

4 July 2018

ASX Announcements Office
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Australia

EXPLORATION UPDATE - KANUKA LITHIUM PRODUCTION PROJECT

- *Phase 1 AC/RC drilling program now underway at the Kanuka Lithium Production Project;*
- *Drilling to comprise an initial 3,000m program predominantly targeting the strike continuity of the now much extended Kania Main Pegmatite exposed in the current main mining area at Kanuka and new Kalombo Mushwima Prospect;*
- *Mapping and auger drilling on site over the past 2 months has successfully extended the strike extent of the Kania Main Pegmatite at Kanuka to + 5km, which remains open and appears to widen to the SW;*
- *The Kania Main Pegmatite will have a minimum 4 drill fences drilled, with drilling targeting across the approx. 500m width extent in the NE as well as the recent major +2km Kania Main Extensions identified in the SW;*
- *Auger drilling has also successfully identified a large number of additional pegmatites located west and parallel to the Kania Main Pegmatite.*
- *In total, 143 auger drill holes have been completed with a total of 51 geochemical samples despatched for assay.*
- *Phase 1 AC/RC drilling program to also test the new Kalombo Mushwima Prospect which focus on the large number of parallel pegmatites that have been identified approx. 2km W and NW of the main Kanuka mining area and which have strike extents of +2km long and +100m wide and which remain open;*
- *Force has elected not to proceed with the proposed Kanuka South acquisition; and*
- *Due diligence in regards to the potential acquisition of the Kitotolo West Lithium Project has been extended by agreement and is ongoing, with a detailed geological mapping and auger/rock chip geochemical sampling program well advanced.*

Force Commodities Ltd (**Force** or the **Company**) (ASX Code: **4CE**) is pleased to provide an update on the Company's exploration activities and AC/RC drilling program at the Kanuka Lithium Production Project, located in in Tanganyika Province in the south east of the Democratic Republic of Congo (**DRC**).

The Kanuka Lithium Production Project is a Joint Venture between Force (51%) and established Congolese tin and tantalum mining company, MMR (49%). It includes granted Mining License PE13082 and Exploration License PR4100 and which together extend over an area of 194km². The Project area is located just 5km immediately south of AVZ Mineral's 'world-class' Manono-Kitotolo Lithium Project licenses and 20km east of the Company's Kitotolo Lithium Project.

The Company is pleased to confirm that AC-RC drilling activities at the Kanuka Lithium Production Project are now underway.



Figures 1, 2 and 3. Equity Drilling AC/RC drill rig and equipment on site at the Company's Kanuka Exploration Camp

Equity Drilling Limited (**Equity Drilling**), who were appointed as the Company's drilling contractor in late March 2018 (refer ASX Announcement dated 28 March 2018) has completed mobilisation of the AC/RC drill rig and associated equipment to the Company's exploration camp at the Kanuka Lithium Production Project.



Figures 4 and 5. Preparation of the Equity Drilling AC/RC drill rig and equipment for transportation and mobilization



Figures 6 and 7. Equity Drilling AC/RC drill rig and equipment transportation and mobilization



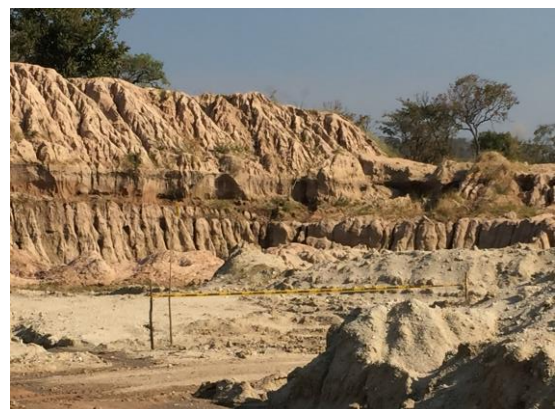
Figures 8 and 9. Equity Drilling AC/RC drill rig and equipment transportation and mobilization to Kanuka

Equity Drilling will now complete an initial 3,000m AC/RC program which will be principally focused in the current main mining pit of the operations of MMR and where a major pegmatite body, the Kania Main Pegmatite, has been exposed from mining activities.



Figures 10, 11 and 12. Equity Drilling AC/RC drill rig and equipment on site at Kanuka Lithium Production Project

The Kania Main Pegmatite has been extended significantly over the past 2 months and has now been mapped in excess of 5kms in length and in areas has been mapped to be greater than 300 metres in width. The Kania Main Pegmatite remains open along strike on the regional NE-SW trend.



Figures 13 and 14. Drill lines marked out in the Kania Main Pegmatite, and pegmatites exposures in the main mining area

The Phase 1 AC/RC drilling program comprises an initial 3,000m across 5 drill fences. The drill plan has been updated over the past weeks to take into consideration the positive results of the ongoing mapping and auger drilling program.

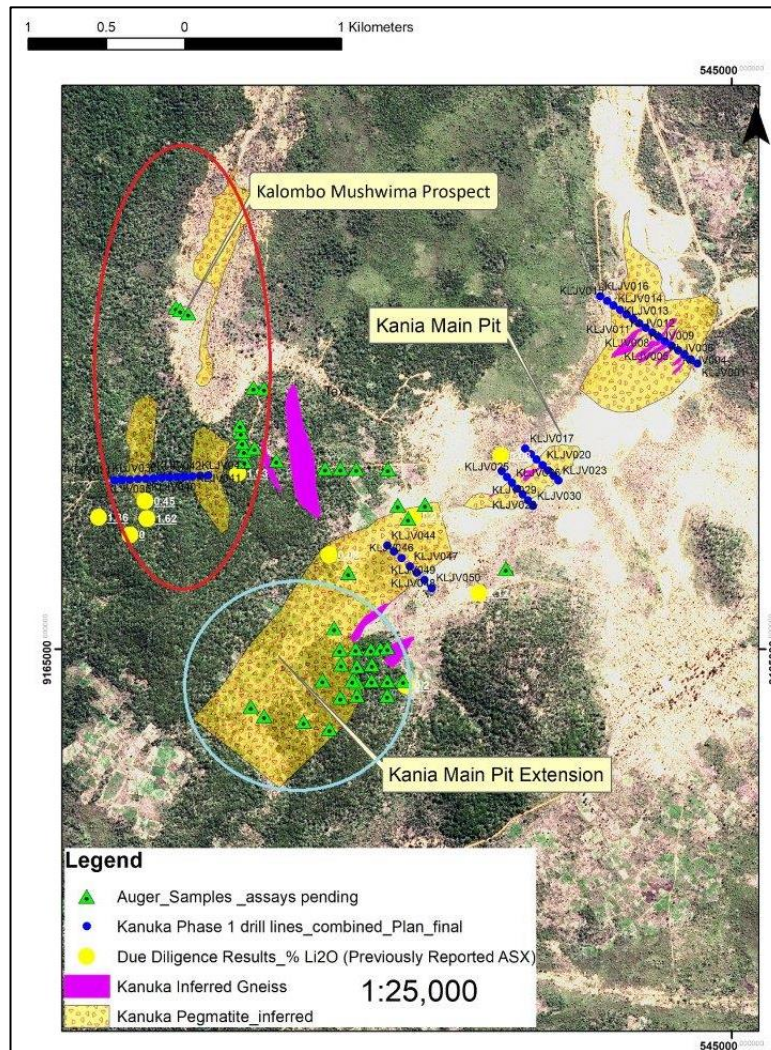


Figure 15. The Kania Main Pegmatite and Extension and new Kalombo Mushwima Prospect comprising several parallel pegmatites with recent auger drilling hole locations and samples

The Kania Main Pegmatite will have an initial planned 4 drill fences completed in the NE portion of the exposed pegmatite, across the approx. 500m width extent, in the central portion and in the now much extended SW portion. The testing of the extensions to the Kania Main Pegmatite follows the results from the Company's recent mapping and auger drilling.

All drill hole details and locations may change depending on initial downhole geology interpretations and intersections.

Drilling of the Kalombo Mushwima Prospect is also planned as part of the Phase 1 drilling program. The new Kalombo Mushwima Prospect comprises a large number of parallel pegmatites that have been identified approx. 2km W and NW of the main Kanuka mining area.

Whilst Equity Drilling were mobilising to site, the Company was able to successfully complete its Phase 1 auger drilling program. This was completed over areas of highly active artisanal mining, to assist in both defining further near surface mineralised pegmatitic hosts and extensions and adding to further potential exploration targets. It also allowed the Company to intercept bedrock geology where drilling was initially through the alluvial cover.

In total 143 auger drill holes were completed with a total of 51 geochemical samples despatched for assays with results due in late July 2018.

Further use of the auger drilling equipment is being planned for regional geology exploration and further pegmatite targeting under the alluvial cover.

The Phase 1 AC/RC drilling program at the Kanuka Lithium Production Project is now expected to be completed by late-July/early August 2018 with assays results to be then received. The Company will then proceed with a planned 1,000m diamond drilling program, whilst the AC/RC rig is relocated to the Kitotolo Lithium Project to complete a 15,000m program of AC-RC drilling.

Kanuka South and Kitotolo West Acquisitions

The Company has elected not to proceed with the proposed Kanuka South acquisition.

The Company is pleased to confirm that it is well advanced in its due diligence program for the Kitotolo West Project, which has been extended by agreement. The due diligence program includes detailed geological mapping, rockchip-outcrop and auger drill sampling. To date, 41 samples have been collected from 141 data points. A sample dispatch will be compiled within the next week and multi element assay results are expected to follow. Further updates will be made on the Company's due diligence on this further opportunity.

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 fulltime employee of Force Commodities Ltd .

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.