
FORCE COMMODITIES LIMITED**ABN 12 145 184 667****NOTICE OF ANNUAL GENERAL MEETING**

TIME: 11:00am (WST)**DATE:** Wednesday, 31 May 2017**PLACE:** Hotel Northbridge, Scarlet Room, 210 Lake Street. Northbridge, Western Australia 6003

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company Secretary on (+61 8) 9328 9368.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (WST) on Wednesday, 31 May 2017 at Hotel Northbridge, Scarlet Room, 210 Lake Street, Northbridge, Western Australia 6003.

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders by 11:00am on Monday, 29 May 2017.

Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return to the Company's share registry, Computershare Investor Services Pty Ltd, by:

- (a) **post** to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne, Victoria, 3001; or
- (b) **facsimile** on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside of Australia),

so that it is received not less than 48 hours prior to commencement of the Annual General Meeting.

Proxy Forms received later than this time will be invalid.

BUSINESS OF THE MEETING

Notice is hereby given that the Annual General Meeting of Shareholders will be held at 11:00am (WST) on Wednesday, 31 May 2017 at:

Hotel Northbridge
210 Lake Street
Northbridge, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and the Explanatory Statement are defined in the Glossary.

BUSINESS

1. ANNUAL REPORT

To table and consider the Annual Report of the Company and its controlled entities for the year ended 31 December 2016, which includes the Directors' Report, Financial Statements, Notes to the Financial Statements and the independent Auditor's Report.

Short Explanation: There is no requirement for Shareholders to approve the Annual Report. The tabling of the Annual Report provides an opportunity for Shareholders to ask any questions related to the Annual Report of the Company or make comment.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding ordinary resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2016."

Short Explanation: The Annual General Meeting of a listed company must propose that the Remuneration Report be adopted by Shareholders.

This resolution is advisory only and does not bind the Company or its directors.

If 25% or more of the votes that are cast are voted against the Remuneration Report, this will constitute the second consecutive AGM where 25% or more of the votes that are cast are voted against the Remuneration Report. In this event, Shareholders will be required to vote on Resolution 2 (a Spill Meeting Resolution) that if passed, will require another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must stand for re-election.

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – SPILL MEETING RESOLUTION

Note: this resolution will only be moved and put to the Meeting if at least 25% of the eligible votes cast on Resolution 1 are against adoption of the Remuneration Report.

If at least 25% of the eligible votes cast on Resolution 1 are against adoption of the Remuneration Report, then the following resolution shall be put:

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:

- a. *another general meeting of the Company (the **Spill Meeting**) be held within 90 days of the passing of this resolution;*
- b. *all of the directors in office when the Board resolution to make the Directors’ Report for the financial year ended 31 December 2016 was passed excluding the Company’s Managing Director (such Directors being Mr Mark Darras, Mr Alistair Stephens, Mr Peter Smith and Mr Patrick Glovac) and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- c. *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote of the Shareholders at the Spill Meeting.”*

Short Explanation: Under the Corporations Act, if 25% or more of eligible votes are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider appointment of directors of the company.

Voting Prohibition Statement: A vote on this resolution must not be cast (in any capacity) by or on behalf of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and

- (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR MARK DARRAS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Rule 49.1 of the Constitution and for all other purposes, Mr Mark Darras, a director of the Company who was appointed on 28 February 2017, retires and, being eligible, is re-elected as a director of the Company.”

Short Explanation: Pursuant to Rule 49.1 of the Constitution, a director who is appointed by the Directors must retire at the next meeting of Shareholders. A director who retires in accordance with Rule 49.1 of the Constitution is eligible for re-election at that meeting.

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR ALISTAIR STEPHENS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Rule 49.1 of the Constitution and for all other purposes, Mr Alistair Stephens, a director of the Company who was appointed on 28 February 2017, retires and, being eligible, is re-elected as a director of the Company.”

Short Explanation: Pursuant to Rule 49.1 of the Constitution, a director who is appointed by the Directors must retire at the next meeting of Shareholders. A director who retires in accordance with Rule 49.1 of the Constitution is eligible for re-election at that meeting.

6. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – MR PETER SMITH

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Rule 49.1 of the Constitution and for all other purposes, Mr Peter Smith, a director of the Company who was appointed on 27 March 2017, retires and, being eligible, is re-elected as a director of the Company.”

Short Explanation: Pursuant to Rule 49.1 of the Constitution, a director who is appointed by the Directors must retire at the next meeting of Shareholders. A director who retires in accordance with Rule 49.1 of the Constitution is eligible for re-election at that meeting.

7. RESOLUTION 6 – RATIFICATION OF JANUARY 2017 PLACEMENT OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 37,924,800 Shares, on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under ASX Listing Rule 7.1 provided that the issue did not breach ASX Listing Rule 7.1. The effect of such ratification is to restore the company's maximum discretionary power to issue further securities up to the 15% limit imposed by ASX Listing Rule 7.1.

Voting Exclusion: The Company will disregard any votes cast on this resolution by any person who participated in the issue and any of their associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for another person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for another person who is entitled to vote, in accordance with directions on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – 10% ENHANCED PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Short Explanation: Pursuant to ASX Listing Rule 7.1A an eligible company may seek approval from its Shareholders to increase its placement capacity by 10%, from 15% to 25%. Force Commodities Limited is an eligible company as at the date of this Notice of Meeting, and expects to remain so up until the date of the AGM.

Voting Exclusion: the Company will disregard any votes cast on this Special Resolution by any person and any of their associates of that person who:

- (a) may participate in the issue of Shares pursuant to the 10% Enhanced Placement Capacity; and
- (b) might obtain a benefit if this Special Resolution is passed, except a benefit solely in their capacity as a holder of Shares if the resolution is passed.

However, the Company need not disregard a vote on this Special Resolution if:

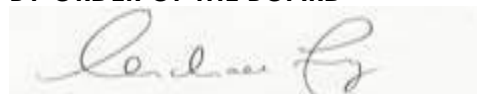
- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

9. OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

DATED: FRIDAY, 21 APRIL 2017

BY ORDER OF THE BOARD



**MICHAEL FRY
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

The Explanatory Statement should be read in conjunction with the Notice of Meeting.

Shareholders should read the Notice of Meeting and this Explanatory Statement carefully before deciding how to vote on the resolutions.

A Proxy Form is attached to the Notice of Meeting. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy will not preclude a Shareholder from attending and voting at the Meeting in person.

1. ANNUAL REPORT

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 31 December 2016.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's annual financial report is available at www.forcecommodities.com.au.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) to discuss the Annual Report for the financial year ended 31 December 2016.
- (b) to ask questions or make comment on the management of the Company.
- (c) to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

2.1 General

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Director's report contained in the annual financial report of the Company for the financial year ended 31 December 2016.

The annual report of the Company can be found on the Company's website at www.forcecommodities.com.au or at asx.com.au.

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, at two consecutive annual general meetings, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider appointment of directors of the company.

At last year's AGM, Shareholders holding 25% or more of the Company's shares cast votes against the adoption of the 2015 Remuneration Report. This resulted in what is referred to as a "first strike" under the executive remuneration provisions of the Corporations Act.

If (and only if) the votes cast against the 2016 Remuneration Report represent at least 25% of the eligible votes cast, the Company will receive a "second strike".

Under the Corporations Act, if the Company receives a second strike, a resolution must immediately be put to Shareholders, allowing Shareholders, if they so choose, to pass a resolution to hold fresh elections for Directors (**Spill Resolution**).

Resolution 2 is the Spill Resolution. If Resolution 2 is passed, it will be necessary for the Board to convene a further general meeting (**Spill Meeting**) of the Company within 90 days of the 2016 AGM in order to consider the composition of the Board. See the Explanatory Statement on Resolution 2 for more details.

2.2 Proxy Restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. RESOLUTION 2 – SPILL MEETING RESOLUTION**3.1 General**

This resolution will only be moved and put to the meeting if at least 25% of the eligible votes cast on Resolution 1 are against the adoption of the 2016 Remuneration Report. Such an against vote will constitute a second successive strike for the Company.

If the Company, receives a second strike and the resolution is passed, it will be necessary for the Board to convene a Spill Meeting of the Company within 90 days of the 2016 AGM in order to consider the composition of the Board.

If a Spill Meeting is held Mr Mark Darras, Mr Alistair Stephens, Mr Patrick Glovac and Mr Peter Smith will automatically vacate office at the conclusion of the Spill Meeting unless they are willing to stand for re-election and are re-elected at that meeting.

Even if Mr Mark Darras, Mr Alistair Stephens, Patrick Glovac and Mr Peter Smith are re-elected at this year's AGM, they will still need to stand to be re-elected at the Spill Meeting to remain in office after the Spill Meeting.

Following the Spill Meeting, those persons whose election or re-election as directors of the Company is approved will be directors of the Company.

3.2 Proxy Restrictions

Shareholders appointing a proxy for this Resolution should note the voting restrictions set out in Section 2.2 apply in the same manner to this Resolution.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR - MR MARK DARRAS

Rule 48.2 of the Constitution allows the Directors to appoint any person as a director of the Company, but only where the total number of Directors does not exceed the maximum number of 10 specified by the Constitution.

Pursuant to Rule 49.1 of the Constitution, any person so appointed holds office as a director of the Company only until the next meeting of Shareholders at which time he or she must retire but is then eligible for re-election.

Mr Darras, who was appointed as a director of the Company on 28 February 2017, will retire in accordance with Rule 49.1 of the Constitution and, being eligible, seeks re-election.

4.1 Qualifications and other material directorships

Mr. Darras, (LLM., BA., LLB., B.Ed) who is based in Melbourne, is a former lawyer practising in corporate advisory, commercial and corporate governance law, including director duties. He also has extensive board experience having served on boards such as Australia Post, John Holland Engineering, John Holland Queensland, the Forestry Corporation, Amanie Advisors, and has been a member of the Takeovers Panel. Mr Darras has worked and advised in various sectors, including infrastructure, mining and resources, FMCG, as well as Government, and has spent considerable time working in Asia.

4.2 Independence

Mr Darras has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

If elected the board considers Mr Darras will be an independent director.

4.3 Board recommendation

The Board supports the re-election of Mr Darras and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR - MR ALISTAIR STEPHENS

Rule 48.2 of the Constitution allows the Directors to appoint any person as a director of the Company, but only where the total number of Directors does not exceed the maximum number of 10 specified by the Constitution.

Pursuant to Rule 49.1 of the Constitution, any person so appointed holds office as a director of the Company only until the next meeting of Shareholders at which time he or she must retire but is then eligible for re-election.

Mr Stephens, who was appointed as a director of the Company on 28 February 2017, will retire in accordance with Rule 49.1 of the Constitution and, being eligible, seeks re-election.

5.1 Qualifications and other material directorships

Mr Stephens (BsC Hons, Grad Dip Fin. MBA, GAICD) has 30 years of professional experience in the resources industry. He has extensive experience in resource development, feasibility studies, operations, and marketing in precious, base and industrial minerals. With companies including Newmont, Normandy, KCGM, WMC Resources, Orica (explosives), Arafura Resources, and Globe Metals and Mining Ltd. With over 12 years in CEO and directorship roles in ASX listed companies, he brings leadership skills in corporate governance, stakeholder communications, strategic planning, finance, personnel management, marketing, mining and processing operations. He has undertaken business in Europe, Asia and Africa, and raised finance in Australia, Europe and Asia.

5.2 Independence

If elected the board does not consider Mr Stephens will be an independent director.

5.3 Board recommendation

The Board supports the re-election of Mr Stephens and recommends that Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5 – RE-ELECTION OF DIRECTOR - MR PETER SMITH

Rule 48.2 of the Constitution allows the Directors to appoint any person as a director of the Company, but only where the total number of Directors does not exceed the maximum number of 10 specified by the Constitution.

Pursuant to Rule 49.1 of the Constitution, any person so appointed holds office as a director of the Company only until the next meeting of Shareholders at which time he or she must retire but is then eligible for re-election.

Mr Smith, who was appointed as a director of the Company on 27 March 2017, will retire in accordance with Rule 49.1 of the Constitution and, being eligible, seeks re-election.

6.1 Qualifications and other material directorships

Mr Smith has extensive experience in the role of director having been a director of a number of publicly-listed companies and industry bodies including Western Metals, Evolution Mining, and the New South Wales Mineral Council. In addition, Mr Smith is a highly skilled and experienced mining industry senior executive with substantial experience both locally and internationally. In a career spanning 40 years in the mining industry, Mr Smith has held a number of senior executive positions with industry heavyweights Rio Tinto, WMC Resources, Newcrest Mining and Lihir Gold. Between 2010 and 2013, Mr Smith held the position of Executive General Manager of Operations (Australia and Indonesia) for Newcrest Mining Limited. Most recently, Mr Smith was Executive Vice President Potash and Magnesium for the ICL Group.

6.2 Independence

Mr Smith has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

If elected the board considers Mr Smith will be an independent director.

6.3 Board recommendation

The Board supports the re-election of Mr Smith and recommends that Shareholders vote in favour of Resolution 5.

7. RESOLUTION 6 – RATIFICATION OF JANUARY 2017 PLACEMENT OF SHARES

7.1 General

On 16 January 2017, the Company issued a total of 37,924,800 Shares (**Placement Shares**) pursuant to a share placement to sophisticated and professional investors ("**January 2017 Placement**"). The January 2017 Placement raised a total of \$948,120 (before costs).

In broad terms, ASX Listing Rule 7.1 restricts the issue of new equity securities by a listed entity to 15% of the entity's issued "ordinary securities", calculated on a rolling 12 month basis, unless shareholder approval is obtained under ASX Listing Rule 7.1 or the new issue is covered by one of the exceptions in ASX Listing Rule 7.2.

ASX Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities, and provided that the previous issue did not breach ASX Listing Rule 7.1, those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue of the Shares under the January 2017 Placement, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Accordingly, the Company seeks Shareholder approval to ratify the issue of the Placement Shares the subject of Resolution 6.

7.2 Technical information required by ASX Listing Rules

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 6:

- (a) 37,924,800 Placement Shares were issued;
- (b) the Placement Shares were issued and allotted on 16 January 2017;
- (c) the issue price was \$0.025 per Placement Share, raising a total of \$948,120 (before costs);
- (d) the Placement Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (e) the Placement Shares were issued to sophisticated and professional investor clients of GTT Ventures and supporting brokers. None of these subscribers are related parties of the Company; and
- (f) the funds raised from the January 2017 Placement were principally for exploration at the Company's Mt Adrah Gold Project and Halls Peak Base Metals Project and for general working capital.

8. RESOLUTION 7 – 10% ENHANCED PLACEMENT FACILITY

8.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Enhanced Placement Facility**). The 10% Enhanced Placement Facility is in addition to the Company's 15% placement capacity without shareholder approval under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less as at the date of the AGM. The Company is an eligible entity as at the time of this Notice of Meeting and expects to remain so up to and including the date of the AGM as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$4,729,066.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Enhanced Placement Facility.

The exact number of Equity Securities to be issued under the 10% Enhanced Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see section 8.2(c) below).

8.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Enhanced Placement Facility is subject to Shareholder approval by way of a special resolution at the AGM.

(b) Equity Securities

Any Equity Securities issued under the 10% Enhanced Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company currently has one classes of Equity Securities on issue, being the Shares (ASX Code: 4CE).

As at the date of the Notice of Meeting, the Company's Shares are the only class of Equity Securities on issue. The Shares are the only class of Equity Securities that are quoted.

(c) Formula for calculating 10% Enhanced Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid Shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid Shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (iv) less the number of fully paid Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity without shareholder approval under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has 214,957,538 Shares on issue. Therefore, subject to Shareholder approval the Company will have a capacity to issue:

- (i) 32,243,630 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 7, 21,495,754 Equity Securities under Listing Rule 7.1A.1.

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1 A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to (c) above) and so is subject to change.

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Enhanced Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

8.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Enhanced Placement Facility as follows:

(a) **Risk of economic and voting dilution**

If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Enhanced Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities (being variable "A" as calculated in accordance with the formula in Listing Rule 7.1A.2) on issue as at the date of this Notice of Meeting.

The table shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Enhanced Placement Facility.
- (ii) No Options or Rights are issued, vest and are exercised before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issues of Equity Securities under the 10% Enhanced Placement Facility consists only of Shares.
- (vii) The issue price is \$0.022, being the closing price of the Shares on ASX on 18 April 2017.
- (viii) There are currently 214,957,538 Shares on issue.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.011 50% decrease in Issue Price	\$0.022 Issue price	\$0.033 100% increase in Issue Price
Current Variable A 214,957,538 Shares	10% Voting Dilution Funds raised	21,495,753 Shares \$236,453.29	21,495,753 Shares \$472,906.58	21,495,753 Shares \$709,359.88
50% increase in current Variable A 322,436,307 Shares	10% Voting Dilution Funds raised	32,243,630 Shares \$354,679.94	32,243,630 Shares \$709,359.88	32,243,630 Shares \$1,064,039.81
100% increase in current Variable A 429,915,076 Shares	10% Voting Dilution Funds raised	42,991,507 Shares \$472,906.58	42,991,507 Shares \$945,813.17	42,991,507 Shares \$1,418,719.75

(b) **The final date for issue**

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 7 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(c) **Purpose of issue under 10% Enhanced Placement Facility**

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of the new resources, assets or investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration and feasibility study expenditure on the Company's portfolio of assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(d) **Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Enhanced Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Enhanced Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Enhanced Placement Facility will be the vendors of the new resources, assets or investments.

(e) **Previous approval under ASX Listing Rule 7.1A**

The Company obtained approval under ASX Listing Rule 7.1A at the 2016 annual general meeting held on 31 May 2016.

In the 12 months preceding the date of the Meeting, being on and from 30 May 2016, the Company has issued a further 41,741,467 Shares and 16,562,500 Options which represents approximately 33.66% of the total diluted number of Equity Securities on issue in the Company on 30 May 2016, which was 173,215,957.

The Shares issued were fully paid ordinary shares that rank equally in all respects with the Company's existing Shares and were issued to sophisticated and professional investor clients of GTT Ventures and

supporting brokers. None of the subscribers were related parties of the Company.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

(f) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will give to ASX

- (i) a list of all the allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (ii) the information required by ASX Listing Rule 3.10.5A for release to the market.

9. ENQUIRIES

Shareholders may contact Mr Michael Fry (Company Secretary) on (+ 61 8) 9328 9368 if they have any queries in respect of the matters set out in this document.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice of Meeting.

AGM means Annual General Meeting.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of directors of the Company as constituted from time to time.

Closely Related Party of a member of the key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Act 2001* (Cth).

Company means Force Commodities Limited (ABN 12 145 84 667).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company from time to time.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting means this notice of annual general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 30 MAY 2016

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 21 June 2016 Appendix 3B – 22 June 2016	8,333,333 (1,041,667 on a post 8:1 consolidation basis)	Shares ²	Consideration paid to advisors with respect to the acquisition of the Sovereign Claims (ASX Announcement dated 22/6/2016)	Nil cash consideration	Consideration: Consideration paid to advisors with respect to the acquisition of the Sovereign Claims Current value ⁶ = \$183,333
Issue – 22 June 2016 Appendix 3B – 22 June 2016	4,000,000 (500,000 on a post 8:1 consolidation basis)	Shares ²	Consideration paid to advisors with respect to the acquisition of the Sovereign Claims (ASX Announcement dated 22/6/2016)	Nil cash consideration	Consideration: Consideration paid to advisors with respect to the acquisition of the Sovereign Claims Current value ⁶ = \$88,000
Issue – 30 June 2016 Appendix 3B – 30 June 2016	120,000,000 (15,000,000 on a post 8:1 consolidation basis)	Unquoted Options ³	Directors, Chief Geologist, Company Secretary and Company Advisor	Nil cash consideration	Consideration: Incentive Payments Current value ⁶ = \$12,000
Issue – 5 August 2016 Appendix 3B – 8 August 2016	12,500,000 (1,562,500 on a post 8:1 consolidation basis)	Shares ²	Issued in part consideration for the acquisition of Nevliith Pty Ltd, holding the 111 Clayton Valley claims (see ASX Announcement dated 10/6/16).	Nil cash consideration	Consideration: Issued in part consideration for the acquisition of Nevliith Pty Ltd Current value ⁶ = \$275,000
Issue – 5 August 2016 Appendix 3B – 8 August 2016	12,500,000 (1,562,500 on a post 8:1 consolidation basis)	Unquoted Options ⁴	Issued in part consideration for the acquisition of Nevliith Pty Ltd, holding the 111 Clayton Valley claims (see ASX Announcement dated 10/6/16).	Nil cash consideration	Consideration: Issued in part consideration for the acquisition of Nevliith Pty Ltd Current value ⁶ = \$1,562
Issue – 4 November 2016 Appendix 3B – 4 November 2016	5,700,000 (712,500 on a post 8:1 consolidation basis)	Shares ²	As payment for corporate services provided to the Company	Nil cash consideration	Consideration: As payment for corporate services provided to the Company Current value ⁶ = \$125,400
Issue – 16 January 2017 Appendix 3B – 17 January 2017	37,924,800	Shares ²	Placement to Professional and sophisticated investors.	\$0.025 (discount of 7.4%)	Amount raised = \$948,120 Amount spent = \$nil Use of funds The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.


					<p>Amount remaining = \$948,120</p> <p>Proposed use of remaining funds⁵</p> <p>The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.</p>
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Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: 4CE (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.032 each, on or before 30 June 2019.
4. Unquoted Options, exercisable at \$0.048 each, on or before 5 August 2019.
5. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
6. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.022) on the ASX on the trading day prior to the date of this Notice. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price

4CE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX

 **For your vote to be effective it must be received by 11:00am (WST) on Monday, 29 May 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Force Commodities Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

, or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Force Commodities Limited to be held at the Hotel Northbridge, Scarlet Room, 210 Lake Street, Northbridge, Western Australia on Wednesday, 31 May 2017 at 11:00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 2 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 2 connected are directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution of business with the exception of resolution 2 where the Chairman of the Meeting intends to vote against.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 2 by marking the appropriate box in step 2 below.

STEP 2 Items of Business **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Spill Meeting Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Director - Mr Mark Darras	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Re-election of Director - Mr Alistair Stephens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Re-election of Director - Mr Peter Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Ratification of January 2017 Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 10% Enhanced Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Resolution 2 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input style="width: 90%; height: 25px;" type="text"/>	Securityholder 2 <input style="width: 90%; height: 25px;" type="text"/>	Securityholder 3 <input style="width: 90%; height: 25px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____