

ASX ANNOUNCEMENT

28 July 2017

About Force

- Force Commodities Limited is a Perth based company listed on Australian Stock Exchange (ASX Code: 4CE)

Project Summary

- 100% interest in Halls Peak Base Metals Project
- 99.5% interest in Mt Adrah Gold Project, both located in NSW.
- 59.5% interest in Rocky River / Uralla Gold Project

Directors and Management

Mr David Sanders - Chairperson
Mr Jason Brewer - Director
Mr Patrick Glovac - Director
Mr Michael Fry – CFO/Coy Secretary

Capital Structure

Shares on Issue:

268,624,204 fully paid ordinary

Options on Issue:

- 15,000,000 exercisable @\$0.032 expiring 30 June 2019
- 1,562,500 exercisable @\$0.048 expiring 30 June 2019

Substantial Shareholders

Jihad Malaeb: 6.19%

GTT Partners: 5.92%

June Quarter 2017 Review of Operations

Highlights

Mt Adrah Gold Project

- Drilling results confirm gold mineralisation below White Deer Reef's historic workings.
- Two holes completed (GDH012 and GDH013) for total of 580 metres drilled.
- GDH012 intersects broad zone of mineralisation extending 39.8 metres from 249.8m (down-hole). Best intercepts include:
*0.32m @ 6g/t gold from 271.3m; and
0.24m @ 2.15g/t gold from 270m.*
- GDH013 intersects zone of mineralisation extending 9 metres from 281m (down-hole). Best intercept:
1.00m @ 7.52g/t gold from 281m.
- Mineralisation interpreted to be depth extension of White Deer Reef at surface mineralisation.

Global Search for New Project Opportunities

- Force is currently undertaking a global search to identify advanced, near-term production project opportunities.
- Initial focus to be in the areas of Cobalt, Lithium, Copper and Gold and span Africa, Canada and USA.

Corporate & Finance

- Force has completed a capital raising in July 2017 raising \$805k, before costs.
- On 6 June 2017, David Sanders and Jason Brewer were appointed as directors. This follows the resignation of Mark Darras and Peter Smith prior to the Company's AGM on 31 May 2017 and the retirement of Alistair Stephens at the AGM.

Force Commodities Limited (ASX Code: 4CE) (“**Force**” or the “**Company**”) provides its activities report for the quarter ended 30 June 2017.

1. Mt Adrah Gold Project

1.1 Overview

Project is located approximately 25 km NW of the township and historic gold mining centre of Adelong in New South Wales and is comprised of tenements EL 7844, EL 5334 and EL 6372.

A project summary is included in the Appendix.

1.2 Exploration Activities

During the quarter the Company conducted a small drilling program consisting of two holes for 580 metres which was designed to target high grade gold mineralisation below White Deer Reef’s historic surface workings, including shafts, adits and pits, and above a high-grade intersection of 1.2 metres at 58.6 g/t Au from 624 metres downhole, being approximately 550 metres vertically beneath the historic surface workings.

Assays were received in mid-July and reflect that the drill holes intersected discrete veins lying within a broader zone of alteration (all mineralised). The gold mineralisation is interpreted to be the depth extension of White Deer Reef surface mineralisation.

The table below reflects the most significant assay results from the drill core sent for assay. Drill intersected widths only. True widths for these intersections have not yet been determined.

Hole ID	From (m)	To (m)	Downhole Width (m)	Au (g/t)	Ag (g/t)	As (g/t)
GHD012	271.3	271.62	0.32	6.00	3.04	4370
GHD012	271.8	272.1	0.3	0.57	0.28	2240
GHD012	273.0	273.3	0.3	0.5	0.33	2450
GHD012	273.5	273.7	0.2	0.82	0.32	1375
GHD012	274	274.2	0.2	0.63	0.21	1865
GHD012	277.58	277.78	0.2	0.51	0.44	3870
GHD012	278.36	278.56	0.2	1.01	0.14	970
GHD013	229.5	230	0.5	1.54	0.26	3960
GHD013	270	271	1.0	2.8	1.95	3310
GHD013	281	282	1.0	7.52	2.18	5160

Table 1: Significant assay results for diamond drill holes completed as part of current Drill Program

The table below shows the coordinates, angles and depth of each drill hole (collar coordinates provided are GDA94 datum and UTM grid zone 55H coordinates).

Hole ID	East	North	Relative Level (m)	EOH Depth (m)	Dip (°)	Azimuth (°)
GHD012	583698	6104726	410	290	-58	080
GHD013	583700	6104733	410	290	-55	020

Table 2: Drill hole details for diamond drill holes completed as part of current Drill Program

Plan view and hole cross-sections follow:

Image 1: Plan view of drill holes GHD012 & GHD013 with 100m contours

Also shown, location of Hobbs Pipe, 2013 drill hole GHD011, with access track as orange dotted line

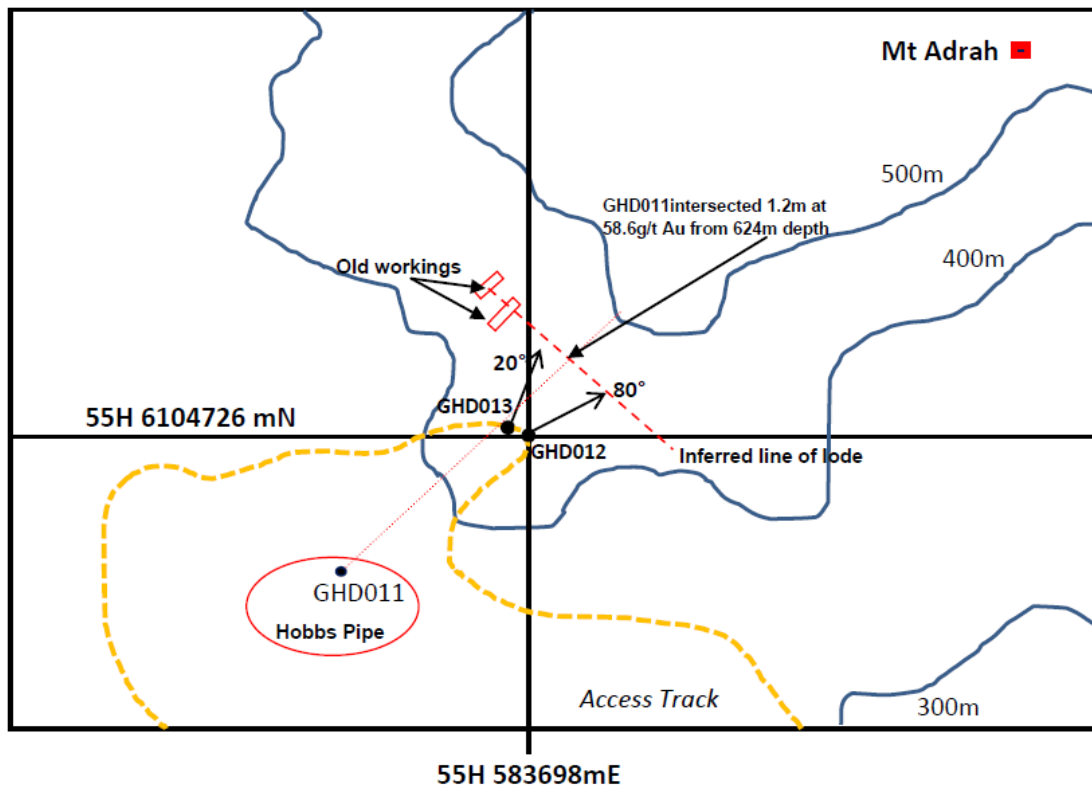


Image 2: Cross section of drill hole GHD012

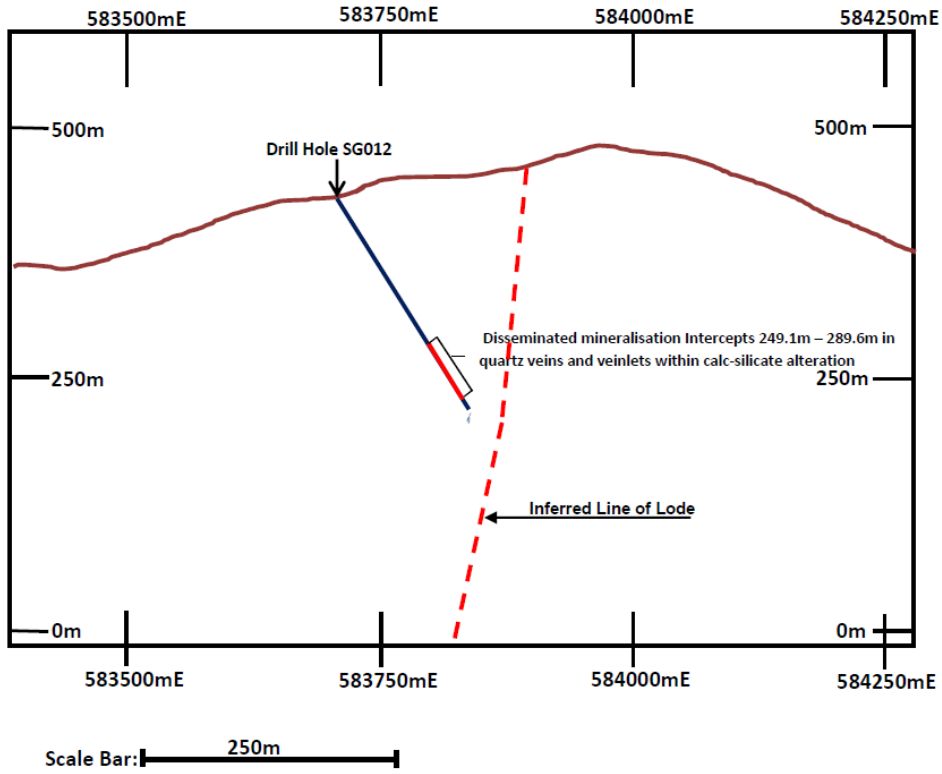
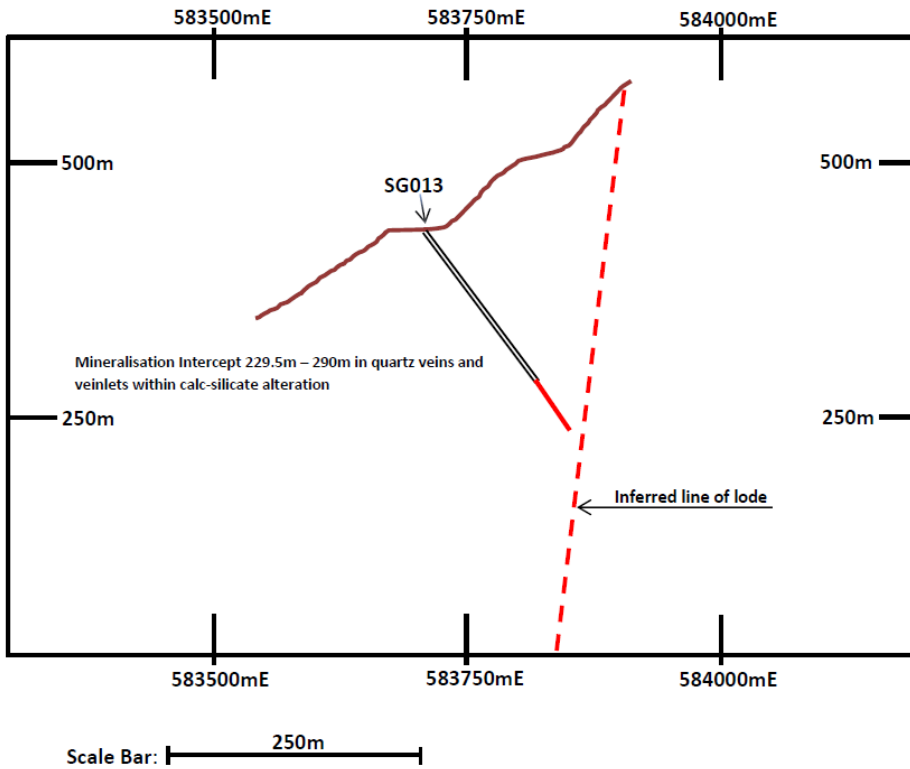


Image 3: Cross section of drill hole GHD013



1.3 Immediate Plans

The Company is of the view that Mt Adrah Gold Project is a valuable and prospective project; a view supported by these latest assay results.

Given the Company's limited cash reserves, the Company is seeking partners to help advance the Mt Adrah Gold Project via an earn-in, joint venture or sale opportunity.

The Company intends on preparing a detailed information memorandum on the project and aims to invite interested parties to review all available data.

2. Halls Peak Base Metals Project

2.1 Overview

Project is located approximately 80 km SE of Armidale in New South Wales and is comprised of tenements EL 4474, EL 5339 and EL 7679.

A project summary is included in the Appendix.

2.2 Exploration Activities

Work during the quarter was focussed on planning for a drilling program to which was ultimately suspended due to funding restrictions.

2.3 Immediate Plans

Subsequent to suspending the drilling program, the Company's Board has made the decision to seek partners to help advance the Halls Peak Base Metals Project via an earn-in, joint venture or sale opportunity.

The Company intends on preparing a detailed information memorandum on the project and aims to invite interested parties to review all available data.

3. Strategic Review

Force is undertaking a whole of business strategic review.

Whilst not yet complete, the review has highlighted the significant funding required to advance the Company's Mt Adrah and Halls Peak projects, which led to the decision to seek out sale, earn-in or joint venture opportunities to further advance the projects.

The review also highlighted the need for additional working capital which was the catalyst, in part, for the placement completed in July 2017, refer below.

4. July 2017 Placement

In July 2017 the Company undertook a placement to professional and sophisticated investors (under section 708 of the Corporations Act, 2001) utilising the Company's 15% placement capacity (under ASX Listing Rule 7.1) and 10% enhanced placement capacity (under ASX Listing Rule 7.1A) (**Placement**).

In total, 53,666,667 new shares were issued at \$0.015 (1.5 cents) each; raising \$805,000 (before costs).

Participants in the Placement will be offered, subject to shareholder approval, free attaching options, exercisable on or before 30 June 2019, at an exercise price of

\$0.032 (3.2 cents) (**Options**). The Options will be issued on a 1 Option for every 2 new shares subscribed basis under the Placement, and will be subject to shareholder approval at the Company's next General Meeting of Shareholders.

The funds will be used for working capital and to seek out new project opportunities, refer below.

5. Global Search – New Project Opportunities

The Company's strategic review has determined the need for a new project in order to attract additional investor support.

To this end, the Company has initiated a global search to identify advanced, near-term production project opportunities.

The initial focus will be in the areas of cobalt, lithium, copper and gold and span Africa, Canada and USA.

The Company may broaden the search to include other commodities and countries if suitable project opportunities are not forthcoming or other viable opportunities are presented.

The Company will update shareholders of any material developments as they occur.

6. Corporate

6.1 Cash at Bank

Cash at bank for the Company as at the end of the quarter was \$478k. Note that post the end of the quarter, the Company has completed a Placement raising \$805k before costs.

6.2 Options

As at 30 June 2017, share options remaining on issue are as follows:

Type	Expiry Date	Number	Exercise Price
Unlisted	30 June 2019	15,000,000	\$0.032
unlisted	30 June 2019	1,562,500	\$0.048
		16,562,500	

6.3 AGM

The Company's AGM was held on 31 May 2017.

Prior to the AGM, resignations were received from director Mark Darras and Peter Smith and as a consequence resolutions 3 and 5 were withdrawn.

All other resolutions were approved with the exception of resolution 4 relating to the re-election of Mr Alistair Stephens.

6.4 Director Appointments

On 6 June 2017, David Sanders and Jason Brewer were appointed as directors.

Mr Sanders has been elected the Company's Chairman.

7. Schedule of Mineral Tenements as at 30 June 2017

Project	Status	Tenement	Interest held by Force
Mt Adrah	Granted	EL8606	99.5%
Mt Adrah	Granted	EL6372	99.5%
Mt Adrah	Granted	EL7844	99.5%
Halls Peak	Granted	EL4474	100%
Halls Peak	Granted	EL5339	100%
Halls Peak	Granted	EL7679	100%
Rocky River / Uralla	Granted	EL6483	59.5%
Rocky River / Uralla	Granted	EL7491	59.5%

EL – Exploration Licence

END

Contact:

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Company Secretary

Force Commodities Limited

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Competent Person Statement

The information in this report that relates to Exploration Results in relation to the Mt Adrah Gold Project is extracted from an ASX Announcement dated 28 October 2013, (see ASX Announcement "Mt Adrah New High Grade Gold Discovery") and from an ASX Announcement dated 21 November 2013, (see ASX Announcement "Bonanza hit of 1.2m @ 58.6 g/t Au confirms multiple high-grade structures at Mount Adrah") and from an ASX Announcement dated 27 July 2016, (see ASX Announcement "Mt Adrah Gold Project Targets High Grade Gold Potential"), all of which are available for viewing at www.forcecommodities.com.au and/or www.asx.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Exploration Results or Minerals Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.

The information in this report that relates to Exploration Information is based on information compiled by Richard Robertson who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Robertson is a qualified geologist and is a contractor to Force Commodities Limited.

Mr Robertson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources. Mr Robertson consents to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

Forward Looking Statements

This announcement may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Force's planned exploration programmes and other statements that are not historical facts. When used in this announcement, words such as could-plan-target-estimate-expect-intend-may-potential-should and similar expressions are forward-looking statements. Although Force believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Annexure 1: Halls Peak - Project Overview

Introduction

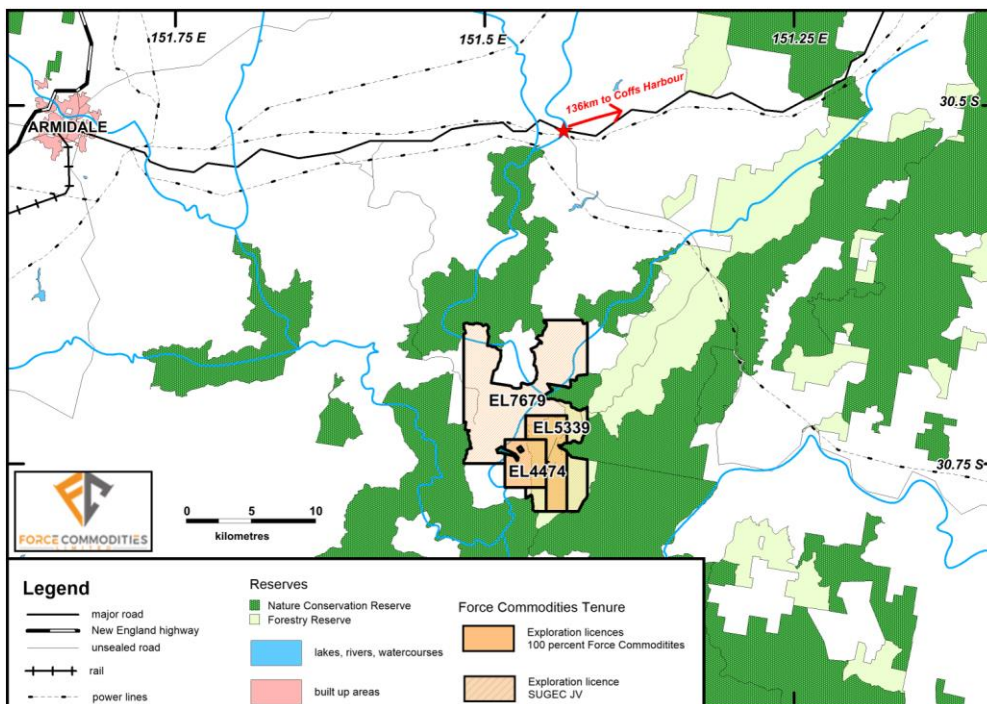
The Halls Peak project contains several occurrences of base metals rich in zinc and lead with varying associated levels of copper, silver and gold. Mining was undertaken intermittently between 1896 and 1967, producing high grade ore from mostly small scale underground workings.

The area has potential for:

1. the development of shallow, small scale, high grade deposits; and
2. the possibility of large-scale sulphide deposit at depth.

Project Setting and Location

The Halls Peak project area is located in the New England area of northern NSW approximately 80 kilometres, by road, south-east of Armidale (see location map below). Access is via the sealed Armidale-Dorrigo Road to Wollomombi, then via unsealed roads. All known mineralized zones are accessible by dirt roads and tracks established constructed by previous miners. The topography is typically very steep.



Location Map of Halls Peak Project, NSW, Australia

Geology

The early Permian Halls Peak Volcanics occur near the western margin of the Nambucca Block. Around Halls Peak the sequence contains numerous stratiform, volcanogenic exhalative sulphide lenses that are typically small tonnage, high grade Zn, Pb, Cu and Ag bodies. The sequence has been subjected to

widespread hydrothermal alteration (associated with anomalous Au, Ag, Pb, and Zn) during and after deposition.

Historical Activities

Mining commenced in 1896 with the discovery of rich copper ore with minor silver, lead and zinc, in the Sunnyside Mine adjacent to the Chandler River. In 1913, the ore bodies of the Gibson Mine Area were discovered, followed by the Faints-Firefly fields in 1914. Ore production was first recorded from the Gibson's Mine Area in 1916, and it continued intermittently until 1967.

Loudon (1967) reports that production of both primary and oxidised ore from one ore zone, the Gibson Mine Area, totalled approximately 6,315 tons to December 1965. In 1965, 1,600 tons of ore were mined to give 450 tons of zinc (at 28%), 263 tons of lead (at 16.4%), 46.3 tons of copper (at 2.9%) and 12,523 ounces of silver (at 7.8 ounces per ton).

The Halls Peak massive sulphide deposits have been explored by several major mining companies including BHP, MIM, CRA, Zinc Corp and Amoco Minerals.

Recent Drilling reflects Halls Peak's Exciting Potential

Recent drilling of the Gibson's Prospect has achieved spectacular grades of multi-element base metal mineralisation. By example some important intercepts include:

DRILL HOLE REF	FROM (M)	TO (M)	LENGTH (M)	ZINC (%)	LEAD (%)	COPPER (%)	SILVER (G/T)
PMR026*	0	17.6	17.6	11.73	4.34	2.06	111.11
	21.5	29.9	8.4	6.08	1.55	1.1	21.07
PMR027**	8.2	24.6	16.4	4.4	1.0	0.67	22.5
	39.0	42.45	3.45	13.87	4.6	3.58	72.97
	48.9	51.0	2.1	3.79	1.43	0.42	9.29
	52.95	57.65	4.7	12.9	4.34	0.74	30.44
	61.5	66.4	4.9	-	-	-	690.9
PMR028**	0	37.2	37.2	5.53	1.5	1.09	28.1
	42	45.6	3.6	17.67	6.05	<0.1	37.16
PMR029**	8.6	10.4	1.8	19.99	10.69	0.89	41.43
SG004***	8.8	22	13.2	5.53	2.71	0.43	0.52
SG005***	8.8	16	7.2	20.19	7.17	0.66	0.1
SG006***	8.4	19.6	11.2	19.71	10.77	0.80	0.23

* reported 3 January 2014 by Frontier Capital Group Limited (formerly Precious Metals Resources Limited)

** reported 19 February 2016 by Force Commodities Limited (formerly Sovereign Gold Company Limited)

*** reported 29 December 2016 by Force Commodities Limited

Annexure 2: Mt Adrah Gold - Project Overview

Introduction

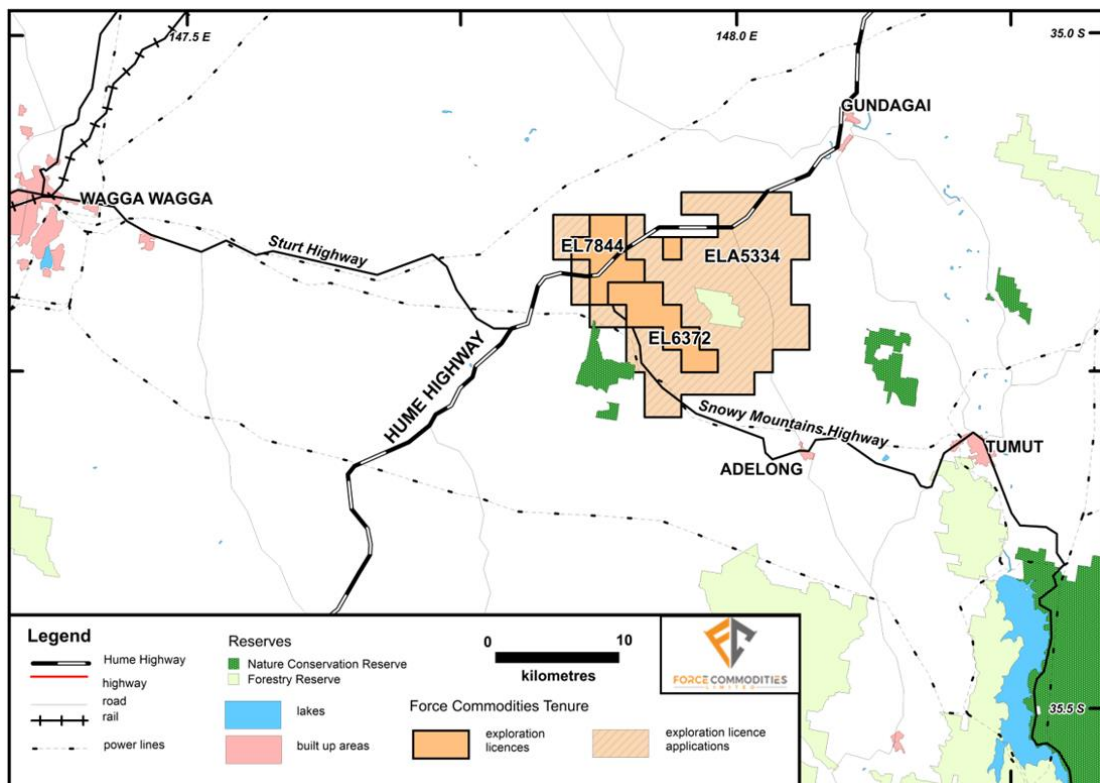
The Mt Adrah project contains the Hobbs Pipe deposit containing 769,5000 oz. gold which has been the subject of historic drilling and a resource estimate completed in 2013 (JORC 2012).

The Hobbs Pipe deposit is relatively low grade, but has substantial upside in potentially favourable mining and metallurgical characteristics. Only rudimentary mining and processing studies have been undertaken on the Hobbs Pipe deposit.

There is significant potential to bolster the project with additional gold resources. Several occurrences of reef style gold mineralization – which are high grade and near surface – are located on Force tenements.

Project Setting and Location

The Mt Adrah project is located approximately 400 km SW of Sydney, 30 km E of the regional centre of Wagga Wagga and approximately 25 km NW of the township and historic gold mining centre of Adelong.



Location Map of Mt. Adrah Project, NSW, Australia.

Note: ELA5334 has now been replaced by as EL8606 as at the 27th June 2017, consisting of 50 units.

Geology

The Mt. Adrah area is located on the eastern margin of the Girilambone-Wagga Anticlinorial Zone which is bounded on the east by the Gilmore Suture. This lineament is interpreted to be a deep crustal faulted rift zone abutting Ordovician and Silurian sequences.

Several significant gold deposits are located along the Gilmore Suture, as illustrated on the image of Total Magnetic Intensity (TMI) with known gold occurrences shown below.

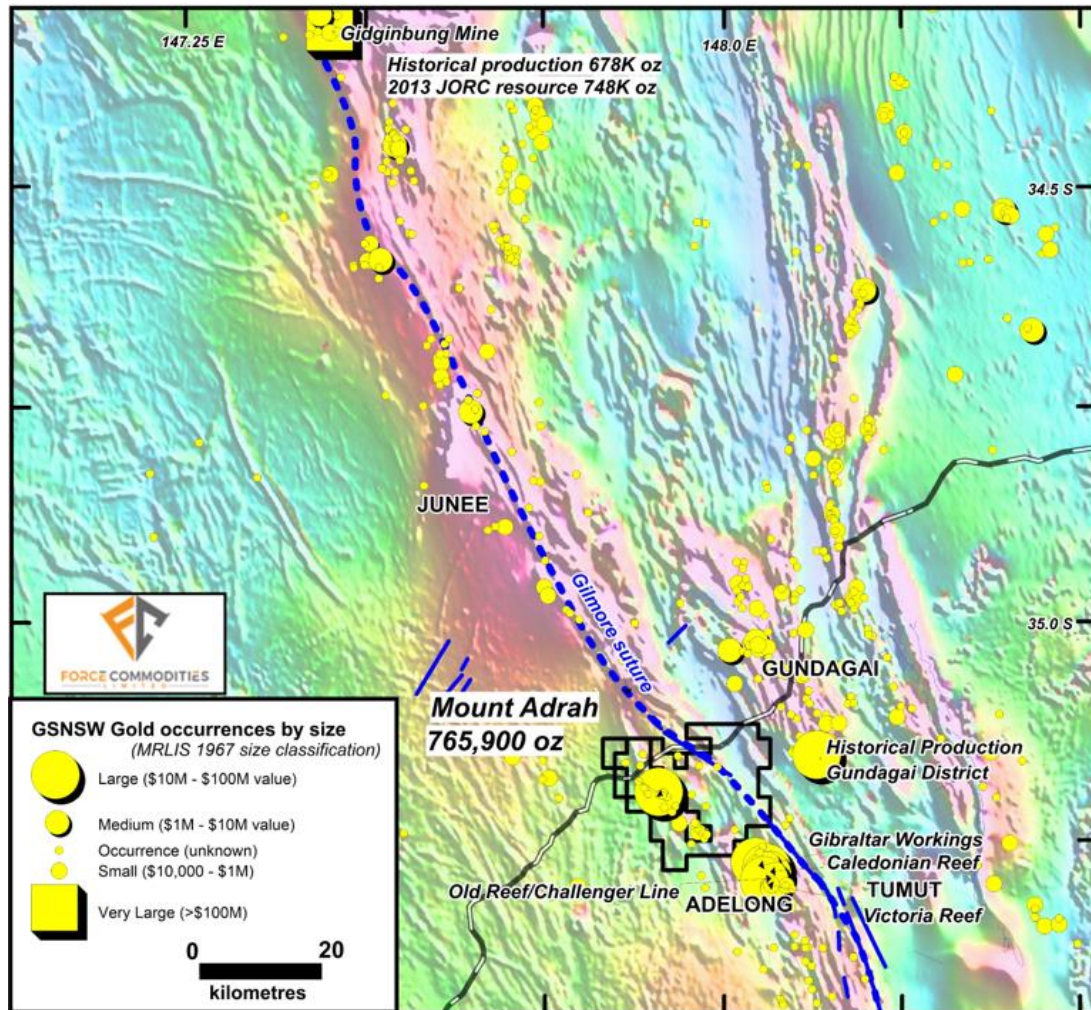


Image: Gold Occurrences on the Gilmore Suture Over TMI

In the project area, rocks west of the Gilmore Suture are Ordovician intermediate metavolcanics and calcareous metasediments. Silurian metasediments and acid to intermediate metavolcanics lie to the east of the Gilmore Suture. Silurian to Devonian gabbroic to granitic intrusions form sub-circular stocks, one of which hosts the Hobbs deposit. Intrusions and minerals deposits occur along a northwest trend, parallel to the Gilmore Suture, and appear to be localized on west and southwest trending cross faults or fracture systems.