

6 December 2017

ASX Announcements Office
152–158 St Georges Terrace
Perth WA 6000
Australia

Binding Agreement for Major New Lithium Joint Venture and Capital Raising

- ***Heads of Agreement executed with Mining Mineral Resources SPRL (MMR) to establish the new, production focused, Kanuka Lithium Project Joint Venture.***
- ***MMR is part of the VinMetals Group, a diversified mining, metals and trading group that has operated successfully in the DRC since 1997, with existing copper, cobalt, tantalum, tin and tungsten mines and processing plants.***
- ***The Kanuka Lithium Project Joint Venture (Force 51%, MMR 49%) includes granted Mining License PE13082 and Exploration License PR4100; covering an area of 194km² and containing extensive lithium bearing pegmatites.***
- ***MMR currently operates tin and tantalum mining and processing operations on part of the license areas and in conjunction with the iTRi exports ICGLR-certified tin and tantalum to international markets.***
- ***The Kanuka Lithium Project Joint Venture is located 5km immediately south of AVZ Mineral's 'world-class' Manono-Kitotolo Lithium Project licenses and 20km east of the Company's Kitotolo Lithium Project.***
- ***Pegmatite on the license areas are on a NE-SW trend and exposed at surface and observed to extend for over 3km in length and 200m in width. Furthermore, pegmatites have in places been exposed by historic and current mining operations and has been mined down to depths of up to 15 metres.***
- ***The Kanuka Lithium Project Joint Venture will benefit from the excellent infrastructure of an established mining operation, with power, mine camp and offices as well as its own airstrip which will accelerate exploration activities.***
- ***The Company's Head of Exploration, Mr James Sullivan has already completed a technical due diligence investigation of the Kanuka Lithium Project Joint Venture license areas and on the strength of his observations and the sample results received recommended to the Company's Board that it negotiate a joint venture agreement.***

- ***Whilst no previous lithium focused exploration or mining has been conducted on the license areas, grab samples of highly weathered shallow material taken as part of the Company's technical due diligence program reported high grade lithium mineralisation in the pegmatite including 2.12% Li₂O and 1.93% Li₂O.***
- ***Exploration activities of the Kanuka Lithium Project Joint Venture will focus on new areas on the licenses areas currently not impacted by mining and which are considered highly prospective for pegmatite hosted lithium mineralisation.***
- ***The Kanuka Lithium Project Joint Venture will also utilise MMR's existing logistics capabilities in the region and on-site drilling equipment and mining fleet and services which are anticipated to substantially increase operating efficiencies, reduce costs and accelerate exploration and study work timeframes.***
- ***The Kanuka Lithium Project Joint Venture allows Force to further consolidate its presence in a 'world-class' lithium region, with the Company's joint venture interests now comprising granted Mining and Exploration Licenses extending over approx. 600km² of proven lithium bearing pegmatites.***
- ***Force to issue A\$200,000 of shares to MMR as up-front consideration, fund A\$2.0m of exploration, and issue up to a maximum A\$1.0m of additional shares on definition of a JORC compliant resource in excess of 1,000,000 tonnes of contained lithium. A 2.5% royalty on sales of lithium is also due to MMR from the commencement of production.***
- ***To ensure that Force is well-funded to undertake an aggressive exploration program at both its Kitotolo and Kanuka lithium projects, the Company has now received firm commitments for a A\$3.0 million Capital Raising.***
- ***The Capital Raising was oversubscribed and completed to institutional and sophisticated investors at the last closing price prior to the trading halt, of A\$0.05 per share. No fees or commissions are payable or options to be issued by the Company as part of the Capital Raising.***
- ***Shares will be issued to participants in the Capital Raising early during the week commencing 11 December when all funds are received by the Company.***
- ***Commenting, Director Mr Jason Brewer stated "This agreement and funding cements our strong position within a world-class lithium region. With our mining and exploration licenses position and alongside a proven partner, we have the funding to now aggressively explore and develop our projects."***

Force Commodities Ltd (**Force** or the **Company**) (ASX Code: 4CE) is pleased to announce that it has executed a Binding Heads of Agreement (**HOA**) with Mining Mineral Resources SPRL (**MMR**) to establish a new lithium production focused joint venture, the Kanuka Lithium Project Joint Venture.

The Kanuka Lithium Project Joint Venture, to be held 51% by Force and 49% by MMR will focus on two contiguous licenses: granted Mining License PE13082 and Exploration License PR4100.

These licenses cover an area of approx. 194km² and are located 20km east of the Company’s existing Kitotolo Lithium Project which is a joint venture with La Congolaise d’Exploitation Miniere (**Cominiere SA**). The licenses are also located on the licenses immediately south (approx. 4km from the license boundaries) of AVZ Mineral’s (ASX: AVZ) ‘world-class’ Manono Lithium Project.

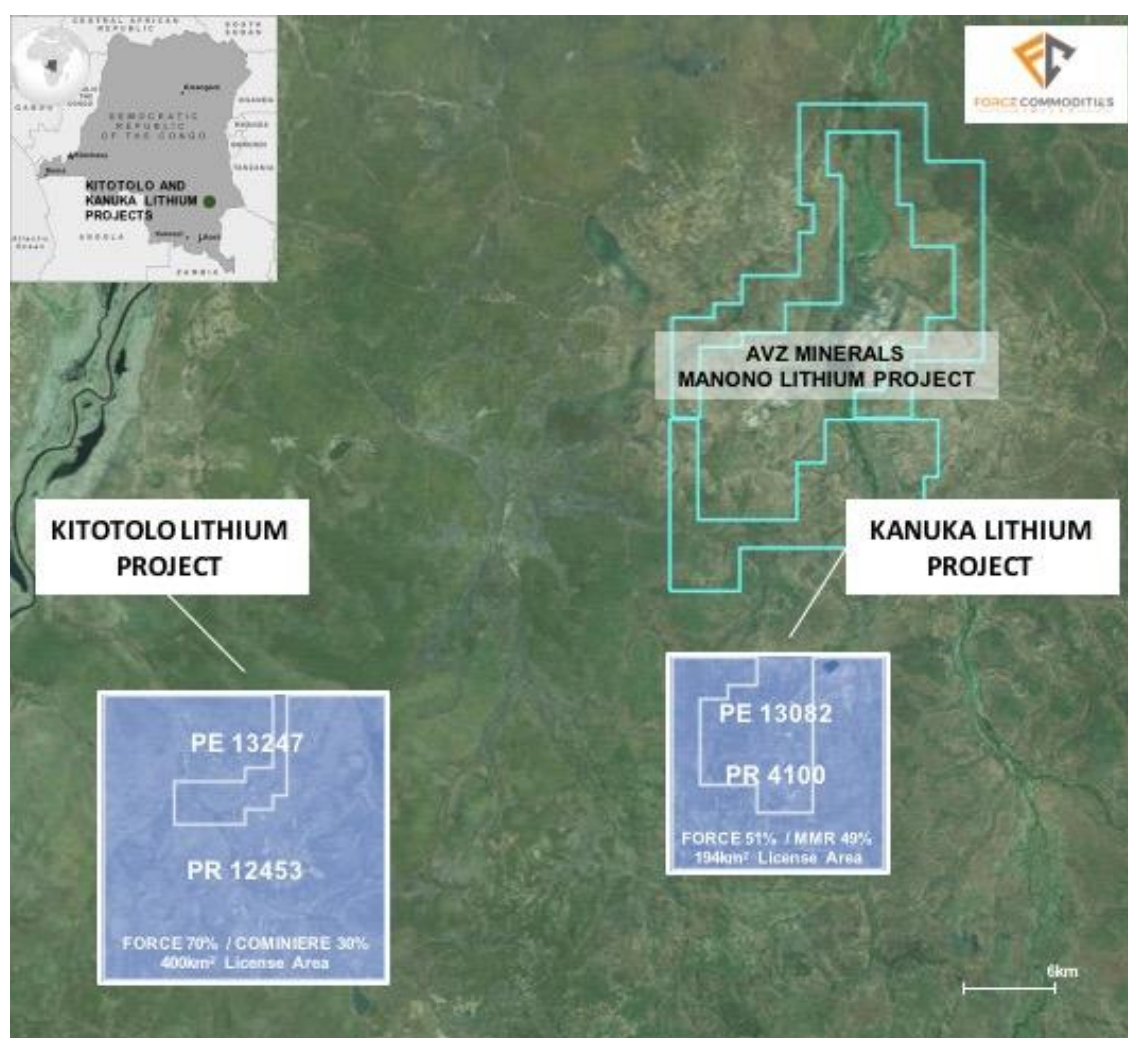


Figure 1: Location of Kanuka Lithium Project Joint Venture location in (Light blue shade is PE13082 and pink shade is PR4100)

Kanuka Lithium Project Joint Venture

The Company’s joint venture partner, MMR, is an established tin, tantalum and tungsten mining company that was incorporated in 2008 and which operates a series of exploration, mining and processing operations throughout the DRC.

MMR is part of the VinMetals Group, a diversified mining, metals and trading group that has operated successfully in the DRC since 1997, with existing copper cathode and copper, cobalt, tantalum, tin and tungsten concentrate production from several mines and processing plants.

MMR acquired the mining and exploration licenses that make up the Kanuka Lithium Project in 2012.

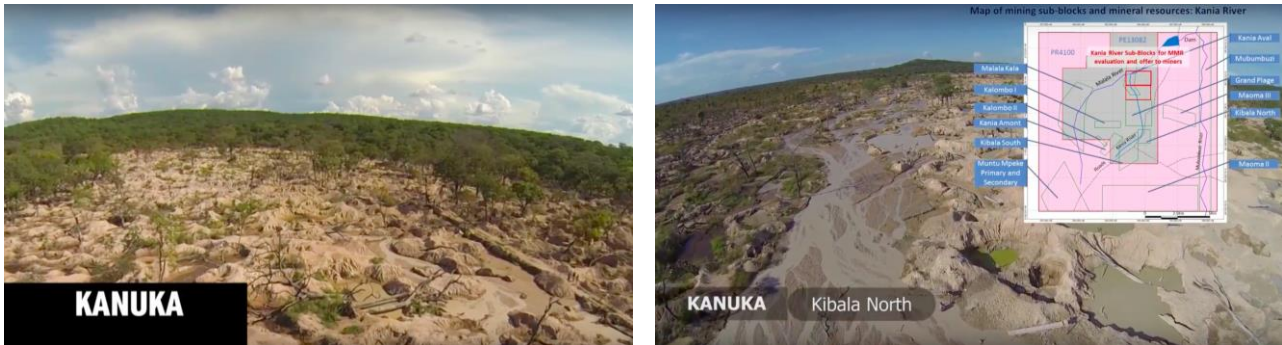


Figure 2 and 3: PE13082 which forms part of the Kanuka Lithium Project Joint Venture

Conventional open pit mining operations are ongoing on the license areas, with the alluvial sand layers that host the cassiterite and columbite (minerals that are typically coincidental with lithium mineralisation) mined by truck and shovel methods.



Figure 4 and 5: Current open pit mining activities on PE13082

Current and historic mining in the license areas has exposed a number of pegmatites, with one identified in the current main mining area being in excess of 3kms long and greater than 200 metres in width. This is open along strike on a NE-SW trend and is typical of other pegmatites identified in the region.



Figure 6 and 7: The site offices and processing plant on PE13082

Mined material is fed into the recently expanded processing plant which produces tin and tantalum concentrates that MMR exports to the international market. MMR is one of the industry leaders in the DRC, working closely with iTri, and has been instrumental in the on-going success of the program in the DRC, supplying ICGLR-certified conflict free “3T” minerals to the international marketplace.



Figure 8 and 9: Mining activity has exposed significant pegmatite exposures on the license areas

Technical Due Diligence

The Company has already completed a detailed technical due diligence investigation.

In September, James Sullivan, Force’s Head of Exploration, and the Company’s two local geologists conducted a Technical Due Diligence review of the license areas.

Based on the strength of his observations and sample results, it was recommended that the Board should proceed and negotiate a joint venture on the areas identified as being highly prospective for lithium mineralisation.

Mr Sullivan and the Force geological team spent approx. 7 days at Kanuka and undertook mapping and sampling.

Mapping within the area established the presence of significant occurrences of pegmatite exposures, which had had been exposed by the current and historical mining activity. In addition, a number of pegmatites were identified at surface.

Continuous pegmatite exposures were identified extending in excess of 3km on a NE-SW trend, and in places in excess of over 200m wide. The pegmatites identified appeared open in all directions and are considered to extend for possibly up to several kilometres along the NE-SW trend. Further exploration including detailed mapping, trenching, pitting and drilling is required to confirm whether the pegmatite is the result of a single intrusion or multiple intrusions.

Assay Results and Discussion

As part of Technical Due Dilligence, 25 random grab samples were taken from pegmatites outcropping in the license areas.

Assay results have been received with a number of samples returning high grade lithium mineralization. In total, five grab samples returned assays better than 0.4% Li₂O as detailed below:

Tenement	Sample No	UTM_E	UTM_N	Locality	Sample Type	Orientation	Lithology	ME-MS61 (Li ₂ O %)
PR4100/PE13082	A2501	541257	9165944	Kanuka	rockchip	Random	Pegmatite	0.45
PR4100/PE13082	A2502	541269	9165833	Kanuka	rockchip	Random	Pegmatite	1.62
PR4100/PE13082	A2504	540959	9165840	Kanuka	rockchip	Random	Pegmatite	1.86
PR4100/PE13082	A2505	541850	9166122	Kanuka	rockchip	Random	Pegmatite	1.93
PR4100/PE13082	A2519	543387	9165359	Kanuka	rockchip	Random	Pegmatite	2.12

Table 1: Select assay results for rock chip samples at the Kanuka Lithium Project Joint Venture

The assay results are considered entirely consistent with weathered pegmatites and are indicative of a well mineralised lithium system. They further confirm the presence of high grade lithium mineralisation. The assay results for all 25 grab samples are reported in full at Appendix 2.

The results show in a broad sense, that the lithium mineralisation identified on the Kanuka Lithium Project is observed to be preferentially hosted within a near surface and very oxidised pegmatite with an LCT affinity (Rare-Element Classed pegmatite with Lithium, Caesium, and Tantalum enrichment). The strongest mineralisation is frequently observed within or near the contacts between large quartz rich and quartz-albite zones.

These observations and characteristics are typical of LCT type pegmatite deposits and consistent with recent descriptions of the Manono and Kitotolo deposits located immediately to the north.

The Company's Head of Exploration, Mr James Sullivan stated:

"The proposed Joint Venture with MMR, is in an area with extensive pegmatites, both exposed at surface and exposed by recent and historical mining activities"

"The licenses, both a Mining and Exploration license, are in an excellent location. They are located very close to and just south of AVZ's Manono Lithium Project and also to the east of our Kitotolo Lithium Project. This in particular allows us to focus our exploration activities and resources"

"The major lithium occurrences just to the north at Manono, were originally exposed by historic tin mining. We have that same situation here at Kanuka, where MMR have been mining the alluvial material, and we are able to see some substantial and quite significant pegmatite exposures"

"We can see the opportunity and work in front of us, and we look forward to finalising the exploration budget and plans with MMR and commencing work in the New Year"

Acquisition Terms and Structure

The Company has executed a binding HOA with MMR's wholly owned subsidiary Kanuka Mining Company.

Under the terms of the HOA, a new joint venture will be established with Force holding a 51% interest and MMR the remaining 49% balance.

Force will be the operator and manager of the new joint venture which will undertake exploration activities aimed at the discovery, location and delineation of economic lithium mineralisation with a view to establishing a commercial lithium mining operation within two years of the establishment of the joint venture.

Completion of the Kanuka Lithium Project Joint Venture remains subject to finalisation of legal due diligence, execution of formal joint venture documentation and receipt of any regulatory approvals.

Under the HOA, Force will fund a minimum A\$2.0m of exploration expenditure, and will be responsible for funding any additional exploration activities and meet the costs to complete the Preliminary and Definitive Feasibility Studies as well as all government and regulatory costs.

The Kanuka Lithium Project Joint Venture will further utilise MMR's existing logistics capabilities in the region and on-site drilling equipment and mining fleet and services during the exploration phase which has the potential to increase operating efficiencies, reduce costs and accelerate exploration and timeframes to complete the feasibility studies for the proposed mine development.

The first A\$5.0m of development funding will be provided on a pro rata basis by both Force and MMR and thereafter, Force will be responsible for arranging 100% of the debt funding required to complete the mine development.

Company Director Mr Jason Brewer stated:

"We are extremely pleased to have been able to negotiate and execute this binding Heads of Agreement with MMR to now establish the Kanuka Lithium Project Joint Venture"

"MMR are a very well established and highly successful mining, processing and exporting company and part of the broader VinMetals Group who have operated successfully in the DRC for over 20 years"

"To be partnering with such an experienced group in the DRC is an honour and an indication of how quickly we are working with the broader mining community in the DRC to accelerate and increase our activities"

"We look forward to working with all at MMR and VinMetals in ensuring the Kanuka Lithium Project Joint Venture is a success"

Consideration Terms

Under the terms of the HOA, Force will be entitled to a 51% interest by:

- a. Issuing MMR fully paid ordinary shares in Force to the value of A\$100,000 on Completion, under the Company's 15% capacity (ASX Listing Rule 7.1);
- b. Issuing MMR fully paid ordinary shares in Force to the value of A\$100,000 no later than 3 months following Completion, under the Company's 15% capacity (ASX Listing Rule 7.1);
- c. Providing a minimum of A\$2 million to fund the Exploration Activities.
- d. Issuing MMR fully paid ordinary shares in Force up to the maximum value of:
 - i. A\$400,000 for a JORC Compliant Resource of up to 250,000 tonnes of contained lithium.
 - ii. A\$600,000 for a JORC Compliant Resource of over 250,000 tonnes and less than or equal to 500,000 tonnes of contained lithium.
 - iii. A\$800,000 for a JORC Compliant Resource of over 500,000 tonnes and less than or equal to 1,000,000 tonnes of contained lithium.
 - iv. A\$1,000,000 for a JORC Compliant Resource in excess of 1,000,000 tonnes of contained lithium.
- e. Paying MMR a 2.5% royalty on the gross sales of lithium production.

A\$3.0 Million Capital Raising

As a result of the Company executing the binding HOA with MMR, it has received firm commitments for an A\$3.0 million placement by way of the issue of 60 million new shares in the Company (**Capital Raising**).

The Capital Raising ensures that Force is well-funded to undertake an aggressive exploration at both its existing Kitotolo Lithium Project and the Kanuka Lithium Project Joint Venture.

The Capital Raising was oversubscribed and completed to institutional and sophisticated investors at the last closing price prior to the trading halt, of A\$0.05 per share.

The new shares will rank equally with all existing fully paid ordinary shares on issue.

Of the 60 million new shares being issued, 32,929,246 shares are to be issued under the Company's 15% placement capacity (under AS listing Rule 7.1), and 27,070,754 are to be issued under the Company's 10% enhanced placement capacity (under ASX Listing Rule 7.1A).

Information Disclosure under ASX Listing Rule 3.10.5A and 7.1A.4(b)

- a. existing holders of the Company's securities will be diluted by 7.09% following the issue under ASX Listing Rule 7.1A.
- b. the Company initially proposed an issue under ASX Listing Rule 7.1 however demand was such that the Company extended the offer to include the capacity available under ASX Listing

Rule 7.1A. The Company will consider a pro-rata issue to existing holders of ordinary securities in due course.

c. the Placement is not underwritten.

d. no fees are payable in relation to the shares being issued under ASX Listing Rule 7.1A.

Shares will be issued to participants in the Capital Raising when funds are cleared, which is expected to be early during the week commencing 11 December.

Kiambi Lithium Joint Venture

As a result of the Company entering into the Kanuka Lithium Project Joint Venture, it has elected not to proceed with the previously proposed Kiambi Lithium Joint Venture.

Whilst the Company's technical due diligence in relation to the Kiambi Project was positive, the Company believes the Kanuka Lithium Project Joint Venture is more attractive and offers significantly more benefits to its shareholders.

END

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Competent Person Statement

The information in this release that relates to sampling techniques and data, exploration results, geological interpretation and Exploration Targets, Mineral Resources or Ore Reserves has been compiled by Mr James Sullivan is a member of the Australian Institute of Geoscientists. Mr Sullivan is engaged by Force Commodities as a consultant geologist.

Mr Sullivan has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Sullivan consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward looking statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

APPENDIX 1 – JORC TABLE 1 CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> > <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i> > <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> > <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i> 	<p>The samples are a collection of rock-chips chiseled from the in-situ faces of pegmatite outcrops. In some instances, rock chips were collected randomly from artisanal pits/spoils and insitu bedrock</p> <p>The rockchip samples that are representative of the sampled interval in the locality of sampling but cannot be considered representative of the entire pegmatite body.</p> <p>The rock chips sampling of the outcrops was completed according to best practice and industry standards. Given the purpose of first pass reconnaissance exploration work, sampling practices appear to have been appropriate at the time. None of the rockchips or channel samples are appropriate for, or have been used for, Mineral Resource estimates. Recent channel chip sampling has been completed for the purpose of helping to assist with definition of mineralised zones within the pegmatite outcrops and have been sampled in accordance with standardised sampling procedures and protocols</p>
Drilling techniques	<ul style="list-style-type: none"> > <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i> 	<p>This information release does not report drill sampling or results.</p>
Drill sample recovery	<ul style="list-style-type: none"> > <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> > <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> > <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<p>This information release does not report drill sampling or results.</p>
Logging	<ul style="list-style-type: none"> > <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> > <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> > <i>The total length and percentage of the relevant intersections logged.</i> 	<p>This information release does not report drill sampling or results.</p> <p>Logging of the pegmatic outcrops was both quantitative and qualitative. The Lithology excavated along the length was logged qualitatively, while the interval of the grab sample was measured from a set beginning and end-points.</p> <p>Total lengths of 1m composites have been logged for test pit sampling.</p>

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> > <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> > <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> > <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> > <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> > <i>Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results for field duplicate/second-half sampling.</i> > <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>This information release does not report drill sampling or results.</p> <p>This information release does not report drill sampling or results.</p> <p>The samples from the in-situ outcrops were collected as and comprised of rock-chips. The bagged samples were sent to ALS Chemex Lubumbashi (DRC) where they were crushed and pulverized to a pulp. A 250g subset was split from the pulp and sent to ALS Chemex Modderfontein (RSA) for analytical determinations</p> <p>No duplicate sampling has been undertaken for the rock chip or channel program. In-house laboratory duplicates have been relied upon. For first-pass reconnaissance sampling this is adequate.</p> <p>Sampling of pegmatites is problematic because of the variation in coarse grain size and minerals distribution. Of all the field surface sampling methods, channel sampling is considered to give the most reliable indication of the mineralization present as the resultant sample may incorporate a broader range of pegmatite material. The 2kg-3kg mass of the samples is appropriate to the sampling methodology and the material being sampled.</p>
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> > <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> > <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> > <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	<p>All samples from the sampling program were shipped to the ALS laboratory in Lubumbashi, DRC for sample preparation and the JBurg for chemical analysis. The crushing preparation code was CRU-31 (Prep 31B) (Crush to 70% less than 2mm, riffle split off 1kg, pulverize split to better than 85% passing 75 microns.</p> <p>The pulverizing code used was PUL-32 (Prep 31B) (Crush to 70% less than 2mm, riffle split off 1kg, pulverize split to better than 85% passing 75 microns</p> <p>The analyses code was ME-MS61 (multi-acid digestion with ICP-MS finish), which has a range for Li of 1 to 10,000 (1%) ppm Li.</p> <p>Four acid digestion quantitatively dissolves nearly all minerals in the majority of geological materials. However, it may sometimes be necessary to use even stronger dissolution techniques such as fusions in order to achieve fully quantitative results for refractory minerals.</p> <p>No geophysical Instruments were used in collecting or analysis.</p> <p>As sampling undertaken was of a first pass nature, only laboratory introduced standards, blanks and repeats were relied upon.</p> <p>Examination of the QA/QC sample data indicates satisfactory performance of field sampling protocols and assay laboratories providing acceptable levels of precision and accuracy.</p>

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> > <i>The verification of significant intersections by either independent or alternative company personnel.</i> > <i>The use of twinned holes.</i> > <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> > <i>Discuss any adjustment to assay data.</i> 	<p>No verification exploration work has so far been undertaken at this stage.</p> <p>This information release does not report drill sampling or results.</p> <p>The data from recent exploration is currently stored in hardcopy and digital format on site. A hard drive copy of this is located at the administration office in country and will be frequently uploaded to the company's database in Perth, WA.</p> <p>Samples were assayed for a multi element suite of 48 elements. However, the presented data has been reduced to include Cs, Li, Sn and Ta. In addition Li₂O has been reported. It has been calculated from the reported assay result for Li in ppm. The calculation is %Li₂O = (ppm Li x 2.153)/10000 and the presented results have been rounded to the second decimal place.</p> <p>No adjustments have been made to reported assay data.</p>
Location of data points	<ul style="list-style-type: none"> > <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> > <i>Specification of the grid system used.</i> > <i>Quality and adequacy of topographic control.</i> 	<p>The geological data, including start-point, end-points have been surveyed using handheld GPS devices, giving an accuracy of +/- 3m in open-ground.</p> <p>WGS84 UTM (Zone 35S)</p> <p>No survey has been undertaken. Hand held GPS coordinates have been utilised to locate sampling to date</p>
Data spacing and distribution	<ul style="list-style-type: none"> > <i>Data spacing for reporting of Exploration Results.</i> > <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> > <i>Whether sample compositing has been applied.</i> 	<p>Sampling undertaken to date was of a reconnaissance nature and wide spread and focused on existing artisanal activity and mapped pegmatitic exposures.</p> <p>Not applicable as no resource estimation. Sampling undertaken to date was of a reconnaissance nature and wide spread along geologic bodies.</p> <p>By their nature, channel samples are composite samples</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> > <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> > <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<p>Not applicable to the current sampling.</p> <p>Not applicable to the current sampling.</p>
Sample security	<ul style="list-style-type: none"> > <i>The measures taken to ensure sample security.</i> 	<p>Rock chip samples were shipped directly from the field by the project geologists in sealed rice bags or similar containers using a reputable transport company with shipment tracking capability so that a chain of custody can be maintained. Each bag was sealed with a security strap with a unique security number. The containers were locked in a shed if they were stored overnight at any point during transit, including at the drill site prior to shipping. The laboratory confirmed the integrity of the rice bag seals upon receipt</p>
Audits or reviews	<ul style="list-style-type: none"> > <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p>The sampling techniques and data have been reviewed and the assay results are believed to give a reliable indication of the lithium mineralisation within the samples.</p>

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> > <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> > <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<p>The Kanuka licences consist of both Exploitation Permits and Research Permits PE 13082 (renewal) valid for 30 years and Exploitation Permit PR4100 valid for 5 years with further renewals of 5 years.</p> <p>See above, no other known impediments.</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> > <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<p>The licence area is currently being mined for tin and tantalum including "Coltan" through a series of open pits, the largest over a total length of approximately 3km excavated by Kanuka Mining and artisanal miners.</p> <p>Apart from the mining and test pit excavations, there has been no other exploration licences below alluvial layers and no lithium exploration has taken place.</p>
<i>Geology</i>	<ul style="list-style-type: none"> > <i>Deposit type, geological setting and style of mineralisation.</i> 	<p>he Kanuka Project is an early stage exploration project in terms of Lithium potential. There are high grade lithium occurrences only at this stage. Further exploration programs will be required to determine whether the project has further economic potential.</p> <p>The Project lies within the mid-Proterozoic Kibaran Belt - an intracratonic domain, stretching for over 1,300 km through Katanga and into southwest Uganda. The belt strikes predominantly SW-NE and is truncated by the NS to NNW-SSE trending Western Rift system.</p> <p>The Kibaran comprises a sedimentary and volcanic sequence that has been folded, metamorphosed and intruded by at least three separate phases of granite. The latest granite phase (900 to 950 My ago) is assigned to the Katangan cycle and is associated with widespread vein and pegmatite mineralisation containing tin, Tungsten, Tantalum, Niobium, Lithium and Beryllium.</p> <p>Deposits of this type occur as clusters and are widespread throughout the Kibaran terrain. In the DRC, the Katanga Tin Belt stretches over 500 km from near Kolwezi in the southwest to Kalemie in the northeast comprising numerous occurrences and deposits of which the Manono deposit is currently the largest.</p> <p>The geology of the Kitotolo area is poorly documented and no reliable maps of local geology have been observed for the licence area.</p>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> > <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> > <i>easting and northing of the drill hole collar</i> > <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> > <i>dip and azimuth of the hole</i> > <i>down hole length and interception depth</i> > <i>hole length.</i> > <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<p>This information release does not report drill sampling or results.</p>

<p>Data aggregation methods</p>	<ul style="list-style-type: none"> > <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> > <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> > <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<p>All results being reported for pit faces are based on 1 metre interval lengths and have had sample intervals selected by 4CE personnel based on geological intervals and boundaries.</p> <p>No top/lower cut have been applied.</p> <p>At this stage it is considered that an insufficient data set has been collected to allow geostatistical methods of any relevance. Methodology may change as the collected dataset increase</p> <p>Not included in the reported results</p>
<p>Relationship between mineralisation widths and intercept lengths</p>	<ul style="list-style-type: none"> > <i>These relationships are particularly important in the reporting of Exploration Results.</i> > <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> > <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i> 	<p>All results being reported for pit faces are based on 1 metre interval lengths and have had sample intervals selected by 4CE personnel based on geological intervals and boundaries.</p> <p>No top/lower cut have been applied.</p> <p>At this stage it is considered that an insufficient data set has been collected to allow geostatistical methods of any relevance. Methodology may change as the collected dataset increases</p>
<p>Diagrams</p>	<ul style="list-style-type: none"> > <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<p>Refer to this press release body of text</p>
<p>Balanced reporting</p>	<ul style="list-style-type: none"> > <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<p>Due to the nature of the early stage project status and limited sampling to date, the results should be considered indicative only and not material. All results should be considered in the limited context of the sampling program. The samples collected to date are considered representative of the exposed mineralisation.</p>
<p>Other substantive exploration data</p>	<ul style="list-style-type: none"> ➤ <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<p>No further data available.</p>
<p>Further work</p>	<ul style="list-style-type: none"> > <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> > <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<p>Further work may include mapping, soil sampling and bed rock sampling for geochemical anomalies to identify prospective target zones and then small amount of drill testing of higher priority targets. RC/ Diamond drilling may be included in subsequent phases of drilling.</p>

APPENDIX 2 – ASSAY RESULTS FOR GRAB SAMPLES COLLECTED AS PART OF DUE DILIGENCE INVESTIGATIONS

As part of Technical Due Diligence, 25 random grab samples were taken from pegmatites outcropping in the license areas.

The samples were taken from mostly highly weathered pegmatite and were representative of the various rock types observed.

The assay results received for the 25 random grab samples are as follows:

Tenement	Samp_No	UTM_E	UTM_N	Locality	Samp_Type	Orientation	Lithology	ME-MS61 (Li2O %)
PR4100/PE13082	A2501	541257	9165944	Kanuka	rockchip	Random	Pegmatite	0.45
PR4100/PE13082	A2502	541269	9165833	Kanuka	rockchip	Random	Pegmatite	1.62
PR4100/PE13082	A2503	541162	9165729	Kanuka	rockchip	Random	Pegmatite	0.00
PR4100/PE13082	A2504	540959	9165840	Kanuka	rockchip	Random	Pegmatite	1.86
PR4100/PE13082	A2505	541850	9166122	Kanuka	rockchip	Random	Pegmatite	1.93
PR4100/PE13082	A2506	546480	9164071	Kanuka	rockchip	Random	Pegmatite	0.03
PR4100/PE13082	A2507	546285	9169221	Kanuka	rockchip	Random	Pegmatite	0.02
PR4100/PE13082	A2508	546307	9169191	Kanuka	rockchip	Random	Pegmatite	0.01
PR4100/PE13082	A2509	542920	9164769	Kanuka	rockchip	Random	Pegmatite	0.20
PR4100/PE13082	A2511	539809	9159591	Kanuka	rockchip	Random	Pegmatite	0.01
PR4100/PE13082	A2512	540017	9158897	Kanuka	rockchip	Random	Pegmatite	0.00
PR4100/PE13082	A2513	539979	9159080	Kanuka	rockchip	Random	Pegmatite	0.01
PR4100/PE13082	A2514	540144	9158763	Kanuka	rockchip	Random	Pegmatite	0.01
PR4100/PE13082	A2515	539483	9158724	Kanuka	rockchip	Random	Pegmatite	0.00
PR4100/PE13082	A2516	542859	9170736	Kanuka	rockchip	Random	Pegmatite	0.01
PR4100/PE13082	A2517	542969	9165846	Kanuka	rockchip	Random	Pegmatite	0.21
PR4100/PE13082	A2518	542431	9165602	Kanuka	rockchip	Random	Pegmatite	0.09
PR4100/PE13082	A2519	543387	9165359	Kanuka	rockchip	Random	Pegmatite	2.12
PR4100/PE13082	A2520	543527	9166234	Kanuka	rockchip	Random	Pegmatite	0.08
PR4100/PE13082	A2521	536903	9166684	Kanuka	rockchip	Random	Pegmatite	0.01
PR4100/PE13082	A2522	539134	9166304	Kanuka	rockchip	Random	Pegmatite	0.00
PR4100/PE13082	A2523	536662	9166506	Kanuka	rockchip	Random	Pegmatite	0.00
PR4100/PE13082	A2524	536651	9166402	Kanuka	rockchip	Random	Pegmatite	0.01
PR4100/PE13082	A2525	536965	9166251	Kanuka	rockchip	Random	Pegmatite	0.00

Table 2: Assay results for rock chip samples A2501 to A2525 at the Kanuka Project.