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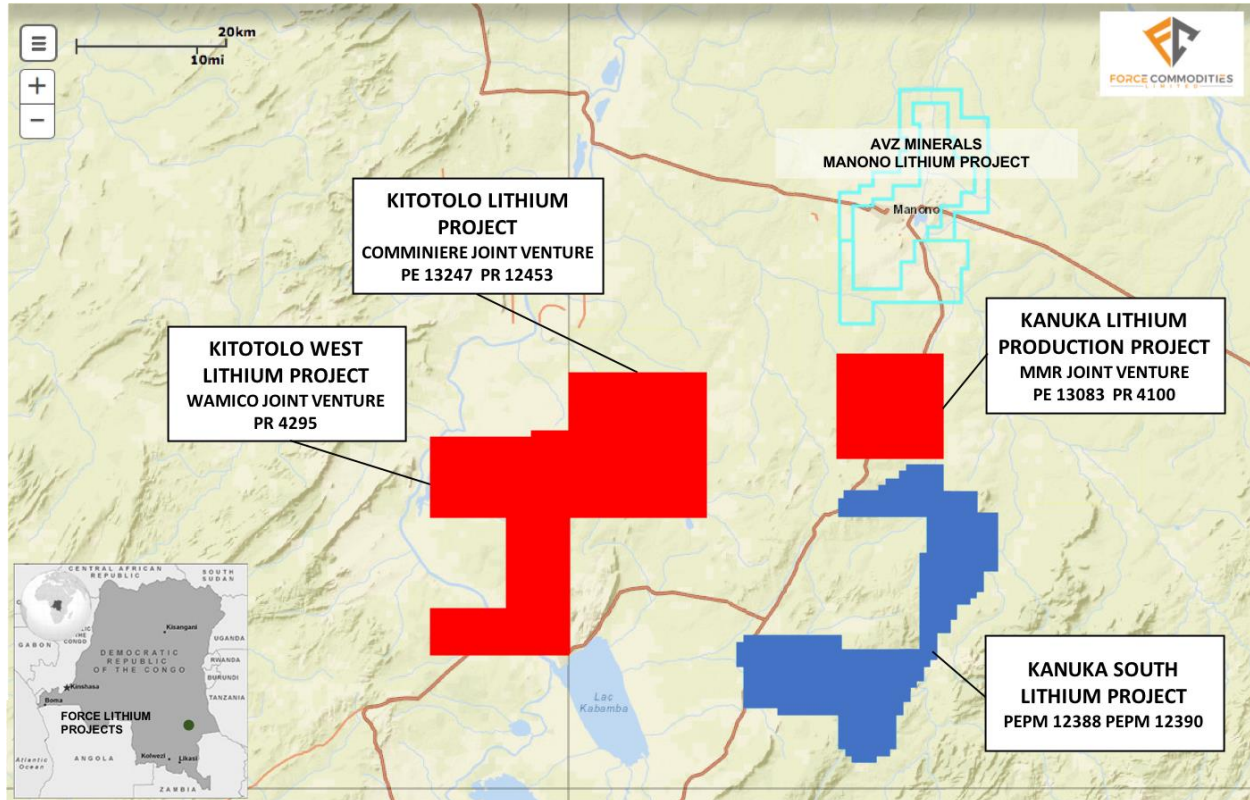
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## **AGREEMENT SIGNED TO ACQUIRE 100% OF THE KANUKA SOUTH LITHIUM PROJECT**

- ***Agreement executed to acquire an option to purchase 100% interest in the Kanuka South Lithium Project;***
- ***The Kanuka South Lithium Project is located just 500m south of the Company's Kanuka Lithium Production Project and extends a further 40km to the south and south-west;***
- ***The Kanuka South Lithium Project comprises granted Mining PEPM 12388 and PEPM 12390, which are both in the process of being renewed for a further 5 years;***
- ***The proposed acquisition consolidates the Company's position around the operating tin and tantalum mining operation at Kanuka where open pit mining activities have exposed a number of pegmatites including one in the current main mining area, which has been mapped in excess of 3kms long and greater than 200 metres in width and which remains open along strike on a NE-SW trend;***
- ***Proposed acquisition cements Force's position as one of the major lithium explorers and landholders in the world-class Kitotolo-Manono Lithium Region with the Company's joint venture interests set to extend over 5 granted Mining Licenses and 2 Exploration Licenses covering approx. 1,250km<sup>2</sup> of ground with proven lithium bearing pegmatites;***
- ***Agreement remains subject to technical and legal due diligence which has already commenced and is to be completed over a 60-day exclusivity period; and***
- ***New acquisition follows recent signing of a binding heads of agreement with Walni Mineral Company SARL to acquire a majority interest in the Kitotolo West Lithium Project located immediately west and contiguous to the Company's Kitotolo Lithium Project Joint Venture.***

Force Commodities Ltd (**Force** or the **Company**) (ASX Code: 4CE) is pleased to announce that it has further consolidated its strategic position in the highly prospective and world class Kitotolo-Manono Lithium region after executing an Assignment Agreement to acquire an option to purchase a 100% interest in the Kanuka South Lithium Project, which is located less than 500m south and south-west of the Company's Kanuka Lithium Production Project.

The Kanuka South Lithium Project is located just south of the Company's Kanuka Lithium Production Project Joint Venture with Kanuka Mining Company SARL (**KANUKA**), a wholly owned subsidiary of established DRC mining company Mining Mineral Resources SPRL (**MMR**).



**Figure 1.** Location Map: Kanuka South Lithium Project highlighted in blue, immediately south of the Company's Kitotolo Project.

The Company executed formal joint venture documentation for the Kanuka Lithium Production Project last month (refer ASX Announcement - 27 March 2018) and subsequently executed an agreement to complete an initial 50-hole, 3,000m maiden AC-RC and 1,000m diamond drilling program focused on the open pit mining areas at the Kanuka Lithium Production Project (refer ASX Announcement - 28 March 2018).

Force has now secured an option to acquire, on a 100% basis, licenses immediately south and south-west of the Kanuka Lithium Production Project. The Company has been assigned an option with Mr Jacques M A-Kyabuta, to acquire granted Mining Permits PEPM 12388 and PEPM 12390, held by him which make up the Kanuka South Lithium Project. These permits are both currently in the process of being renewed for a further 5 years.

The Kanuka South Lithium Project is considered highly prospective for lithium mineralisation being considered to be on the same geological and structural setting as the lithium pegmatites already identified by the Company on its Kanuka Lithium Production Project Joint Venture and on AVZ Mineral's (ASX: AVZ) Manono Lithium Project, whose licenses are immediately approx. 25km to the north of the Kanuka South Lithium Project.

The Kanuka South Lithium Project licenses, PEPM 12388 and PEPM 12390 cover an area of approx. 460km<sup>2</sup>, taking the combined Kanuka-Kanuka South license areas to be in excess of 450 km<sup>2</sup>

The licenses are granted Mining Licenses, which the Company and its legal advisors are currently in the process of renewing for a further 5 years.

In addition to the being just south of the Kanuka Lithium Project, they are located approx. 20km south of AVZ Mineral's (ASX: AVZ) Manono Lithium Project and 20km east of the Kitotolo Lithium Production Project and 20km to 40km east of the Kitotolo West Lithium Project (see Figure 1). Access to the license areas is from the same local roads used by the Company to access its existing joint venture lithium projects at Kanuka and at Kitotolo.

Areas of the licenses are currently the subject of artisanal mining activity focused on the, at and near surface alluvial sand layers that host cassiterite and columbite (minerals that are typically coincidental with lithium mineralisation).

The Company believes that the proposed acquisition of a 100% interest in the Kanuka South Lithium Project to be highly strategic and significant given the opportunity it has to accelerate the development of the Kanuka Lithium Production Project with its joint venture partner MMR on the exposed lithium bearing pegmatites already identified in the existing mining areas.

Force's Head of Exploration, Mr James Sullivan, said:

"The addition of the Kanuka South Mining Licenses to our lithium portfolio is another significant step by the Company. The area covers a significant geological domain with a regionally demonstrated mineral endowment for lithium bearing pegmatites deposits and is located just south and south west of our recently concluded Kanuka Lithium Production Project Joint Venture."

"The Company has already been completing detailed geological mapping and rock chip sampling on the Kanuka Lithium Production Project and this will now be immediately extended onto the nearby Kanuka South licenses to generate further exploration targets."

"The exploration upside here at Kanuka South, in the immediate vicinity of the Kanuka Lithium Production Project, where we have already identified lithium bearing pegmatites, and elsewhere within the larger Kanuka South licence area is considered excellent."

### **Key Commercial Terms**

The Company has been assigned an option to acquire a 100% interest in the Kanuka South Lithium Project.

Exercise of the option remains subject to finalisation of legal due diligence to be completed over a 60-day period, execution of formal sale and purchase documentation and receipt of any regulatory approvals.

In the event the option is exercised Force will be required to pay the following consideration on each of the licenses to the licenses holder:

- a) US\$125,000 on execution of all relevant sale and purchase documentation and associated agreements;
- b) US\$125,000 on transfer of each of the Mining Licenses to Force;

In addition, Force will be required to pay the following milestone based share consideration to African Arch Capital (Mauritius) Ltd (**AAC**), who have assigned the option to Force.

- c) issue A\$300,000 of ordinary shares in Force to AAC on execution of all relevant sale and purchase documentation and associated agreements; and
- d) issue US\$450,000 worth of shares in Force to AAC on completion by Force of its initial exploration program confirming, amongst other things, the presence of lithium bearing mineralisation within the fresh pegmatites and the formal approval by the Force Board to commit to further exploration activities and resource definition drilling on the Kanuka South Lithium Project.

In consideration of the assignment of the option, Force has also reimbursed AAC for the US\$30,000 option fee it paid to the licenses holder to acquire the option.

**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.