



Appendix 4E

Preliminary Final Report

30 June 2024

ABN 18 074 969 056

FORESTA GROUP HOLDINGS LIMITED

ABN 18 074 969 056

1.

Reporting period: Year ended 30 June 2024

Previous reporting period: Year ended 30 June 2023

2.

Results for announcement to the market

Key information	\$'000			
Revenue from ordinary activities	Down	100%	to	0
(Loss) from ordinary activities after tax attributable to members	Down	34%	to	(11,035)
(Loss) for the period attributable to members	Down	34%	to	(11,035)

Foresta Group Holdings Limited's operating loss for the year ended 30 June 2024 amounted to \$11,034,610 (30 June 2023: Loss of \$8,206,788).

	Amount per ordinary share	Franked amount per ordinary share
Dividends	\$	\$
Final	N/A	N/A
Interim	N/A	N/A

Record date for determining entitlements: N/A

3. - 6.

Additional Appendix 4E disclosures for items 3 to 6 can be found in the accompanying financial statements and notes for the year ended 30 June 2024.

7.

No dividends or distributions payments have been made during the year.

8.

No dividend or distribution reinvestment plans are in operation.

9.

Net tangible assets per security

	30 June 2024	30 June 2023
Net tangible assets per ordinary share	0.01 cents	0.39 cents



10.

Details of entities over which control has been gained or lost N/A

11.

Details of associates and joint venture entities N/A

12.

The financial report has been prepared on a going concern basis.

Since the end of the reporting period, the following matters have arisen which may significantly affect the operations of the Group:

- On 12 July 2024, Managing Director Mr Ramon Mountfort resigned from all positions effective immediately. His resignation was followed by the appointment of Mr Russell Allen as a Non-Executive Director to the Board, on the same day.
- On 31 July 2024, the Company announced that it successfully completed and received \$500,000 for Convertible Notes with a face value of \$0.01 and at a cost of 10% per annum capitalised annually and payable upon conversion or redemption. The conversion is subject to shareholder approval at the next Annual General Meeting. The conversion price is set at \$0.01 per share and for each share the investor will be granted a free-attaching unlisted option exercisable at \$0.02 per share that expires within one year of the grant date.
- The Company's registered address changed to Level 7, 330 Collins Street, Melbourne, Victoria 3000, effective 31 July 2024.

13.

Accounting standards used in compiling financial reports for foreign entities:

Foreign entity	Country of incorporation	Accounting standards
Leaf Resources USA, LLC	USA	International Financial Reporting Standards
Leaf Development LLC	USA	International Financial Reporting Standards
Leaf Malaysia OpCo Sdn. Bhd.	Malaysia	International Financial Reporting Standards
Foresta (NZ) Limited	New Zealand	International Financial Reporting Standards

14.

1. Earnings per share

Reconciliation of earnings used in calculating earnings per share	2024 \$	2023 \$
Loss attributable to the owners of Foresta Group Holdings Limited used in the calculation of basic and dilutive EPS	(11,034,610)	(8,206,788)
Loss attributable to the owners of Foresta Group Holdings Limited	(11,034,610)	(8,206,788)
Weighted average number of ordinary shares	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	2,204,091,728	1,855,062,114
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per shares	2,204,091,728	1,855,062,114
Loss per share and Diluted loss per share (cents)	0.50	0.44

2. Returns to shareholders including distributions and buy backs - N/A
3. Significant features of operating performance - Refer to above and to shareholder update.
4. The results of segments that are significant to an understanding of the business as a whole are disclosed in Note 6 of the accompanying financial reports and notes.
5. A discussion of trends and performance - Refer to above and to shareholder update.
6. Unless otherwise explicitly stated above or in the notes to the financial statements, there are no other significant factors that could not be quantified.
- 15.

This report is based on the financial statements which are in the process of being audited; it is anticipated that the Audit Opinion will note that material uncertainty exists in respect to the Group's going concern basis.

30 August 2024
Australian Securities Exchange Announcement

Shareholder update

To my fellow shareholders,

I am pleased to present Foresta Group Holdings Limited's FY24 Preliminary Final Report.

Over the past financial year, we have laid strong foundations for building a company poised to harness the immense opportunities in bio-based energy and chemicals. Our leadership team has made significant strides, including securing a 30-year lease for industrially zoned land in Kawerau, New Zealand, where we will establish our flagship manufacturing facility. We have initiated crucial processes such as obtaining resource consents, earthworks consents, and geotechnical investigations, with detailed plant design set to begin in May 2024.

The substantial demand for fossil fuel alternatives is evident, as highlighted by the numerous offtake agreements secured for our torrefied pellets and pine chemicals with world-class companies. These agreements underscore the global appetite for sustainable energy solutions. On the supply side, we have solidified an agreement with PF Olsen, ensuring 60% of the required raw feedstock for the initial stage of production.

Our success is not solely dependent on industrial progress but also on the strength of our community connections. Participating in Fieldays, the Southern Hemisphere's largest agricultural event in Hamilton, New Zealand, provided a valuable opportunity to introduce Foresta to the community and gain valuable insights from shareholders, stakeholders, politicians, and local residents. It was an energizing experience that reinforced our commitment to fostering strong relationships within the community.

In July 2024, we announced the resignation of our Managing Director, Mr. Ramon Mountfort. On the same day, the Board welcomed Mr. Russell Allen as a Non-Executive Director. Mr. Allen brings a wealth of business experience and expertise, making him a valuable addition to our Board. Since the MD's departure, we have worked closely with the leadership team to stabilize the company, focusing on reducing cash flow and strengthening short-term investments.

Looking ahead, we are actively developing a comprehensive plan to propel the Company forward. Our commitment to you, our shareholders, remains unwavering, and we are dedicated to building a positive future for Foresta.

We will continue to keep you informed of significant developments. Rest assured that transparency and accountability are paramount, and we are committed to maintaining the highest standards in our management and operations. We are excited about the future of Foresta under the leadership of the current Board of Directors.

Should you have any questions, please do not hesitate to contact us at info@forestagroup.com.au.

Thank you for your continued support.

Sincerely,

Henry Cheng

Executive Chairman

Foresta Group Holdings Limited (ASX: FGH)

30 August 2024



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue			
Revenue from contracts with customers	2	-	15,792
Insurance recoveries		956	403,136
Other income	4	40,216	39,340
Expenses			
Plant operating expenses		(151,328)	(603,736)
Depreciation and amortisation	5	(323,381)	(616,646)
Employee and consultant expenses	5	(3,116,423)	(3,357,597)
Other expenses		(848,412)	(1,057,615)
Finance expense	5	(186,475)	(499,853)
Share-based payments		(50,000)	(112,339)
Loss on sale of fixed assets		(36,728)	-
Loss on write-off of fixed assets		-	(2,196,693)
Impairment of assets	5	(6,260,280)	(105,666)
Foreign currency gain / (loss)		(102,753)	(114,911)
Loss before income tax		(11,034,610)	(8,206,788)
Income tax expense	6	-	-
Loss for the year after income tax expense		(11,034,610)	(8,206,788)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(11,034,610)	(8,206,788)
Earnings per share from continuing operations			
		Cents	Cents
Basic loss per share	3	(0.50)	(0.44)
Diluted loss per share	3	(0.50)	(0.44)

Note: This statement should be read in conjunction with the notes to the financial statements.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	7	185,748	1,439,582
Trade and other receivables	8	77,361	532,140
Inventories	10	3,303	34,203
Other current assets	11	71,403	211,286
Non-current assets held for sale	9	124,492	1,250,173
Total Current Assets		462,307	3,367,384
Non-Current Assets			
Trade and other receivables	12	400,000	-
Property, plant and equipment	13	938,487	6,103,431
Right-of-use assets	14	471,622	1,316,723
Other non-current assets	15	37,899	37,970
Total Non-Current Assets		1,848,008	7,558,124
Total Assets		2,310,315	10,925,508
Current Liabilities			
Trade and other payables	16	430,690	360,862
Borrowings	17	45,234	44,627
Lease liability	18	141,656	109,464
Provisions	19	160,364	150,036
Liabilities directly associated with non-current assets held for sale	9	72,561	778,676
Total Current Liabilities		836,644	1,443,665
Non-Current Liabilities			
Borrowings	20	85,312	-
Lease liability	21	1,129,101	1,447,020
Provisions	22	52,910	36,816
Total Non-Current Liabilities		1,267,323	1,483,836
Total Liabilities		2,103,967	2,927,501
Net Assets		206,348	7,998,007
Equity			
Issued capital	23	35,566,330	32,406,009
Reserves	24	1,267,926	1,185,296
Accumulated losses	25	(36,627,908)	(25,593,298)
Total Equity		206,348	7,998,007

Note: This statement should be read in conjunction with the notes to the financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Issued Capital \$	Accumulated Losses \$	Share Based Payment Reserve \$	Total Equity \$
Balance at 1 July 2022	23,146,672	(17,386,510)	928,552	6,688,714
Loss after income tax expense for the year	-	(8,206,788)	-	(8,206,788)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	(8,206,788)	-	(8,206,788)
Transactions with owners in their capacity as owners				
Shares issued (note 23)	8,124,000	-	-	8,124,000
Share issue transactions costs (note 23)	(542,440)	-	-	(542,440)
Shares issued - convertible notes (note 23)	1,677,777	-	-	1,677,777
Share-based payments - options & rights (note 24)	-	-	256,744	256,744
Total transactions with owners	9,259,337	-	256,744	9,516,082
Balance as at 30 June 2023	32,406,009	(25,593,298)	1,185,296	7,998,007
Balance at 1 July 2023	32,406,009	(25,593,298)	1,185,296	7,998,007
Loss after income tax expense for the year	-	(11,034,610)	-	(11,034,610)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	(11,034,610)	-	(11,034,610)
Shares issued (note 23)	3,495,758	-	-	3,495,758
Share issue transactions costs (note 23)	(335,437)	-	-	(335,437)
Shares issued - convertible notes (note 23)	-	-	-	-
Share-based payments - options & rights (note 24)	-	-	82,630	82,630
Total transactions with owners	3,160,321	-	82,630	3,242,951
Balance as at 30 June 2024	35,566,330	(36,627,908)	1,267,926	206,348

Note: This statement should be read in conjunction with the notes to the financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Net cash flows from operating activities			
Receipts from customers		59,149	70,361
Insurance recoveries		-	3,136
Other Income		100,000	-
Payments to suppliers & employees		(4,077,426)	(5,180,416)
Interest received		1,036	4,991
Interest paid		(156,678)	(264,032)
R&D tax incentive refund		-	1,904,849
Net cash used in operating activities	32(b)	(4,073,919)	(3,461,111)
Cash flows from investing activities			
Payment for property, plant and equipment		(558,889)	(2,525,303)
Receipts on sale of property, plant and equipment		1,265,095	148,182
Net cash used in investing activities		706,206	(2,377,121)
Cash flows from financing activities			
Proceeds from issue of share capital		3,481,908	8,124,000
Share issue transaction costs		(288,957)	(542,440)
Proceeds from borrowings		145,952	198,079
Repayment of borrowings		(845,438)	(888,783)
Payment of principal portion of lease costs		(358,854)	(296,784)
Net cash provided by (used in) financing activities		2,134,611	6,594,072
Net increase in cash and cash equivalents		(1,233,102)	755,840
Foreign exchange losses		(20,733)	(61,578)
Cash and cash equivalents at the beginning of the period		1,439,583	745,320
Cash and cash equivalents at the end of the period	32(a)	185,748	1,439,582

Note: This statement should be read in conjunction with the notes to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

This preliminary final report has been prepared in accordance with ASX listing rule 4.3A and the disclosure requirements of ASX Appendix 4E. The preliminary final report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the last annual report issued for the period ended 30 June 2023 and any public announcements made by Foresta Group Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

2. Revenue from contracts with customers

The disaggregation of revenue from contracts with customers is as follows:

Consolidated	Woodchip	Total
	\$	\$
30 Jun 2023		
Timing of revenue recognition		
Goods transferred at a point in time	15,792	15,792
Total Revenue	15,792	15,792
30 Jun 2024		
Timing of revenue recognition		
Goods transferred at a point in time	-	-
Total Revenue	-	-

3. Earnings per share

Both the basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the parent company as the numerator.

Reconciliation of earnings used in calculating earnings per share	2024	2023
	\$	\$
Loss attributable to the owners of Foresta Group Holdings Limited used in the calculation of basic and dilutive EPS	(11,034,610)	(8,206,788)
Loss attributable to the owners of Foresta Group Holdings Limited	(11,034,610)	(8,206,788)
Weighted average number of ordinary shares	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	2,204,091,728	1,855,062,114
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per shares	2,204,091,728	1,855,062,114
Loss per share and Diluted loss per share (cents)	0.50	0.44

Calculation of dilutive EPS

As at 30 June 2024 there were 484,806,350 unlisted options on issue which have vested. The 484,806,350 unlisted options that have vested were excluded from the calculation of diluted earnings per share due to the Group being in a loss position.

As at 30 June 2023, there were 193,212,987 unlisted options on issue which had vested and were excluded from the calculation of diluted earnings per share due to the Group being in a loss position. There were also 16,500,000 unlisted performance rights on issue which have not yet vested.

4. Other Income

Consolidated	2024 \$	2023 \$
Interest income	1,036	4,991
Other revenue	3,648	23,338
Gain on disposal of assets	35,533	11,011
Total	40,216	39,340

5. Expenses

Loss before income tax from continuing operations includes the following specific expenses:

Consolidated	Note	2024 \$	2023 \$
Depreciation expense			
Depreciation of property, plant and equipment	13	174,920	501,807
Depreciation of right of use assets	14	148,461	114,840
Total		323,381	616,647
Employee and consultant expenses			
Salaries and wages		2,271,686	2,150,739
Superannuation		104,401	179,097
Payroll tax		2,088	36,526
Staff training		2,038	1,362
Recruitment costs		933	37,930
Adjustment to accrued benefits		(66,222)	-
Other employee cost		24,253	55,986
Consultant fees		777,246	895,957
Total		3,116,423	3,357,597
Finance expenses			
Finance costs on borrowings		81,070	211,311
Interest on leases		105,405	141,571
Finance costs on convertible notes		-	20,234
Other finance expenses		-	126,737
Total		186,475	499,853
Impairment of assets			
Impairment of fixed assets	13	5,708,469	94,005
Impairment of right-of-use assets	14	551,811	11,661
Total		6,260,280	105,666

6. Income Tax

Reconciliation between the income tax benefit and the expected tax expense (income) based on the Group's applicable income tax rate is as follows:

	2024 \$	2023 \$
Loss before income tax	(11,034,610)	(8,206,788)
Income tax at 25%	(2,758,652)	(2,051,697)
Loss relating to foreign subsidiary	308,324	33,044
Expenditure not allowable for income tax purposes	12,500	28,162
Movement in unrecognised tax losses and temporary differences	1,309,429	1,990,491

Deferred income tax	2024 \$	2023 \$
Deferred tax assets		
-Provisions	48,918	59,120
-Share capital costs	264,402	279,216
-Patents	94,650	97,611
-Right of use leases	290,167	354,572
-Tax losses	9,417,582	8,758,684
Total deferred tax asset	10,115,719	9,549,204

Deferred tax liabilities		
-Trade and other payables	(100,000)	(100,000)
-Property, plant and equipment	(126,770)	(865,391)
-Prepayments and other assets	(12,308)	(16,601)
Total deferred tax liability	(239,078)	(981,992)

Net deferred tax asset/ (liability)	9,876,641	8,567,212
Deferred tax asset not recognised	(9,876,641)	(8,567,212)
Net deferred tax asset/ (liability) recognised	-	-

Deferred income tax (continued)	2024 \$	2023 \$
Carried forward tax losses	37,670,328	35,034,738
Unused tax losses for which no deferred tax asset has been recognised	39,506,563	34,268,847
Potential tax benefit at 25%	9,876,641	8,567,212

Losses

At 30 June 2024, the Group has carried forward tax losses of \$37,670,328 (2023: \$35,034,738) of which \$39,506,563 (2023: \$34,268,847) has no deferred tax asset recognised. The deferred tax asset which may be derived from these tax losses, has not been carried forward as an asset in the balance sheet and will only be recognised if:

- The Group derives assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;
- the Group continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

Offsetting within a tax consolidated group

Foresta Group Holdings Limited and its wholly owned subsidiaries form a consolidated tax group, whereby the entities are taxed as a single entity. Accordingly, the deferred tax assets and deferred tax liabilities have been offset in the consolidated financial statements.

7. Current assets - cash and cash equivalents

	2024 \$	2023 \$
Cash and cash equivalents include the following components:		
Cash at bank and in hand	185,748	1,439,582
Cash and cash equivalents	185,748	1,439,582

8. Current assets - trade and other receivables

	2024 \$	2023 \$
Trade receivables	-	22,257
Allowance for expected credit losses	-	-
Net trade receivables	-	22,257
Insurance receivable	-	400,000
GST receivable	77,360	109,883
Total Trade and other receivables	77,360	532,140

Trade receivables are initially recognised at fair value a less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

9. Non-current assets held for sale

The Group has identified several assets located at the Isis Central operational site which would be uneconomical to transport to New Zealand. The Group is currently actively advertising the assets for sale.

Non-current asset held for sale:

Consolidated	2024 \$	2023 \$
Asset held for sale	124,492	1,250,173
Total assets held for sale	149,565	1,250,173

Liabilities directly associated with non-current assets held for sale:

Consolidated	2024 \$	2023 \$
Liabilities directly associated with non-current assets held for sale	72,561	778,676
Total liabilities directly associated with non-current assets held for sale	72,561	778,676

10. Current assets - inventories

Consolidated	2024 \$	2023 \$
Diesel	3,303	4,128
Light fuel oil	-	30,075
Inventories	3,303	34,203

Inventory consists of raw materials stated at the lower of cost and net realisable value on an average cost basis.

11. Current assets - other

Consolidated	2024 \$	2023 \$
Prepayments	71,403	104,948
Deposits	-	6,338
Security deposits (bank guarantees)	-	100,000
Other current assets	71,403	211,286

12. Non-current assets – trade and other receivables

	2024 \$	2023 \$
Trade receivables	-	-
Allowance for expected credit losses	-	-
Net trade receivables	-	-
Insurance receivable	400,000	-
Total Trade and other receivables	400,000	-

13. Non-current assets - property, plant and equipment

Property, plant and equipment are included in the accounts, at cost, on the following basis:

Consolidated	Plant & Equipment \$	Motor Vehicles \$	Leasehold Improve- ments \$	Work in Progress \$	Total \$
Cost	1,386,482	141,436	78,829	4,984,757	6,591,504
Accumulated depreciation and impairment	(434,685)	(40,324)	(13,064)	-	(488,073)
Closing balance at 30 June 2023	951,797	101,112	65,765	4,984,757	6,103,431
Cost	50,669	354,312	-	612,597	1,017,578
Accumulated depreciation and impairment	(11,716)	(67,375)	-	-	(79,091)
Closing balance at 30 June 2024	38,953	286,937	-	612,597	938,487

Movements in carrying amounts for each class of property, plant and equipment

All depreciation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

Consolidated	Plant & Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Work in Progress \$	Total \$
Opening written down value 1 July 2022	4,966,840	15,348	73,648	3,120,395	9,467,301
Additions	143,582	105,012	-	1,864,362	2,265,111
Impairment	(94,005)	-	-	-	(105,666)
Disposals	(2,339,018)	(753)	-	-	(2,339,771)
Transfer of assets held for sale	(1,250,173)	-	-	-	(1,250,173)
Depreciation	(475,429)	(18,495)	(7,883)	-	(616,647)
Closing balance at 30 June 2023	951,797	101,112	65,765	4,984,757	7,420,155
Opening written down value 1 July 2023	951,797	101,112	65,765	4,984,757	7,420,155
Additions	23,153	212,875	-	513,849	749,877
Impairment	(764,578)	-	(57,882)	(4,886,009)	(6,405,109)
Transfer of assets held for sale	(14,385)	-	-	-	(14,385)
Disposals	(17,047)	-	-	-	(17,047)
Depreciation	(139,987)	(27,050)	(7,883)	-	(323,381)
Closing balance at 30 June 2024	38,953	286,937	-	612,597	1,410,109

Leased assets

The Group leases land and buildings for its offices, motor vehicles and plant and equipment used in its operations. The lease terms consist of:

Plant and equipment 1-5 years

Impairment Testing of Plant and Equipment - Work in Progress

Management has reviewed the plant purchased and stored in New Zealand, specifically the second-hand extraction plant purchased in 2022. Management believes the plant has deteriorated significantly and would require significant repair before it can be reutilised. Management has decided to scrap the plant and plans to purchase a new extraction plant upon funding of the New Zealand project. An impairment of \$4,886,009 was accounted for in line with AASB 136 *Impairment of Assets*.

On 26 August 2024, the Company announced its decision to scrap the extraction plant.

Impairment Testing of Plant and Equipment

Management has reviewed the assets held at the Apple Tree Creek site. As a result of the decision to exit the lease, management have been advertising marketable assets for sale, as classified under Non-current Assets Held for Sale (see Note 14). The remaining assets will be scrapped to ensure efficient clearing of the site in order to exit the lease. As a result, an impairment of \$794,599 was accounted for in line with AASB 136 *Impairment of Assets*.

Additionally, as management is working on exiting the Landsborough office lease, the assets held at the premises have also been assessed for impairment. An impairment of \$57,882 was recognised in relation to Leasehold Improvements associated with the Landsborough office, and an additional \$9,437 impairment was recognised for plant and equipment stored in the facility.

Disposals

The Group has started disposing of assets from the Isis Central operational site. Transporting the specified assets to New Zealand is deemed uneconomical and other assets have been decommissioned due to not meeting the Group's requirements for the New Zealand factory.

14. Right-of-use assets

Right-of-use assets are included in the accounts, at cost, on the following basis:

Consolidated	Property Leases – Right-of-use \$	Total \$
Cost	1,742,997	1,742,997
Accumulated depreciation and impairment	(426,274)	(426,274)
Closing balance at 30 June 2023	1,316,723	1,316,723
Cost	1,741,262	1,741,262
Accumulated depreciation and impairment	(331,153)	(331,153)
Closing balance at 30 June 2024	1,410,109	1,410,109

Movements in carrying amounts for right-of-use assets

All depreciation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

Consolidated	Property Leases – Right-of-use \$	Total \$
Opening written down value 1 July 2022	1,291,070	1,291,070
Additions	152,155	152,155
Impairment	(11,662)	(11,662)
Depreciation	(114,840)	(114,840)
Closing balance at 30 June 2023	1,316,723	1,316,723
Opening written down value 1 July 2023	1,316,723	1,316,723
Additions	-	-
Impairment	(696,640)	(696,640)
Depreciation	(148,461)	(148,461)
Closing balance at 30 June 2024	471,622	471,622

Leased assets

The Group leases land and buildings for its offices used in its operations. The lease terms consist of:

Operational site - Isis Central	16 years
Corporate office - Landsborough	3 years
Corporate office - Papamoa	2 years

The operational site lease includes an option in favour of the Group for an additional 10 years, and the corporate office include options for an additional 5 and 3 years respectively. The right-of-use assets included above have been calculated on the fixed lease period and do not include the potential option period.

The Group's obligations under its leases are secured by the lessor's title to the leased assets.

Impairments Testing of Apple Tree Creek

As a result of the decision to move the factory to New Zealand, management is working with the owners to exit the Apple Tree Creek site. The significant change in the planned use of the site is regarded as an indicator of impairment and the Company has assessed the right-of-use asset on 30 June 2024 to ensure that the asset is not accounted for at more than its recoverable amount.

The assessment has resulted in \$434,071 being accounted for as an impairment expense on 30 June 2024, on the basis that the market value of similar properties advertised for lease is less than the current terms of the Apple Tree Creek property.

Impairments Testing of Landsborough

Management also assessed the right-of-use asset associated with its Landsborough office lease to ensure that it is not accounted for in excess of its recoverable amount. Additionally, the right-of-use asset and lease originally recognised included management's expectation to renew the lease for a further 5 years upon the original 5-year lease term. Management is now following the process for the early termination of the lease.

After assessing the future use of the office lease, management accounted for an impairment totalling \$262,569 on 30 June 2024 – impairing the full right-of-use asset.

15. Non-current assets - other

Consolidated	2024 \$	2023 \$
Deposits	37,899	37,970
Other non-current assets	37,899	37,970

16. Current liabilities - trade and other payables

Trade and other payables consist of the following:

Consolidated	2024 \$	2023 \$
Trade payables	391,389	215,611
Accruals	39,301	145,251
Total trade and other payables	430,690	360,862

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial reporting period and which are unpaid. Due to their short-term nature, they are measured at amortised cost and not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

17. Current liabilities - borrowings

Consolidated	2024 \$	2023 \$
Vehicle finance	13,862	-
Insurance premium funding	31,372	44,627
Current borrowings	45,234	44,627

18. Current liabilities - lease liabilities

Consolidated	2024 \$	2023 \$
Lease liabilities	127,796	109,464
Current lease liabilities	127,796	109,464

19. Current liabilities - provisions

Consolidated	2024 \$	2023 \$
Employee leave entitlements ^A	105,364	86,581
Mining rehabilitation provisions ^B	50,000	50,000
Provision for make good ^C	5,000	13,455
Total current provisions	160,364	150,036

- A. These liabilities represent the Group's obligations to its current employees that are expected to be settled within the 12 months after reporting date.
- B. Foresta Group Holdings Limited's subsidiary AQL Mining Pty Ltd is required to restore the mining leases held in Karratha, Western Australia, to the extent required by the mining approvals. A provision for rehabilitation has been recognised for the present value of the estimated expenditure required to restore the ground site on cessation of mining. Restoration of the mining leases is progressing, and the provision is still considered an accurate estimate of the remaining liability.
- C. The Group is in the process of rebuilding fixtures to the Isis Central site which were originally constructed by the landowner and provision has been made for anticipated future costs.

20. Non-current liabilities - borrowings

Consolidated	2024 \$	2023 \$
Vehicle finance	85,312	-
Non-current borrowings	85,312	-

21. Non-current liabilities - lease liabilities

Consolidated	2024 \$	2023 \$
Lease liabilities	1,129,101	1,447,020
Non-current lease liabilities	1,129,101	1,447,020

22. Non-current liabilities - provisions

Consolidated	2024 \$	2023 \$
Employee leave entitlements ^(a)	48,346	32,222
Provision for make good	4,564	4,594
Total non-current provisions	52,910	38,816

- (a) These liabilities represent the Group's obligations to its current employees in relation to long service leave that are expected to be settled greater than 12 months after reporting date.

23. Equity - issued capital

The current issued share capital of Foresta Group Holdings Limited consists only of fully paid ordinary shares; the shares do not have a par value. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Group, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

	2024 Number	2024 \$	2023 Number	2023 \$
Movements in ordinary share capital				
Balance at beginning of financial year	2,062,038,878	32,406,009	1,582,112,943	23,146,672
Shares issued (a)	-	-	156,666,667	4,700,000
Conversion of notes (b)	-	-	55,925,935	1,677,777
Rights exercised (c)	-	-	2,000,000	-
Shares issued (d)	-	-	13,333,333	400,000
Shares issued (e)	-	-	252,000,000	3,024,000
Shares issued (f)	3,424,658	50,000	-	-
Shares issued (g)	174,093,234	2,262,508	-	-
Shares issued (h)	5,384,616	70,000	-	-
Shares issued (i)	4,166,667	50,000	-	-
Shares issued (j)	106,325,000	1,063,250	-	-
Transaction costs	-	(335,437)	-	(542,440)
Total contributed equity	2,355,433,053	35,566,330	2,062,038,878	32,406,009

Notes for the above table, relating to the year ended 30 June 2023, are:

- (a) On 20 July 2022, Foresta Group Holdings Limited successfully completed a placement raising \$4,700,000 through the issue of 156,666,667 ordinary shares.
- (b) On 20 July 2022, 1,510,000 notes were converted into 55,925,935 ordinary shares, at a total value of \$1,677,777. The convertible notes were issued to external investors in May 2022.
- (c) On 20 July 2022, Drew Speedy exercised his performance rights after meeting the performance requirements.
- (d) On 9 September 2022, Foresta Group Holdings Limited successfully completed a placement raising \$400,000 through the issue of 13,333,333 ordinary shares. The placement was agreed to along with the July 2022 placement, with deferred settlement terms.
- (e) On 5 April 2023, Foresta Group Holdings Limited successfully completed a placement raising \$3,024,000 through the issue of 252,000,000 ordinary shares.

Notes for the above table, relating to the year ended 30 June 2024, are:

- (f) On 28 August 2023, the Company issued 3,424,658 ordinary shares at a value of \$50,000 to fund corporate advisory services.
- (g) On 16 October 2023, Foresta Group Holdings Limited successfully completed a placement raising of \$2,262,508 through the issue of 174,093,234 ordinary shares.
- (h) On 28 November 2023, Shareholders approved the issue of 5,384,616 ordinary shares, raising \$70,000.
- (i) On 26 February 2024, the company issued 4,166,667 ordinary shares at a value of \$50,000 to fund corporate advisory services.
- (j) On 20 May 2024, Foresta Group Holdings Limited successfully completed a placement raising \$1,063,250 through the issue of 106,325,000 ordinary shares.

24. Equity - reserves

	2024 \$	2023 \$
Share-based payments reserve		
Movements:		
Balance at beginning of the financial year	1,185,296	928,552
Share-based payment expense	-	112,339
Share-based payment capitalised transaction costs	82,630	144,405
Balance at the end of the financial year	1,267,926	1,185,296

The reserve records the value of equity benefits, i.e. share-based payments, provided to employees and directors as part of their remuneration, as well as to suppliers. Refer to Note 30 Share-Based Payments for further details of these plans.

25. Equity - accumulated losses

Consolidated	2024 \$	2023 \$
Balance at beginning of the financial year	(25,593,298)	(17,386,510)
Loss after income tax for the year	(11,034,610)	(8,206,788)
Balance at the end of the financial year	(36,627,908)	(25,593,298)

26. Financial instruments

The Group's principal financial instruments comprise of lease liabilities, borrowings, receivables, payables, derivatives, and cash and short-term deposits.

Primary responsibility for the identification and control of financial risks rests with the Board. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessment of market forecasts for interest rate and foreign exchange. The Group manages credit risk by only dealing with recognised, creditworthy, third parties and liquidity risk is monitored through the development of future rolling cash flow forecasts.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a change in interest rate will affect future cash flows. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash investments. Surplus funds are invested in interest bearing deposits and are managed by the directors and monitored on a regular basis.

At reporting date, the Group had the following exposure to variable interest rate risk:

Financial assets	2024 \$	2023 \$
Cash at bank	185,748	1,439,582
Security deposits (bank guarantees)	-	100,000
	184,748	1,539,582

Borrowings disclosed in Notes 20 have not been included in the above table as the applicable interest rates are fixed.

The following table summarises the impact of reasonably possible changes in interest rates for the Group at 30 June 2024. The sensitivity is based on the assumption that interest rate changes by 50 basis points (2023: 50 basis points) with all other variables held constant. The 50-basis points sensitivity is based on reasonably possible changes over the reporting period.

Impact on post tax profit and equity	2024	2023
Higher / (lower)	\$	\$
50bp increase (2023: 50bp)	929	7,698
50bp decrease (2023: 50bp)	(929)	(7,698)

The analysis above excludes borrowings and lease liabilities as both are contracted under fixed interest rates.

Foreign currency risk

The Group has foreign currency risk exposure on cash reserves and has transactional exposures arising from the payment of foreign currency invoices. The Company is exposed to movements in US dollar and NZ dollar on cash reserves.

At the reporting date the Group had the following exposure to foreign currencies.

Financial assets	2024	2023
	\$	\$
<i>Cash and cash equivalents</i>		
- USD	175	176
- NZD	35,219	53,172
	35,394	53,348

The following table summarises the impact of reasonably possible changes in foreign currency exchange rates for the Group at 30 June 2024 on recognised financial assets at the reporting date. The sensitivity is based on the assumption that the exchange rates change by increasing 10% or decreasing 10% with all other variables held constant. These 10% sensitivities are based on reasonably possible changes over the reporting period, using the observed range of actual historical rates for the preceding three-year period. The analysis is performed on the same basis for the comparative period.

Impact on post tax profit and equity	2024	2023
Higher / (lower)	\$	\$
- AUD/USD +10% (2023: +10%)	(16)	(16)
- AUD/USD -10% (2023: +10%)	19	19
- AUD/NZD +10% (2023: +10%)	(3,170)	(4,785)
- AUD/NZD -10% (2023: +10%)	3,874	5,849

Credit risk

Credit risk arises in the event that a counterparty will not meet its obligations under a financial instrument leading to financial losses. The Group is exposed to credit risk from its operating activities and financing activities including deposits with banks.

The credit risk control procedure adopted by the Group is to assess the credit quality of the institution with which funds are deposited or invested, taking into account its financial position and past experiences. The limits are assigned to minimise the concentration of risks and mitigate financial loss through potential counterparty failure. Compliance with credit limits is regularly monitored as part of day-to-day operations. Any credit concerns are highlighted to the Board.

Credit Quality of Financial Assets	S&P Credit Rating	
	A1+ \$	Unrated \$
30 June 2023		
Cash and cash equivalents	1,439,582	-
Receivables	-	532,140
Number of Counterparties	2	8
Largest counterparty (%)	97%	75%

Credit Quality of Financial Assets	S&P Credit Rating	
	A1+ \$	Unrated \$
30 June 2024		
Cash and cash equivalents	185,748	-
Receivables	-	477,360
Number of Counterparties	2	3
Largest counterparty (%)	82%	84%

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors.

The Group manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short-term investments. The Group's liquidity needs can be met through a variety of sources, including:

- cash generated from operations and the sale of assets,
- short- and long-term borrowings, and
- issue of equity instruments.

Alternatives for sourcing the Group's future capital needs include current cash position, future operating cash flow, debt financings and equity raisings. These alternatives are evaluated to determine the optimal mix of capital resources.

The following table details the Group's non-derivative financial instruments according to their contractual maturities. The amounts disclosed are based on contractual undiscounted cash flows. As a result, these balances may not agree with the amounts disclosed in the statement of financial position.

As at 30 June 2023	Less than 12 months	1-5 years	More than 5 years
	\$	\$	\$
Trade and other payables	360,862	-	-
Lease Liabilities	160,488	605,049	1,030,955
Borrowings	44,627	-	-
Liabilities associated with non-current assets held for sale	778,676	-	-
Total	1,344,653	605,049	1,030,955

As at 30 June 2024	Less than 12 months \$	1-5 years \$	More than 5 years \$
Trade and other payables	430,690	-	-
Lease Liabilities	141,657	540,593	857,988
Borrowings	31,372	-	-
Liabilities associated with non-current assets held for sale	72,561	-	-
Total	676,280	540,593	857,988

Capital risk management

When managing capital (being equity and long-term debt) management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits to other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity reflecting the current business status of the entity.

Management constantly adjusts the capital structure to take advantage of favourable costs of capital or high return on assets. As the market is constantly changing, management may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group does not currently have a dividend policy.

The Group monitors its capital through monthly Board reporting including management accounts and forecasts combined with appropriate external financial, corporate and legal advice when required. Due to the nature of the operations of the Group and its financial position, Management does not have a target debt/equity ratio. Management prefers to maintain a flexible financing structure.

The Group is not subject to any externally imposed capital requirements.

27. Key management personnel disclosures

Key management personnel compensation:

Consolidated	2024 \$	2023 \$
Short-term employee benefits	1,083,092	826,527
Post-employment benefits	-	42,459
Share-based payments	-	80,890
Total	1,083,092	949,876

28. Remuneration of auditors

	2024 \$	2023 \$
Audit and review of financial statements	60,000	95,825
Taxation compliance services	13,900	13,900
Total auditor's remuneration	73,900	109,725

29. Related party transactions

Parent Entity

The Parent entity within the Group is Foresta Group Holdings Limited. The Company is listed on the Australian Securities Exchange with no shareholders exerting significant influence, other than those that are also key management personnel.

Subsidiaries

Interests in subsidiaries are set out in subsidiaries Note 35.

Key Management Personnel

Disclosures relating to the remuneration of key management personnel are set out in Note 29 and also further details are included in the Remuneration Report contained in the Directors' Report.

Transactions with related parties

The following transactions occurred with related parties:

Consolidated	2024 \$	2023 \$
Payment for services:		
Payment for corporate advisory services from Tegis Pty Ltd (Director related entity of T Gray)	-	60,000
Payment for corporate advisory services from Formosa Resources Pty Ltd (Director related entity of H Cheng and M Fabiani)	542,325	199,725
Payment for corporate advisory services from Formosa Executive Pty Ltd (Director related entity of M Fabiani)	180,000	49,725
Salary payment to Ms. M Sutton (Director related party of R Mountfort)	64,817	94,838
Salary payment to Ms. A Da Silva (Director related party of R Mountfort)	9,270	-
Salary payment to Mr. J Collins (Director related party of R Mountfort)	14,651	-

There are no outstanding amounts receivable or payable at the reporting date in relation to transactions with related parties.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

30. Share-based payments

For the share options granted in the current period, the valuation model inputs used to determine the fair value at the grant date are as follows:

	Share Options	Share Options	Share Options
Exercise Price	\$0.020	\$0.020	\$0.020
Grant Date	16 Oct 2023	1 Dec 2023	20 May 2024
Expiry Date	16 Oct 2025	1 Dec 2025	20 May 2027
Risk-free rate	4.24%	4.24%	4.24%
Volatility	75.00%	75.00%	75.00%
Value per option	\$0.00581	\$0.00235	\$0.00340
Number of options	182,039,234	5,384,616	10,632,500
Total value of options	\$1,057,648	\$12,654	\$36,151
Amount expensed in current period	-	-	-
Amount to be expensed in future periods	-	-	-

The fair value of the equity-settled share options and performance rights is estimated at the date of grant using an appropriate option pricing model taking into account the terms and conditions upon which the equity securities were granted and any non-market-based performance conditions.

Share-based payment expense

Total expenses arising from share-based payment transactions recognised during the period as part of total comprehensive income for the year were as follows:

	2024	2023
	\$	\$
Share-based payments reserve		
Movements:		
Balance at beginning of the financial year	1,185,296	928,552
Cost of share-based payment	-	112,339
Share-based payment capitalised transaction costs	82,630	144,405
Balance at the end of the reporting period	1,267,926	1,185,296

Option summary and weighted average exercise prices

Share options and weighted average exercise prices "WAEP" are as follows for the reporting periods presented:

	Number of options 2024	WAEP \$ 2024	Number of options 2023	WAEP \$ 2023
Outstanding at the beginning of the year	403,212,987	0.045	39,879,170	0.051
Granted during the year	198,056,350	0.020	364,962,985	0.045
Exercised during the year	-	-	-	-
Expired during the year	(116,462,987)	0.050	(1,629,168)	0.211
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	484,806,350	0.033	403,212,987	0.045

There are no options that were issued but not vested at 30 June 2024 (nil unvested at 30 June 2023).

Outstanding options

The outstanding balance of options at 30 June 2024 is represented below:

Grant Date	Expiry Date	Exercise Price	Share options 2024	Share options 2023
14 September 2018	14 September 2023	\$0.177	-	1,275,000
20 December 2018	1 February 2024	\$0.177	-	1,275,000
20 December 2018	1 April 2024	\$0.294	-	850,002
17 February 2020	1 March 2025	\$0.023	24,750,000	24,750,000
29 April 2021	29 April 2024	\$0.130	-	100,000
5 May 2022	30 June 2025	\$0.040	10,000,000	10,000,000
7 September 2022	31 August 2023	\$0.045	-	112,962,985
5 April 2023	31 December 2025	\$0.045	42,000,000	42,000,000
15 June 2023	31 December 2025	\$0.045	210,000,000	210,000,000
16 October 2023	16 October 2025	\$0.020	182,039,234	-
1 December 2023	1 December 2025	\$0.020	5,384,616	-
20 May 2024	20 May 2027	\$0.020	10,632,500	-
Total			484,806,350	403,212,987
The weighted average remaining life of the options outstanding at year-end.			1.40 years	1.77 years

Employee share option plan (ESOP)

A share option plan and performance rights plan has been established and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Board, grant options and performance rights over ordinary shares in the Company to eligible employees and consultants.

Options and rights may not be issued under the plans if the aggregate of the number of shares issued during the preceding five years under any Company employee incentive scheme (including the Company's existing option plan), disregarding excluded shares, and the number of shares which would be issued if each outstanding option issued under a plan were exercised, would exceed 5% of the total number of shares on issue at the time of the proposed offer.

31. Contingent assets**Insurance Claim**

During February 2022, the insurance underwriter confirmed indemnity over the property claim in connection with assets damaged in the Apple Tree Creek incident. Insurance proceeds of \$1,400,000 have been received to date and the Group has recognised a receivable of \$400,000 in the previous financial year for additional proceeds that are virtually certain based on current settlement offers.

The Group has engaged third-party claims preparation experts to assess and contest the insurer's assessment of its claim for repairs and replacement of damaged machinery and equipment. The insurer is currently in the process of reviewing the assessment and is expected to offer settlement terms upon their review. Management expects the settlement to exceed the \$400,000 recognised as a receivable in the previous financial year.

32. Commitments and contingent liabilities**Legal proceedings from the Office of Work Health and Safety Prosecutor (OWHSP)**

On 24 November 2023 the Group announced that the OWHSP had brought a claim and served a summons, statement of fact and complaint on the Company for an offence under section 32 of the Work Health and Safety Act 2011, following an investigation from Work Health and Safety Queensland. The investigation relates to the events on 12 November 2021 at the Group's facility in Apple Tree Creek, Queensland.

The maximum financial penalty to the Group is approximately \$1,500,000 (15,000 penalty units). The Court is currently conducting their review of all relevant information, and the Group will inform the public when the matter has been settled.

Public Liability Claim

The contractor that was injured during the explosion at the Apple Tree Creek plant on 12 November 2021 has lodged a liability claim against the Group for medical costs incurred as a result of the injury. The claim is currently administered on behalf of the Group by the Group's public liability insurer. The Group has insurance cover which is expected to cover any potential claim in full.

33. Notes to the statement of cash flows

a) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts.

Cash and cash equivalents at the end of the year as shown in the statement of cash flow is reconciled to the related item in the statement of financial position as follows:

	2024 \$	2023 \$
Cash and cash equivalents	185,748	1,439,582

b) Reconciliation of net loss for the period to cash flows provided by operating activities:

	2024 \$	2023 \$
Net loss for the period	(5,193,335)	(8,206,788)
Adjustments for:		
Depreciation	323,381	616,646
Share based payments	50,000	112,339
Finance costs on borrowing	36,942	244,585
Insurance recoveries related to property, plant and equipment	-	(400,000)
Loss on disposal and impairment of property plant and equipment	454,766	2,293,620
Unrealised loss on foreign exchange	20,732	61,578
Net changes in working capital:		
Change in trade and other receivables	41,068	26,797
Change in other assets	82,509	1,986,496
Change in trade and other payables	83,594	(190,228)
Change in provisions	26,422	(6,156)
Net cash provided/(used) in operating activities	(4,073,919)	(3,461,111)

c) Non-cash investing and financing activities

Settlement of executive and supplier payments by options and performance rights issued are non-cash transactions excluded from the statement of cash flows.

34. Parent entity information

Impairment testing

At each reporting date the parent assesses whether there is any indication that an investment in a subsidiary may be impaired. If any such indication exists, the Group estimates the recoverable amount of the investment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

An impairment loss of \$4,367,977 was recognised by the parent entity in operating loss for the year ended 30 June 2024 to adjust for recoverability of loans to and investments in subsidiaries. This impairment loss reduced the carrying value of the line-item investment in subsidiaries and loans to subsidiaries for the parent entity financial information but eliminates on consolidation.

- Loan to Leaf Sciences Pty Ltd – impairment expense \$902
- Loan to Leaf Research Pty Ltd – impairment expense \$594
- Loan to Leaf Malaysia OpCo Sdn. Bhd. – impairment expense \$10,592
- Loan to Essential Queensland Pty Ltd – impairment expense \$4,355,889

The parent entity does not have any guarantees held over debts of the subsidiaries, contingent liabilities or contractual commitments as at 30 June 2024. Contingencies and commitments at Note 32 relate to Essential Queensland Pty Ltd.

The individual financial statements for the parent entity show the following aggregate amounts:

	2024	2023
	\$	\$
Financial Position		
Assets		
Current assets	177,208	1,377,226
Non-current assets	1,513,433	5,255,984
Total assets	1,690,642	6,633,210
Liabilities		
Current liabilities	248,699	897,440
Non-current liabilities	151,100	349,932
Total liabilities	399,799	1,247,372
Equity		
Issued capital	80,276,022	77,115,701
Share based payments reserve	2,103,017	2,020,387
Retained losses	(81,088,196)	(73,750,249)
Total equity	1,290,843	5,385,839
Financial Performance		
Profit/(loss) before income tax	(7,337,947)	(15,544,789)
Income tax expense	-	-
Total comprehensive loss for the year	(7,337,947)	(15,544,789)

35. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy on consolidation. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the parent of the Group, and the proportion of ownership interests held equal the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name Unlisted:	Principal activities	Country of incorporation	Class of shares	Ownership interest	
				2024%	2023 %
<i>Essential Queensland Pty Ltd</i>	<i>Chemicals extraction</i>	<i>Australia</i>	Ord	100	100
<i>AQL Mining Pty Ltd</i>	<i>Mining of gravel and general fill</i>	<i>Australia</i>	Ord	100	100
<i>Farmacule BioIndustries Pty Ltd</i>	<i>Research & development</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Sciences Pty Ltd</i>	<i>Intellectual property owner</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Research Pty Ltd</i>	<i>Research & development</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Performance Plan Pty Ltd</i>	<i>Trustee of employee share trust</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Resources USA, LLC</i>	<i>Investor in Leaf Development, LLC</i>	<i>USA</i>	Ord	100	100
<i>Leaf Development LLC</i>	<i>Investment Company</i>	<i>USA</i>	Ord	80	80
<i>Leaf Malaysia OpCo Sdn. Bhd.</i>	<i>Investment Company</i>	<i>Malaysia</i>	Ord	100	100
<i>Foresta (NZ) Limited</i>	<i>Project company</i>	<i>New Zealand</i>	Ord	100	100

36. Events after the reporting period

Since 30 June 2024, the following matters have arisen which may significantly affect the operations of the Group:

- On 12 July 2024, Managing Director Mr Ramon Mountfort resigned from all positions effective immediately. His resignation was followed by the appointment of Mr Russell Allen as a Non-Executive Director to the Board, on the same day.
- On 31 July 2024, the Company announced that it successfully completed and received \$500,000 for Convertible Notes with a face value of \$0.01 and at a cost of 10% per annum capitalised annually and payable upon conversion or redemption. The conversion is subject to shareholder approval at the next Annual General Meeting. The conversion price is set at \$0.01 per share and for each share the investor will be granted a free-attaching unlisted option exercisable at \$0.02 per share that expires within one year of the grant date.
- The Company's registered address changed to Level 7, 330 Collins Street, Melbourne, Victoria 3000, effective 31 July 2024.

Consolidated entity disclosure statement

Name of entity	Type of entity	Trustee, partner, or participant in joint venture	% of share capital	Country of incorporation	Australian or foreign resident (for tax purposes)	Foreign tax jurisdiction(s) of foreign residents
Foresta Group Holdings Limited	Body Corporate	N/A	N/A	Australia	Australia	N/A
Essential Queensland Pty Ltd	Body Corporate	N/A	100%	Australia	Australia	N/A
AQL Mining Pty Ltd	Body Corporate	N/A	100%	Australia	Australia	N/A
Farmacule BioIndustries Pty Ltd	Body Corporate	N/A	100%	Australia	Australia	N/A
Leaf Sciences Pty Ltd	Body Corporate	N/A	100%	Australia	Australia	N/A
Leaf Research Pty Ltd	Body Corporate	N/A	100%	Australia	Australia	N/A
Leaf Performance Plan Pty Ltd	Body Corporate	N/A	100%	Australia	Australia	N/A
Leaf Resources USA, LLC	Body Corporate	N/A	100%	United States of America	Foreign	United States of America
Leaf Development LLC	Body Corporate	N/A	80%	United States of America	Foreign	United States of America
Leaf Malaysia OpCo Sdn. Bhd.	Body Corporate	N/A	100%	Malaysia	Foreign	Malaysia
Foresta (NZ) Limited	Body Corporate	N/A	100%	New Zealand	Foreign	New Zealand

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with the Corporations Act 2001, includes information for each entity that was part of the consolidated entity as at 30 June 2024 and has regards for the Australian Taxation Office's Practical Compliance Guidance 2018/9.

Determination of tax residency

Section 295(3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are different interpretations that could be adopted and which could give risk to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied the current legislation and guidance, including having regard to the Australian Taxation Office's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The consolidated entity has applied current legislation and where available, relevant revenue authority guidance in the determination of foreign tax residency.

