



FORESTA GROUP HOLDINGS
Capital Raising Term Sheet, 10 May 2024



COMPANY

Issuer	Foresta Group Holdings (ABN 18 074 969 056) (“Foresta” or the “Company”).
ASX Code	ASX FGH
Lead Manager	STK Markets Pty Ltd (ACN 644 425 810) (“STK”) – sean@stkmarkets.com and +61 412 166 471

OFFER

Securities	Foresta Group Holdings Limited is undertaking a placement via the issue of listed securities.
Offer to	This Offer is suitable for Sophisticated or Experienced Investors who satisfy at least one of the tests in either of sections 708(8) (‘Sophisticated Investor’) or 708(11) (‘Professional Investor’) of the Corporations Act and/or have been assessed by an Australian Financial Services Licensee as being an ‘Experienced Investor’ in accordance and compliance with, section 708(10) and s761GA of the Corporations Act.
Raising	\$1.5m (All figures in AUD unless otherwise noted)
Pricing	\$0.01 (1 cent per share) representing a discount to the recent trading price of around 1.3 cps
Market Cap	Approx. \$29.2m at 9 May 2024
Sector	Renewable energy, Renewable chemicals, Manufacturing
Process	The Placement will be completed through Manual applications.
Summary	<p>Foresta has developed a proprietary process that naturally extracts high-value products from pine trees and stumps. It is building a plant in New Zealand where the company will manufacture pine chemicals and pine wood pellets that will be a direct coal replacement.</p> <p>Foresta is completely transforming the energy industry by providing a clean energy source where “net zero” and Carbon Credits offer additional value.</p> <p>Foresta offer a desirable sale partner to Pine plantation owners because they remove the entire tree and stump – whereas standard timber purchasers leave not only all stumps but many trees behind.</p> <p>With the trial/ demonstration facility successfully completed and their process proven, Foresta has signed Supply and Offtake Agreements enabling it to progress towards constructing their first processing plant to satisfy strong product demand with an expansion model operating multiple processing plants globally.</p> <p>Foresta plan to operate 9 plants in New Zealand through a modular roll-out process. All Plants will operate within an SPV and be Debt & Equity Funded.</p> <p>Construction will be broken into 2 parts structured to be able to get into production, revenue and profit within the first year of operation.</p>



ABOUT

- Foresta Group Holdings (ASX:FGH) is an innovative resource, energy and biotechnology sector company positioning itself to become a leading global supplier of natural and renewable pine chemicals and biomass pellets- which are a drop in coal replacement.
- Foresta adds value to the forestry sector by producing sustainable biofuels and replacements for petrochemicals.
- It has developed a proprietary process to naturally extract pine chemicals by employing the trees own solvent chemicals to extract rosin and terpenes. It would do this at plants throughout the world, the first proposed to be built in Kawerau, New Zealand.
- These products are commonly used in industrial manufacturing and are a key input to everyday end products. They include adhesives, gum, inks, paint, car tyres and perfume.
- Foresta has an Offtake Contract to supply up to 65,000 TPA of torrefied wood pellets over a 10 plus 2-year contract. Foresta also has Offtake Agreements for 13,000 tonnes per annum of natural pine chemicals at market rates. (All contracted offtake supply agreements have an estimate value of NZ\$70,000,000 per annum)¹ It is negotiating further similar sized agreements with other parties.
- The Company has signed a 50 year Agreement to Lease with the Putauaki Trust, for a production site in the Bay of Plenty, which has an initial site area of 9.6ha.
- The initial pine chemicals plant is stored on a site in Rotorua, geotechnical investigations are complete, earthworks design is underway and the earthworks consent will be lodged by the end of May 2024.
- Works are due to commence on site in 2024 in line with project funding.



COMPANY OVERVIEW

- Foresta is in the process of **establishing its first plant in New Zealand**, which will use proprietary technology to extract natural pine chemicals for export, where they displace the need for petroleum-based chemicals and manufacture torrefied “black” wood pellets that can be **used as a substitute for coal** in commercial and industrial uses, including electricity generation.
- **New Zealand is phasing out coal boilers** by 2037² and there are few energy alternatives for high-process heat. New Zealand consumes 2.1 million tonnes of coal every year, contributing to 5% of New Zealand's total annual greenhouse gas emissions.
- Although wood pellets (black and white) as a fuel source are fossil fuels, they are recognised as a **carbon neutral and a renewable energy source** when trees are sourced from plantations and immediately replaced by new plantings.
- By manufacturing 2.1 million tonnes of torrefied “black” wood pellets, which have very similar properties to coal but with at least 90% less emissions³ **Foresta can provide a viable alternative renewable energy source.**
- Foresta’s world first, patented integrated manufacturing processes, deliver **multiple products, giving multiple revenue streams** that provide nearly **double the revenue** of traditional pine chemical or wood pellet plants.



¹ the offtake agreement is for a period of five (5) years, with a right of renewal for an additional five (5) years.

² <https://woodresidues.events/nz-government-bans-new-coal-boilers>.

³ Assessment completed by Tonkin & Taylor - Estimate of Emission Reduction due to replacing coal with torrefied wood pellets (1 August 2023)

PROJECT OVERVIEW

The Business and Opportunity

- Foresta's proprietary process naturally extracts valuable chemicals from pine trees & stumps for use in industrial manufacturing & are a key input to everyday end products such as adhesives, gum, inks, paint, car tyres and perfume. The process also produces torrefied wood pellets can be used as a substitute for coal in commercial & industrial uses, including electricity generation, emitting at least 90% less carbon than coal⁴.
- Foresta's world first, patented integrated manufacturing processes, deliver multiple products, giving multiple revenue streams that potentially provide nearly double the revenue of traditional pine chemical or wood pellet plants.
- Foresta is working towards construction of multiple build stand-alone plants throughout the world operating 24 hours a day and 7 days a week processing pine trees and stumps. It is advanced towards breaking ground on its first facility in Kawerau, New Zealand.
- NZ is an ideal location for Foresta plants as it has an abundance of suitable pine plantations and is transitioning to "net zero".

Building a processing plant

- The proposed NZ Facility has a planned yearly capacity to process 52,000 tonnes of pine chemicals and 219,000 tonnes of torrefied black wood pellets. The facility is expected to operate 24 hours a day and 7 days a week employing 113 people at peak capacity. The total days of operations will be equal to 333 days per year and 8,000 hours of production.
- Plant life is estimated at a minimum of 30 years.
- Construction will be broken into 2 parts – 1a and 1b, and structured to be able to get into production and revenue within the first year of operation.

Debt-Equity Funding Model

- Foresta will be establishing an SPV to fund construction of the facility funded by a mixture of Debt and Equity.
- Following this plant Foresta plan to build and operate 8 more facilities in New Zealand and each will operate to the same SPV model of part Equity/ part Debt to fund construction.
- Project fully costed and independent valuation with associated engineering reports contracts.
- Resource-driven infrastructure-based opportunity, manufacturing a drop-in coal replacement from sustainable pine wood pellets with associated high value by-products of pine-based chemicals



Contracts, Offtakes and Supply Agreements

- **Three signed offtake term sheets** for natural pine chemicals – 3,000 tonnes per annum of terpenes at market rates, with the current market rate at approximately NZ\$4,000 per tonne & 10,000 tonnes per annum of rosin (tree resin) at market rates, with the current market rate at approximately NZ\$3,200 per tonne.
- Foresta has now signed a **binding ten (10) year offtake agreement** to supply up to 65,000 tonnes of torrefied wood pellets per annum to reflect the production capacity of the first manufacturing facility (Stage 1a) in the Bay of Plenty.
- **50 year Agreement to Lease** signed with the Putauaki Trust for the initial manufacturing site
- **Harvesting contract** Signed with Silvertree Biomass Solutions for approximately 243,000 tonnes per annum of logs, stumps and other approved biomass.
- A **ten (10) year supply agreement** with PF Olsen Limited for the supply of 150,000 tonnes per annum of logs, stumps and slash sourced from Forest Stewardship Council (FSC) forests.
- **Engineering and Design are well advanced** with works due to commence on site in 2024 in line with project funding.

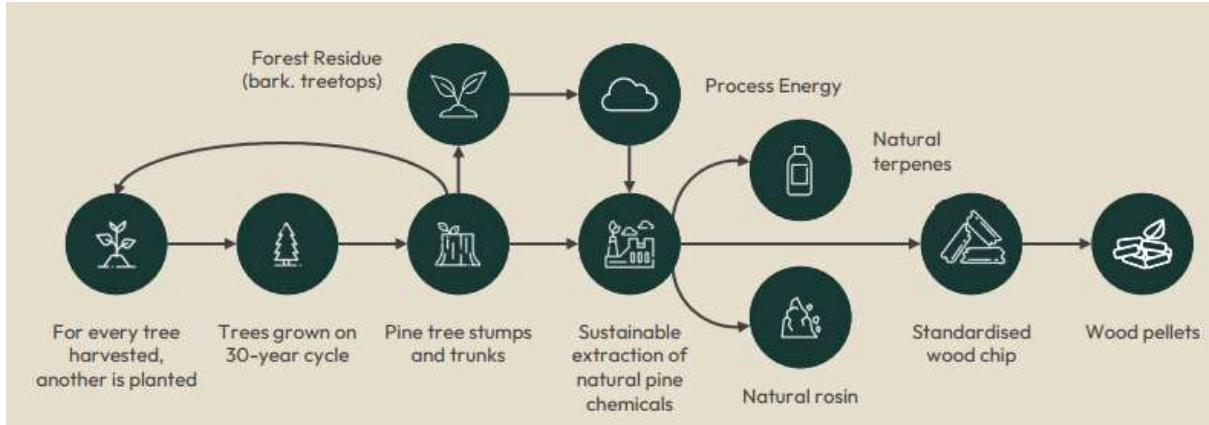
Raising \$1.5m for working capital to advance towards construction

- Foresta is undertake a capital raise of \$1.5m to accelerate the torrefied pellets and wood chemical manufacturing facility project in New Zealand, and for additional working capital.

⁴ <https://www.genesisenergy.co.nz/about/news/genesis-biomass-trial-successful>

FORESTA PROCESSING TECHNOLOGIES

- Foresta’s integrated processing technologies provide manufacturing cost efficiencies and scale.



Foresta is able to manufacture multiple products from the one feed resource potentially doubling the revenue opportunities when compared to traditional business models.

HIGHER YIELDS FROM LOGS - AND RESIN FROM STUMPS

- Foresta buys whole pine trees from forest owners and forest managers. The company has a process it performs prior to harvest that **increases the chemical yield in the logs**. This process, combined with Foresta’s harvesting process, increases the overall harvested weight by as much as 10%.
- Stumps are also removed where possible. Stumps are often overlooked in many industries since they are cumbersome to extract and transport and pose health, safety as well as environmental risks when left behind.



- The Company values the stumps due to their high resin content.
- Removing the stumps is desirable for the forest owner as this further reduces waste and helps prepare the land for replanting which Foresta assist in.
- Foresta technology enables logs and stumps to be simultaneously extracted, saving valuable time and resources. Traditionally, stump extraction involved cutting the log first and then prying the stump out of the ground—a time-consuming process with its own set of challenges.
- By partnering with Foresta forest owners can improve the productivity of their land and encourage improvement in reforestation.

MULTIPLE PRODUCTS LINES



1. **Torrefied “Black” Wood Pellets.**

- Manufactured using world-class value-added processing technology combining and utilising all the tree resource, this unique and exclusive process provides gains with High Energy Output as a direct replacement of fossil fuels. Resulting in at least 90% less emissions than coal.⁵
- The torrefaction process creates a solid uniform product with lower moisture and approx. 30% more energy than white wood pellets.



2. **Rosin**

- Foresta extract natural wood rosin from Radiata Pine using steam distillation. Found along with terpene in pine logs and stumps, pine rosin is a highly sought-after material, used in various everyday products, from chewing gum to tires.
- The highest grade of natural rosin is produced through distillation. A process which only uses steam and no toxic chemicals. This results in a lighter golden colour rosin which is considered superior quality and can demand a premium pricing.



3. **Terpenes**

- Foresta use a chemical-free, continuous counter flow steam distillation process, extracting terpenes that are immiscible with water, has a high boiling point, and very good refractive qualities. Foresta’s natural organic solvent extraction technique results in nothing but 100% terpene.
- Foresta’s natural pine terpenes are intended to be exported in large quantities and used in the creation of food flavouring essences, disinfectants, pharmaceuticals and perfumes.

SIGNED OFFTAKE AGREEMENTS AND COMMERCIAL PARTNERSHIPS

OFF-TAKE AGREEMENTS

- Foresta NZ and Tailored Energy Resources Limited (TERL) have now signed a binding ten (10) year Supply Contract to supply up to 650,000 tonnes of torrefied wood pellets to reflect the production capacity of the first manufacturing facility (Stage 1a) in the Bay of Plenty, New Zealand.
- Yasuhara Chemical Co Ltd have signed a letter of intent for 22,000 tonnes*⁶ of terpenes at market rates, with the current market rate at approximately NZ\$4,000 per tonne.
- Lawter (NZ) Limited have signed a letter of intent for 5000 tonnes natural pine terpenes and 80,000 tonnes of rosin* (tree resin) at market rates, with the current market rate at approximately NZ\$3,200 per tonne.
- AV Pound have signed a Long-Term Offtake Purchase Contract for 20,000 tonnes of natural wood rosin* and 20,000 tonnes of natural pine terpenes.
- Foresta are currently negotiating further similar sized offtake agreements with multiple other parties.

COMMERCIAL PARTNERSHIPS

- **Torrefied “Black” Wood Pellets**
 - Foresta NZ Ltd has secured a sales contract for up to 65,000 tonnes per annum and is creating partnerships to support a long term resilient and sustainable supply chain to ensure renewable energy demands are met.
 - Transitioning onto Foresta torrefied wood pellets will assist these clients on their emission reductions strategies.
- **Rosin**
 - Prospective customers with high demand Rosin 100,000 tonnes, Resin/Chemicals manufacturing.
- **Terpenes**
 - Prospective customers with high demand Terpene.
 - 40,000 tonnes, Resins/Distillation/flavours/fragrance processing Plant. 5,000 tonnes, Distillation Processing Plant.



⁵ <https://www.genesisenergy.co.nz/about/news/genesis-biomass-trial-successful>
 the offtake agreement is for a period of five (5) years, with a right of renewal for an additional five (5) years).

BAY OF PLENTY PRODUCTION SITE AND CONSTRUCTION TO PRODUCTION TIMELINE

- Foresta have signed a 50 year Agreement to Lease (ATL) with the Putauaki Trust, for a production site in the Bay of Plenty, which has an initial site area of 9.6ha. The ATL is subject to funding and Overseas Investment Office approval and has an option to increase the site area up to 42ha.
- The initial pine chemicals plant is stored in Rotorua, geotechnical investigations are complete, earthworks design is underway and the earthworks consent will be lodged by the end of May 2024. Works are due to commence in line with funding.
- The project is 50% quoted with preliminary design completed and key equipment suppliers with EPC contracts ready to be implemented upon funding.

Operation Overview

- The proposed Facility has a planned yearly capacity to process 52,000 tonnes of pine chemicals and 219,000 tonnes of torrefied black wood pellets. The facility will process pine raw materials, such as stumps and logs, to manufacture natural wood rosin, natural gum rosin, terpenes and torrefied (black) wood pellets.
- The facility is expected to operate 24 hours a day and 7 days a week employing 113 people at peak capacity. The total days of operations will be equal to 333 days per year and 8,000 hours of production.
- While construction of Stage 1a is planned to be completed in April 2026, the plant will begin operating at a lessened capacity from January 2026. Known as Stage 1A.A, this is not a stand-alone plant as Stage 1a is to Stage 1b, but a sub-stage of Stage 1a where the chemical extraction is conducted to test the plant and provide an early revenue stream. The manufacturing of torrefied black wood pellets will not occur on a commercial scale, meaning extracted wood will be sold as wood chip.



The facility will be constructed in two stages:

- Stage 1a: Constructed over 25 months, including an allowance for Stage 1b construction enabling works.
- Production to start at a reduced capacity four months before completion, known as Stage 1A.A with Manufacturing capacity of approximately 62,000 tonnes per year of torrefied black pellets and 15,000 tonne per annum of pine chemicals.
- Stage 1b: Constructed over 18 months from October 2025 with manufacturing capacity of approximately 160,000 per year of torrefied black pellets and 37,000 tonne per annum of pine chemicals.



Construction Timeline

- The timeline prepared by Management indicates the following:
 - Construction of Stage 1A complete in the first half of 2026
 - Production commences in April 2026, first full month May 2026
 - Construction of Stage 1B commences in the second half of 2025
 - Increase in production capacity (Stage 1B) commences April 2027;
 - Full Production for the whole facility in first half 2028

REVENUE MODEL

Foresta will generate revenue from licensing and services provided to the SPV (Production project), and, where it is the Equity Investor in the SPV from the further revenue that it generates

PROPOSED FORESTA GROUP REVENUES FROM EACH SPV	
CONTRACT REVENUES	AU\$
Technology Licence Signing Fee	\$2,730,000
Project Development Fee	\$4,550,000
Total	\$7,280,000
ONGOING REVENUES	AU\$
Annual Technology Licence Fee - 7% of Revenue	\$12,600,000
Annual Sales and Marketing Fee - 3% of Revenue	\$5,400,000
Total	\$18,000,000

MARKET SIZE AND OPPORTUNITY

Pine Chemicals/Wood-based chemicals

- Industrially produced chemical substances are present in more than 90% of manufactured goods¹. Transitioning to bio-based chemicals is essential for companies to work towards a net-zero economy.
- This acceleration to net-zero is fueling the demand for bio-based chemicals. A segment of this is pine chemicals, for which the addressable pine chemical market is estimated at US\$10bn. The demand is growing at a 5% Compound Average Growth Rate(CAGR) until 2027².

1. <https://cefic.org/a-pillar-of-the-european-economy/facts-and-figures-of-the-european-chemical-industry/>
 2. PCA Industry Report – Global Impact of Modern Pine Chemical Industry 2019



Wood Pellets

- The global coal demand breaches 8 billion tonnes¹. The burning of coal contributes to over 30% of global greenhouse gas emissions, so rapidly phasing out and replacing with clean alternatives is a priority to mitigate climate change.
- The global white wood pellet market was valued at approximately USD 4.1 billion in 2019 and is expected to reach around USD 6.1 billion by 2026².
- The global black pellets market was valued at USD 71 million in 2020 and it is expected to reach USD 182 million by the end of 2027, growing at a Compound Average Growth Rate(CAGR) of 14.1% during 2021-2027³

1. IEA energy Coal Analysis and forecast to 2025
 2. <https://dataintelo.com/report/white-wood-pellet-market/>
 3. Black Pellets Market Share 2022 | Growth Insights, Regional (globenewswire.com)



EXPANSION STRATEGY

- Foresta intends a “Build and Copy” approach where plants will be replicated across New Zealand close to productive renewable forests.
- Each will be funded through Purpose Vehicles (SPVs) a mixture and Equity



North Island Cluster	Production Capacity*
Plant 1 - Kawerau	624,892
Plant 2 - Rotorua	468,669
Plant 3 - Waikato	156,223
Plant 4 - Northland	312,446
Plant 5 - Gisborne	312,446
Plant 6 - Hawkes Bay	156,223
Plant 7 - Southern North Island	312,446
Plant 8 - Nelson	156,223
Plant 9 - Otago Southland	312,446

Special of Debt

LARGEST SHAREHOLDERS (as at 30-6-23)

#	Name	Ordinary shares number	Ordinary shares % issued
1	RAMON DUDLEY MOUNTFORT & SHIRLEY JOY MOUNTFORT	590,700,000	28.65%
2	SWAT/D PTY LTD	210,000,000	10.18%
3	GREGORY LLOYD SAMSON & ROSEMARIE ANNE SAMSON	55,625,000	2.60%
4	DR FAB SUPER PTY LTD	42,000,000	2.04%
5	KELIRI PTY LTD	40,708,000	1.97%
6	MRPG INVESTMENTS (AUS) PTY LTD	38,775,000	1.88%
7	MR GRANT RICHARD LESLIE YEATMAN & MRS CARMEN RAE YEATMAN	35,250,000	1.71%
8	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	33,719,653	1.64%
9	THE TRUST COMPANY (AUSTRALIA) LIMITED	32,623,946	1.58%
10	MR MARK PHILLIP JONES	28,000,000	1.36%

SHARE PRICE LAST 12 MONTHS



COMPANY BACKGROUND

The company Essential Queensland Pty Ltd was formed in 2017, Foresta had a pilot plant in Childers Queensland, Australia where they produced turpentine and rosin. In December 2020 it completed a backdoor listing on Leaf Resources Ltd and continued to operate in Childers however once recognising the great potential in forestry supply in New Zealand, Foresta made the decision to move its operations to NZ. It then acquired a large scale commercial plant that will be erected in Kawerau, New Zealand under a project specific, special purpose vehicle (SPV) entity, majority owned by Foresta.

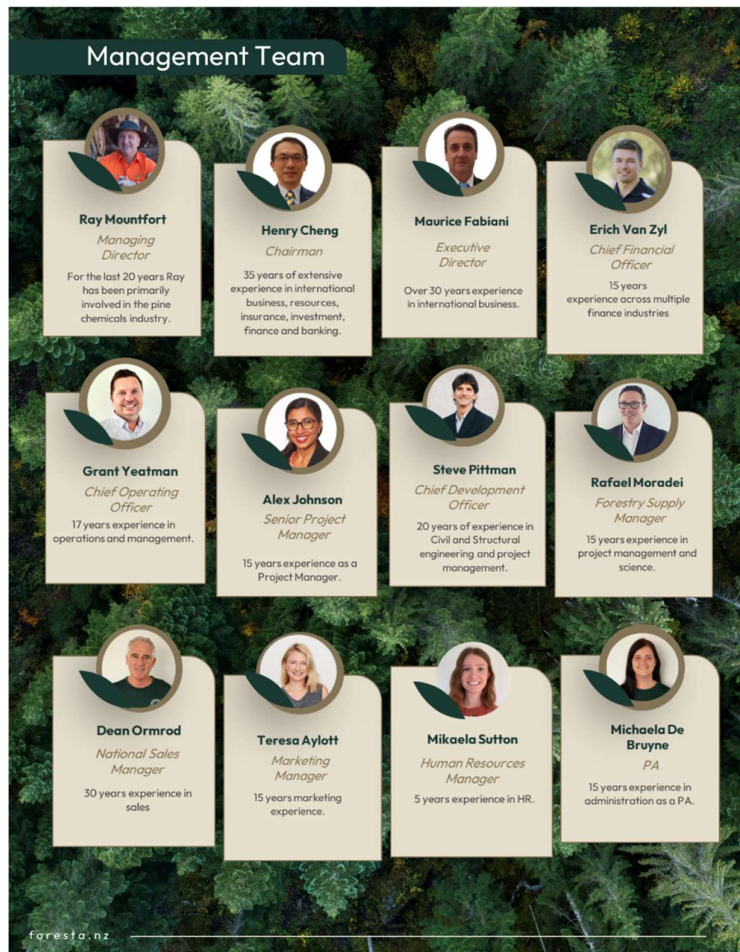
BOARD AND MANAGEMENT TEAM

The management and people involved which are crucial to any business have the experience to execute and have been very successful in business and projects of this size in the past. The MD Ray Mountfort's success has been proved in the past and all of his team have substantial funds in the business which they have purchased with real cash.

Ramon (Ray) Mountfort, Managing Director
 Founder and vision holder, for the last 20 years Ray has been primarily involved in the pine chemicals industry, working to establish his vision of sustainable natural hydrocarbon based chemical products. Ray has developed and demonstrated visionary leadership and commitment to creating a successful world class and scale company. He has technical experience in all aspects of the supply chain and established worldwide networks with key stakeholders.

Mr Pai-Heng (Henry) Cheng, BBus MBA, Executive Chairman
 Mr Henry Cheng is a senior management and board executive with over 35 years of extensive experience in international business, resources, insurance, investment, finance and banking. Henry has developed strong global networks, having travelled extensively and worked in many countries. He has forged well established and influential relationships at senior executive and board level with publicly-listed and private companies as well as leading financial institutions and government entities across Asia, USA, Europe and UK. Henry is a Graduate of the National Taiwan University and holds a Bachelor of Business and Master of Business (International Finance). Henry currently serves as Executive Chairman of Formosa Group Australia, Executive Chairman of Formosa Resources and Executive Chairman of Arizona Global Transaction Management Services. He was previously the Managing Director of Manulife Insurance and General Manager of Halifax as well as a Director of the Australian Patients Association (APA).

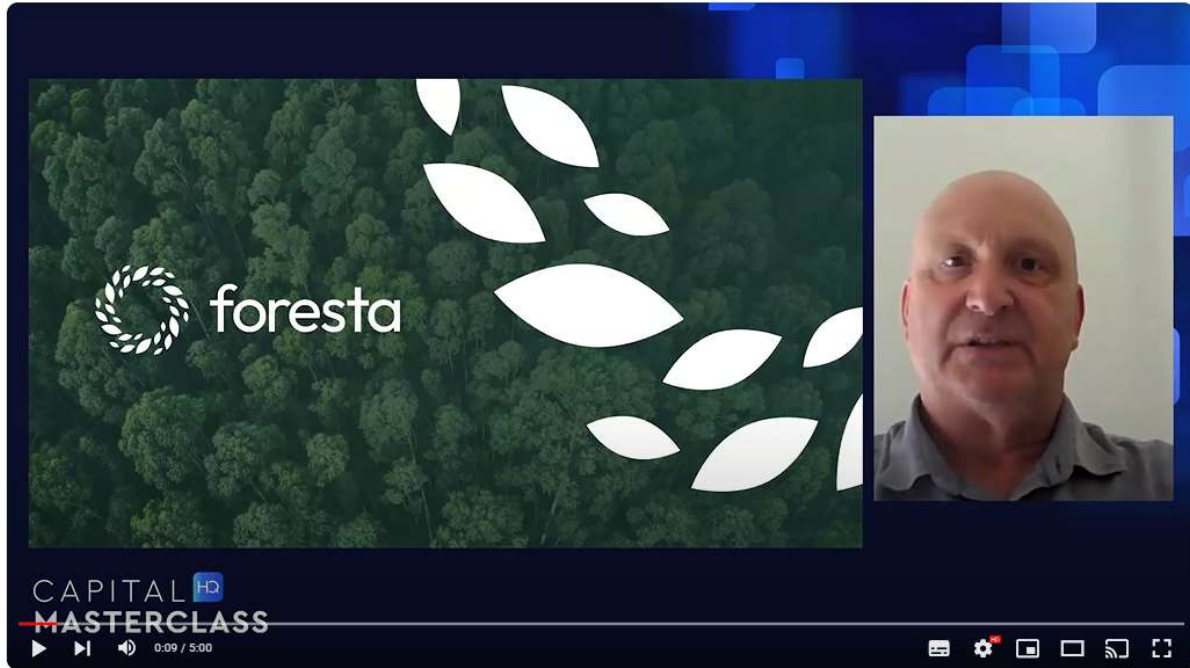
Dr Maurizio (Maurice) Fabiani, PhD MBA GAICD, Executive Director
 Dr Maurice Fabiani is a senior management and board executive with over 30 years' experience in international business as well as the biomedical field and related health areas. He has an extensive professional background, having held senior roles in business, academia, biomedical/biotechnology industry and the not-for-profit sector. Dr Fabiani is a Graduate of the University of Melbourne and holds a PhD (Medicine/Pharmacology) as well as MBA (Finance and Strategy) from the Melbourne Business School. He is also a Graduate of the Australian Institute of Company Directors. Dr Fabiani is currently the Chief Executive Officer of Formosa Group Australia. He was previously a Senior Research Fellow in the Department of Medicine, University of Melbourne, and head of an internationally recognised medical research group. He is also a published author of many international peer-reviewed scientific and medical research publications. Dr Fabiani has served as CEO and Managing Director of biotechnology companies as well as a Founding Director and Chairman of the Australian Patients Association (APA).



FURTHER INFORMATION

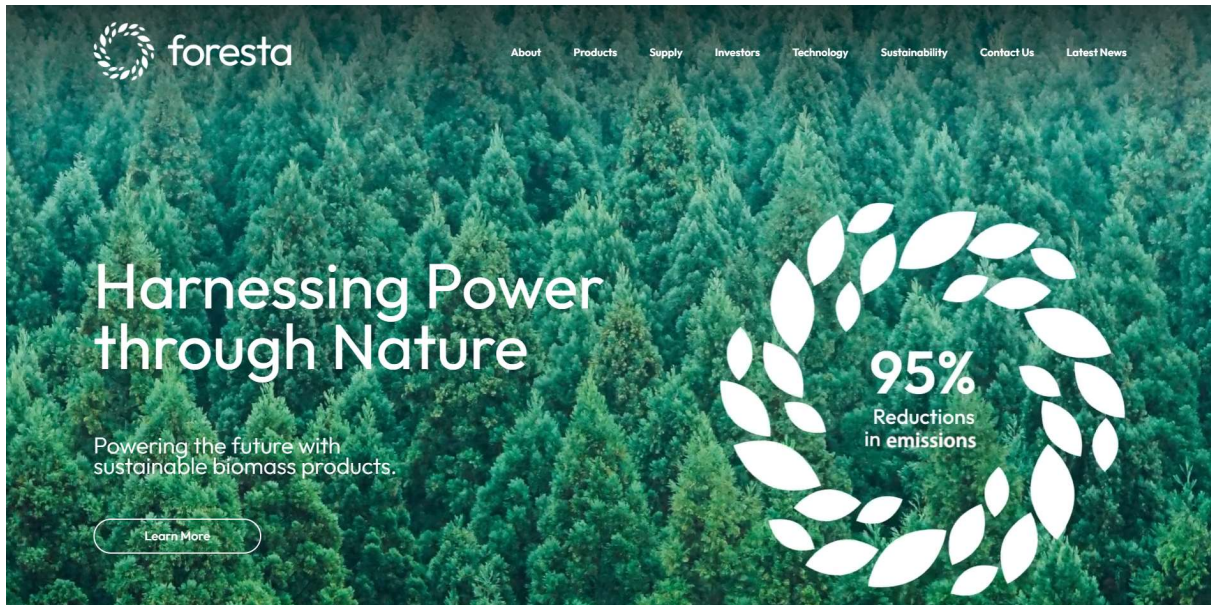
Watch 5 minute video with Foresta MD Raymond Mountford introducing the company, its business and plans.

- www.youtube.com/watch?v=9PV9dZZCSIM&t=2s



Visit company website.

- www.forestagroup.com.au



FORESTA GROUP HOLDINGS BINDING AND IRREVOCABLE BROKER FIRM BID

FIRM OFFER DUE:	11am AEST Monday 13 May 2024	
	This timetable is indicative only and is subject to change without notice.	
	Email to: sean@stkmarkets.com and +61 412 166 471	
AFSL organisation		
AFSL number		
Contact name		
Email		
Phone number		
Quantity	#	(At A\$0.01 - 1 cent per share)
Dollar Value	\$	
Authorising name		
Position		
Signature		
Date		

INDICATIVE TIMING

Firm bids	11am AEST Monday 13 May 2024
Confirmations due	5pm AEST Monday 13 May 2024
Offer closing	5pm AEST Monday 13 May 2024

This Offer is suitable for Sophisticated or Experienced Investors who satisfy at least one of the tests in either of sections 708(8) ('Sophisticated Investor') or 708(11) ('Professional Investor') of the Corporations Act and/or have been assessed by an Australian Financial Services Licensee as being an 'Experienced Investor' in accordance and compliance with, section 708(10) and s761GA of the Corporations Act.

STK Markets Pty Ltd ("STK") has been engaged as Lead Manager to the proposed Capital Raising to Professional and Sophisticated Investors. This Term Sheet specifies the indicative timetable and terms and conditions on which the Offer will proceed. This document has been prepared for the general information of investors and not having regard to any particular person's financial situation, objectives or needs. Accordingly, in so far as any information may constitute advice (whether express or implied), it is general advice and no recipient should rely upon it without having obtained specific advice from their advisor. STK makes no representation, gives no warranty and does not accept any responsibility for the accuracy or completeness of any recommendation, information or advice contained herein.



STK Markets will be acting as lead manager to the Offer and as such will receive fees for this service.

Disclaimer: STK Markets, its servants or agents, make no recommendations as to whether you should participate in the new issue by the company nor do they make any recommendations or warranty to you concerning the shares or accuracy, reliability or completeness of the information provided or the performance of the Company. This note is intended to provide background information only and does not purport to make any recommendation upon which you reasonably rely without taking further and more specific advice. You should make your own decision whether to participate based on your own enquiries. Potential investors must make their own independent assessment and investigation of the opportunity and should not rely on any statement, or the adequacy or accuracy of the information provided by STK Markets. Securities of small to mid-cap companies typically involve a higher degree of risk and more volatility than securities of more established companies. As such, an investment in the company must be considered as speculative. The information provided does not purport to cover all relevant information about any potential investment in the company. Accordingly, investors are advised to seek appropriate independent advice, if necessary, to determine the suitability of this investment.

Disclosure: STK Markets in its role as lead manager will be paid fees including a capital raising fee and management fee. STK Markets as principal, its directors and staff may participate in the issue detailed herein. The Directors of STK Markets advise that they and persons associated with them may have an interest in the above securities and that they may earn brokerage, commissions, fees and other benefits and advantages, whether pecuniary or not and whether direct or indirect, in connection with the making of a recommendation or a dealing by a client in these securities, and which may reasonably be expected to be capable of having an influence in the making of any recommendation, and that some or all of our Representatives may be remunerated wholly or partly by way of commission.

IMPORTANT NOTICE: The proposed Placement is subject to ASX and ASIC timelines and approvals. Information provided in this document is on the basis only, and condition that you are an AFSL holder or Sophisticated/ Professional Investor. If you have received this document and are not an AFSL holder or Sophisticated/ Professional Investor please delete this material and advise STK Markets on Sean Sandilands sean@stkmarkets.com and +61 412 166 471.

This Offer is suitable for Sophisticated or Experienced Investors who satisfy at least one of the tests in either of sections 708(8) ('Sophisticated Investor') or 708(11) ('Professional Investor') of the Corporations Act and/or have been assessed by an Australian Financial Services Licensee as being an 'Experienced Investor' in accordance and compliance with, section 708(10) and s761GA of the Corporations Act.

