains on finalising key supply opportunities within New Zealand's forestry sector, where we are making steady progress. These foundational agreements are critical to our long-term supply chain strategy.

Concurrently, we continue to deepen our collaborative relationships with local Māori iwi and corporations. Our ongoing dialogue is focused on building enduring partnerships that are mutually beneficial, supporting not only economic development but also the sustainable stewardship of the natural resources we value.

Furthermore, our proactive engagement with government bodies, including local and regional councils and the Crown, continues to be constructive. These discussions are ensuring that our project remains fully aligned with national policies and contributes positively to regional development goals, reinforcing our commitment to being a responsible and integrated player in New Zealand's forestry future.

## Project Enablers - Operational Readiness and Risk Management

As part of an ongoing project to de-risk activities, the Company has continued to refine key logistics and energy assumptions for the Kawerau Stage 1 Project. This work has confirmed that secure and reliable access to diesel is a critical enabling input, supporting effective supply chain management and operational resilience through backup power, onsite material handling, and a predominantly road-based logistics model. In this context, the establishment of the Company's fuel-focused subsidiary, Pan Pacific Energy Pty Ltd, is intended to enhance certainty around fuel access and availability through diversified supply channels, thereby reducing exposure to programme, cost, and operational risks as the project advances toward execution.

## 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 \$212,976 for the quarter (Ex. GST of \$21,297).

Foresta Group Holdings Limited had a cash balance of \$4,437,918 as at 31 March 2026.

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For more information please contact:

Foresta Group Holdings Limited

**Henry Cheng**

*Executive Chairman*

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## Authorisation Statement

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

## 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.

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## 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")

31 March 2026

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               | -                          | -                                     |
| 1.2 Payments for  |                            |                                       |
| (a) research and development                              | -                          | -                                     |
| (b) product manufacturing and operating costs             | -                          | -                                     |
| (c) advertising and marketing                             | -                          | -                                     |
| (d) leased assets   | -                          | -                                     |
| (e) staff costs   | (379)                      | (1,334)                               |
| (f) administration and corporate costs                    | (436)                      | (1,625)                               |
| 1.3 Dividends received (see note 3)                       | -                          | -                                     |
| 1.4 Interest received                                     | -                          | -                                     |
| 1.5 Interest and other costs of finance paid              | (20)                       | (70)                                  |
| 1.6 Income taxes paid                                     | -                          | -                                     |
| 1.7 Government grants and tax incentives                  | -                          | -                                     |
| 1.8 Other (Insurance recoveries)                          | -                          | 2,400                                 |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(835)</b>               | <b>(629)</b>                          |

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





| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
|   | (e) intellectual property  | -                                  | -  |
|   | (f) other non-current assets   | -                                  | -  |
| 2.2   | Proceeds from disposal of:   |                                    |  |
|   | (a) entities   | -                                  | -  |
|   | (b) businesses   | -                                  | -  |
|   | (c) property, plant and equipment  | -                                  | -  |
|   | (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 | -                                  | -  |
| <b>2.6</b>                                  | <b>Net cash from / (used in) investing activities</b>                    | <b>-</b>                           | <b>-</b>                                       |

|             |   |            |              |
|-------------|---|------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |            |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | -          | -            |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -          | -            |
| 3.3         | Proceeds from exercise of options   | 152        | 4,103        |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (11)       | (26)         |
| 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)   | (41)       | (164)        |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>100</b> | <b>3,913</b> |

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| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| <b>4.</b>                                   | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |                                    |  |
| 4.1   | Cash and cash equivalents at beginning of period                             | 5,187                              | 1,198  |
| 4.2   | Net cash from / (used in) operating activities (item 1.9 above)              | (835)                              | (629)  |
| 4.3   | Net cash from / (used in) investing activities (item 2.6 above)              | -                                  | -  |
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above)             | 100                                | 3,913  |
| 4.5   | Effect of movement in exchange rates on cash held                            | (14)                               | (44)   |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                            | <b>4,438</b>                       | <b>4,438</b>                                   |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 4,438                              | 5,187                               |
| 5.2        | Call deposits   | -                                  | -                                   |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other (provide details)   | -                                  | -                                   |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>4,434</b>                       | <b>5,187</b>                        |

| <b>6.</b> | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|-----------|---|------------------------------------|
| 6.1       | Aggregate amount of payments to related parties and their associates included in item 1 | 212                                |
| 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 \$212,976 (excluding GST of \$21,297). Foresta Group Holdings Limited has a cash balance of \$4,437,918 as at 31 March 2026. 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





| <b>7. Financing facilities</b>   | <b>Total facility amount at quarter end \$A'000</b> | <b>Amount drawn at quarter end \$A'000</b> |
|--|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> |   |  |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  |   |  |
| 7.1 Loan facilities  | -   | -  |
| 7.2 Credit standby arrangements  | -   | -  |
| 7.3 Other (convertible notes)  | 2,000   | 2,000                                      |
| 7.4 <b>Total financing facilities</b>  | 2,000   | 2,000                                      |
| 7.5 <b>Unused financing facilities available at quarter end</b>  |   | 0  |
| 7.6  |   |  |

7.3 The Company has entered into the following convertible note.

|                          | <b>Convertible Note</b>   |
|--------------------------|---|
| 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 31 March 2026 | \$2,000,000   |

| <b>8. Estimated cash available for future operating activities</b> | <b>\$A'000</b> |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)      | (835)          |
| 8.2 Cash and cash equivalents at quarter end (item 4.6)            | 4,438          |
| 8.3 Unused finance facilities available at quarter end (item 7.5)  | -              |
| 8.4 Total available funding (item 8.2 + item 8.3)                  | 4,438          |





8.5 **Estimated quarters of funding available (item 8.4 divided by item 8.1)**

5

*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.*

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: NA

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: NA

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: NA

*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.*

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## 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: 22 April 2026

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.

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