ASX ANNOUNCEMENT
31 October 2018

About Force

- Force Commodities Limited is a Perth based lithium exploration and development focussed company listed on the Australian Stock Exchange (ASX Code: 4CE)

Project Summary

- 70% interest in JV over Kitotolo-Katamba Lithium Project, DRC.
- 51% interest in JV over Kanuka Lithium Production Project, DRC.

Directors and Management

Mr David Sanders - Chairperson
Mr Jason Brewer – Managing Director
Mr Gedeon Pelesa - Director
Mr Michael Fry – CFO/CoSec

Capital Structure

Shares on Issue:
423,915,868 fully paid ordinary

Options on Issue:
- 26,416,662 exercisable @$0.032; expiring 30 June 2019
- 10,000,000 exercisable @$0.035; expiring 30 June 2019
- 937,500 exercisable @$0.048; expiring 30 June 2019
- 2,000,000 exercisable @$0.06; expiring 1 July 2020
- 2,000,000 exercisable @$0.08; expiring 1 July 2020
- 2,500,000 exercisable @$0.10; expiring 30 June 2020
- 1,800,000 Performance Rights; subject to vesting conditions

Substantial Shareholders

Jihad Malaeb:
22,969,673 FPO shares – 5.42%

September 2018 Quarter Review of Operations

Highlights

DRC Lithium Projects

- Kanuka Lithium Production Project: Phase 1 program completed of 45 RC holes completed for 2,673m; to test +5km pegmatite strike in main mining area (Kania) and newly identified parallel pegmatites (Kalombo Mushwima) less than 2km to the west.
- Sample assays pending from ALS Johannesburg.

- Kitotolo-Katamba Lithium Project: 98 RC shallow holes completed for 4,272m of planned Phase 1 program consisting of ~15,000m of RC drilling and ~1,000m of diamond drilling.
- Drilling program to test +1km pegmatite strike lying in inferred structural corridor SW of AVZ's Manono Project.
- First samples despatched to ALS Johannesburg.

Kitotolo-Katamba Lithium Project

- Project comprises Exploration License PR 12453 and Mining License PE 13247, and extends over an area of approx. 400km$^{2.}$
- Project area along strike from AVZ's 'world-class' Manono Project; considered to be one of the largest pegmatite bodies in the world.
- Joint venture agreement executed in November 2017, with incorporation of a new joint venture company, COMFORCE, to recognise Force's interest, management role and the planned exploration programs and proposed development activities completed during the quarter.
- JV partner, DRC state-owned mining company La Congolaise d'Exploitation Minière (Cominiere SA) hold 34 additional mining and exploration across 4 DRC provinces including a 25% interest in AVZ's Manono Project.
- Due diligence investigations identified spodumene in pegmatites across significant areas within Project area.
- Initial assay results confirm high grade lithium mineralisation (up to 2.15% Li_2O) in pegmatites.
- Subsequent assays from test-pits and trenches confirm high-grade lithium mineralisation in shallow pegmatite bodies 1km along strike from the Katamba artisanal Pit.
- Project area has historical cassiterite and columbite-tantalum mining, minerals commonly found alongside Lithium.
- 16,000m AC-RC and diamond drilling program in progress.

Kanuka Lithium Production Project

- Project comprises Mining License PE13082 and Exploration License PR4100; covering an area of 194km^2 and containing extensive lithium bearing pegmatites.
- Project licenses 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.
- Joint venture agreement executed in late March 2018 with incorporation of a new joint venture company, MINFORCE, to recognise Force's interest, management role and the planned exploration programs and proposed development activities completed during the quarter.
- JV partner, Mining Mineral Resources SPRL (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.
- 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.
- Pegmatites on the license areas have been identified on a NE-SW trend and exposed at surface and observed to extend for over 5km in length and 300m in width in the current main mining area. Pegmatites have in places been exposed by historic and current mining operations and have been exposed down to depths of up to 15 metres.
- Pegmatites have also been identified less than 2km from and parallel to the pegmatite in the main mining area and extend for over 5km in length and 200m in width.
- The Kanuka Lithium Project Joint Venture will benefit from the excellent infrastructure of MMR's established mining operation, with power, mine camp and offices as well as its own airstrip which will accelerate exploration activities.

- 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% Li_20 and 1.93% Li_20.
- The Kanuka Lithium Project Joint Venture will 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.
- Phase 1 program completed of 45 holes for 2,700m of RC drilling; diamond drilling program of ~1,000m to be based upon review of assay results.
- Phase 1 Drill Program targeted the strike continuity of the Kania Main Pegmatite exposed in the current main mining area and the new parallel pegmatites identified at the Kalombo Mushwima Prospect.

Mt Adrah Gold Project

- Company entered into an agreement to dispose of the Mt Adrah Gold Project.
- Company to receive consideration of up to $500,000 in cash and shares.
- Acquirer has formally advised of decision to proceed.
- Transfer documents lodged with NSW Mines Department.

Halls Peak Base Metals Project

- Company has entered into an agreement to dispose of the Halls Peak Base Metals Project to XS Resources Ltd.
- Company to receive consideration of up to $665,800 in cash and shares.
- XS Resources Ltd has advised of its decision to proceed with the acquisition of the Halls Peak Base Metals Project. The agreements are subject to various Conditions Precedent, including the admittance to the Official List of ASX by XS Resources Ltd. XS Resources Ltd IPO prospectus is dated 10 September and was lodged with ASIC on that date. A copy of the IPO prospectus can be viewed at www.xsresources.com.au

Corporate & Finance

- Issue of 2,000,000 new shares pursuant to terms of acquisition of Kanuka Lithium Production Project.
- Cash at bank as at 30 June 2018 of $1.18m.
- Investment in ASX-listed Marquee Resources comprising 2,250,000 shares and 750,000 options exercisable at 20 cents on or before 30 September 2020, currently valued at ~$270k (as at 29 October 2018).

Activities Report for the quarter ended 30 September 2018.

Force Commodities Limited (ASX Code: 4CE) ("**Force**" or the "**Company**") provides its activities report for the quarter ended 30 June 2018.

Force has a majority interest in two highly prospective lithium projects (Kitotolo-Katamba Lithium Project, Kanuka Lithium Production Project) in the Tanganyika Province of the Democratic Republic of Congo (**DRC**) each of which have identified pegmatites across significant areas of their project area. The projects are highlighted in red in Figure 1.

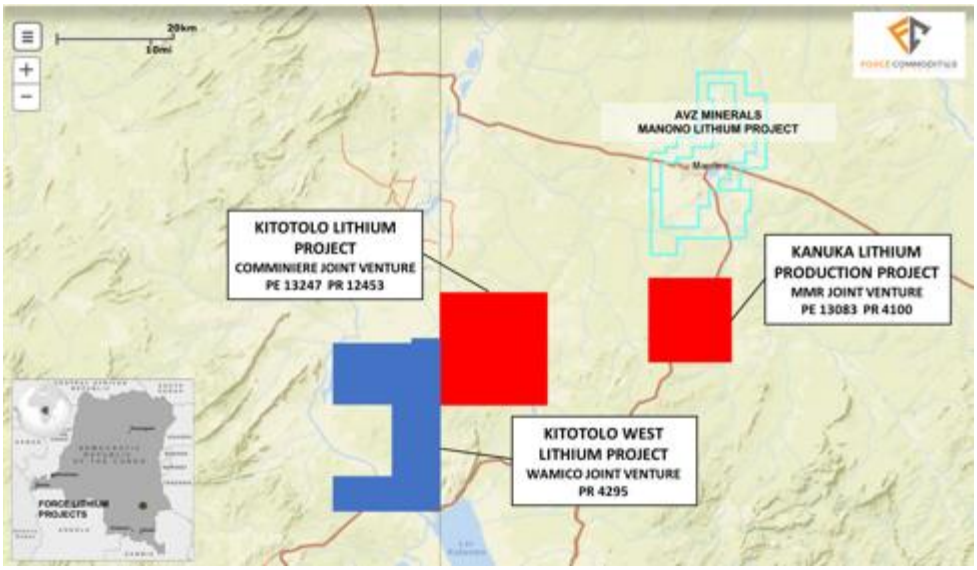

Figure 1. Location Map: Force project interests in Kitotolo-Manono region. Owned interests (in red). Option interests (in blue).

In addition, Force has an option to acquire the Kitotolo West Lithium Project, which is also considered highly prospective for lithium mineralisation and has known areas of artisanal mining activities and exposed lithium bearing pegmatites.

Presently, the Company has a land-holding of ~594 km^2 in the Kitotolo-Manono area and should the Company proceed with the proposed acquisition of the Kitotolo West Lithium Project, it will result in the Company increasing its land-holding to ~994 km^2 in the Kitotolo-Manono area and with all its licenses and project interests in close proximity to AVZ's Manono Project. The Kitotolo-Manono area is a 'world-class' lithium region.

AVZ's Manono Project is the largest lithium-rich LCT (lithium, caesium, tantalum) pegmatite deposit in the world. Work performed to date by AVZ has demonstrated that the pegmatites extend for a strike length of 13km+ and is more than 200m wide and more than 240m thick in places.

Historical records suggest that pegmatite field in the region extends over 500km from Kolwezi in the south-west to Kalemie in the north-east and that Force's lithium projects overlay a large section of the pegmatite field.

Force's current exploration program aims to quickly identify the extent of shallow pegmatites within the Company's project areas and to target lithium mineralisation.

1. KITOTOLO-KATAMBA LITHIUM PROJECT (70%)

1.1 Overview

The Kitotolo-Katamba Lithium Project comprises Exploration License PR 12453 and Mining License PE 13247, and extends over an area of approx. 400Km^2.

It is located south west of ASX listed AVZ Minerals' Manono Lithium Project.

Force has acquired a 70% interest in a new Joint Venture company together with DRC state-owned mining company La Congolaise d'Exploitation Minière (**Cominiere SA**) (30%) for the purpose of exploring in joint venture the Kitotolo Lithium Project.

A detailed overview of the Project is included at Annexure A.

1.2 Work Completed during September 2018 Quarter

Phase One RC Drill Program

As at the date of this report, 98 RC holes for 4,272m have been completed.

The program is designed to comprise shallow (40-60m) drilling to rapidly target near surface lithium mineralisation, extending 1km NE from the large artisanal Katamba Pit located in the north-eastern quadrant of the Project area and within a NE-SW trending pegmatite corridor, containing AVZ's Manono Project, Tantalex's Buckell Project and the Katamba Pit.

Further deeper AC/RC drilling will follow the initial shallow drilling program, targeting depth extensions of the anticipated shallow intercepts.

The Phase 1 RC drilling program at Kitotolo-Katamba is proposed to consist of 152 holes for ~15,000m.

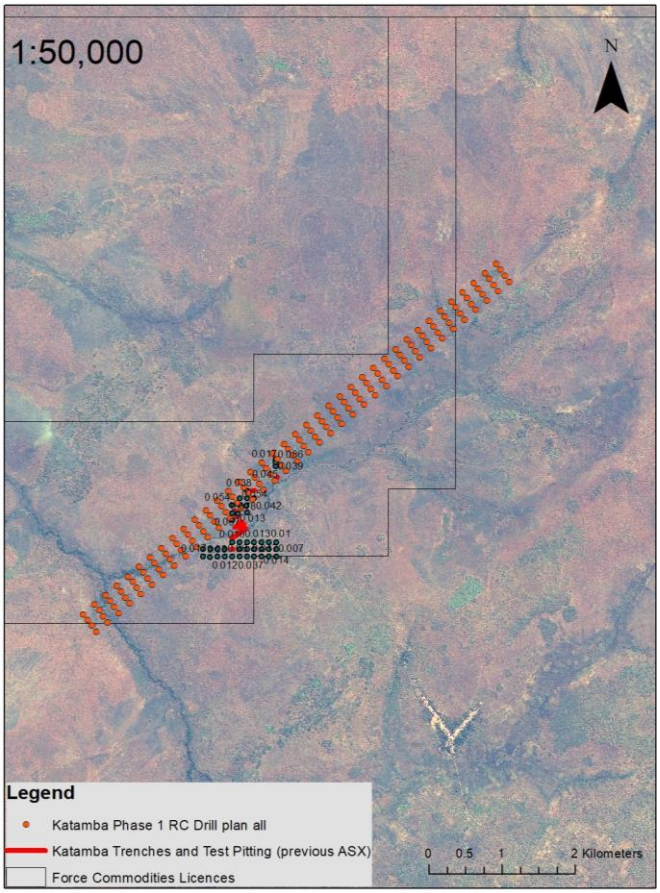

Figure 2: Planned Phase 1 RC drill program.

The planned drill-hole locations and depths are expected to change according to observations of down-hole geology.

A 1,000m diamond drilling program is proposed to commence after the results of the Phase 1 RC ~drilling program have been received and interpreted.

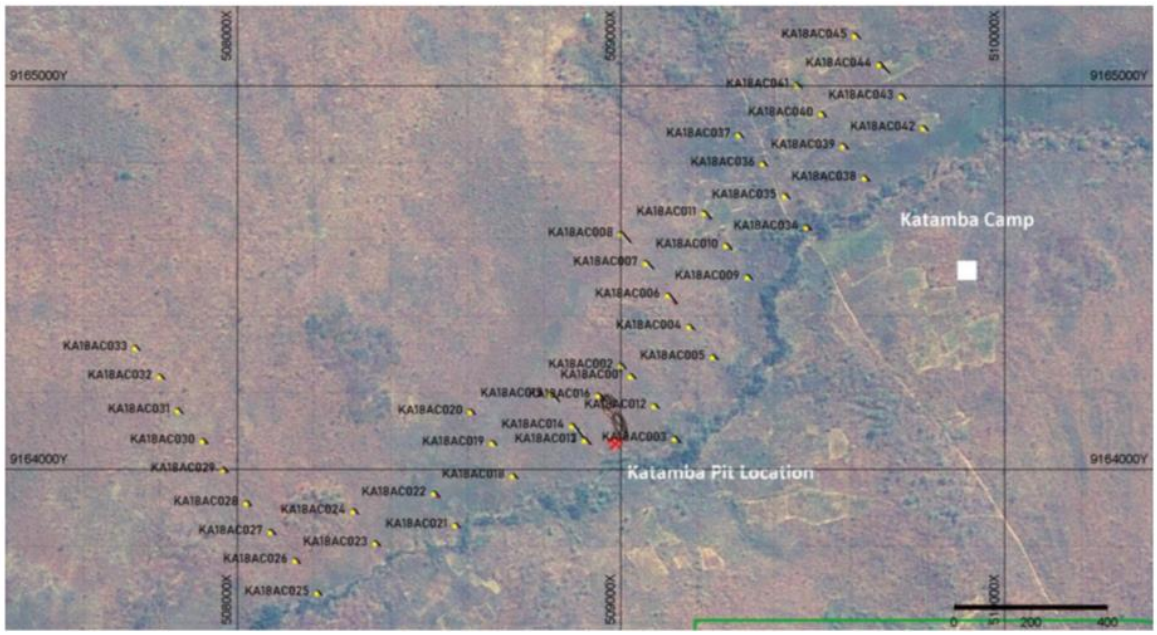

Figure 3: Completed Phase 1 RC Drilling at the Kitotolo-Katamba Lithium Project in the DRC

Images of the drill crew in action appear below.

Images 1- 4: Phase 1 RC Drilling at the Kitotolo-Katamba Lithium Project in the DRC

Passive Seismic survey (Tromino) work has been ongoing and is being used to assist in targeting the pegmatites beneath the cover. A Perth-based geophysics consultancy group has been engaged by the Company to process the raw data, interpret the datasets and advise on targeting of drill holes.

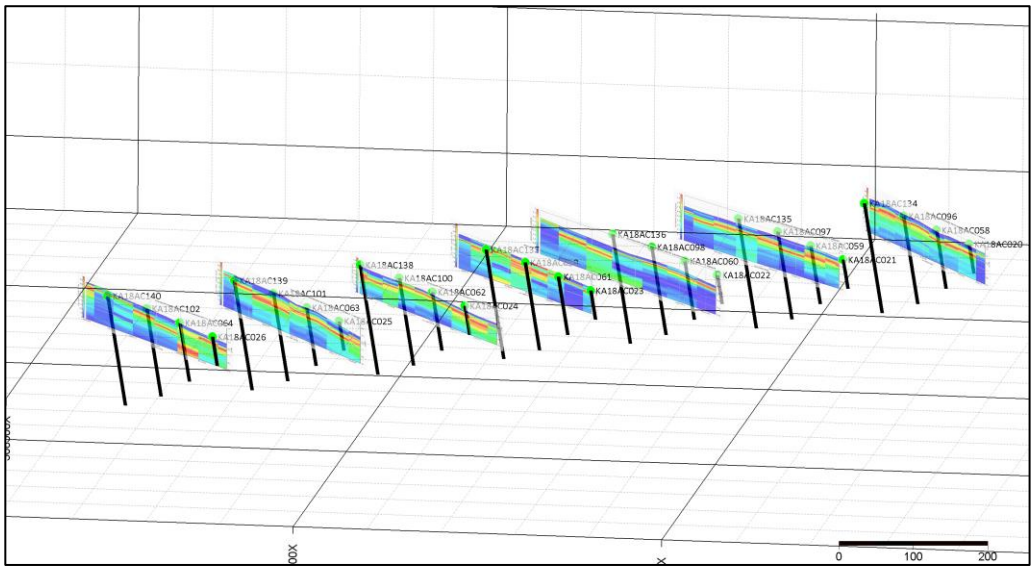

Figure 4: Completed Passive Seismic Lines (Lines 71-77) with Phase 1 RC drilling

The first batch of drilling samples has been dispatched to Lubumbashi for sample preparation and then on to Johannesburg for multi-element determinations. Assay results are expected in November 2018.

2. KITOTOLO WEST LITHIUM PROJECT – UNDER OPTION

The Company announced in April 2018 that it acquired an option to acquire up to a 75% interest in the Kitotolo West Lithium Project.

The Kitotolo West Lithium Project comprises granted Exploration License PR4295.

PR4295 covers an area of approx. 400km^2 and is contiguous to the Company's existing Kitotolo-Katamba Lithium Project and 35km west of the Company's Kanuka Lithium Production Project.

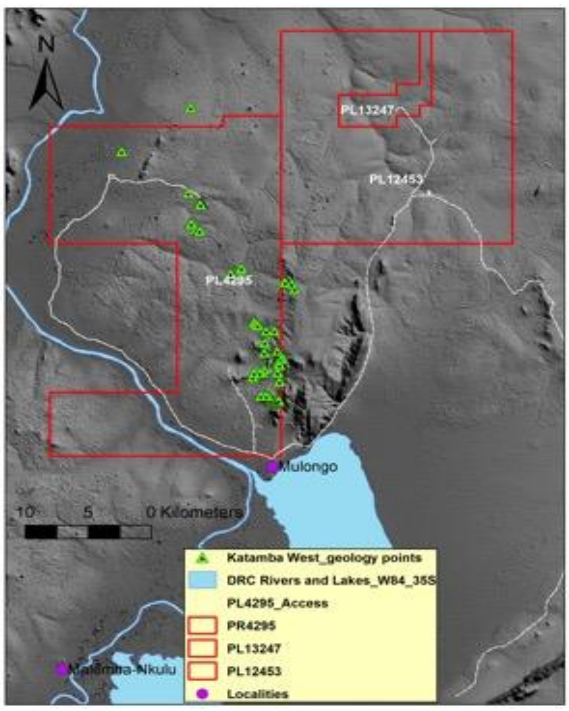

Figure 5. Sample points from the Kitotolo West initial technical due diligence program.

In April 2018, the Company commenced its initial technical due diligence work which included geological mapping and sampling of pegmatitic host rocks along the inferred regional trend (refer previous quarterly report).

A total of 47 rockchip samples were collected and dispatched for multi-element determinations. Assays are pending.

Further work is under consideration, including augering and the application of the Company's passive seismic 'Tromino' system to assist in the modelling of bedrock geology undercover. Such further work will be dependent on receiving encouraging assay results from the rockchip sampling. Referred to above.

A decision on whether to exercise the option to acquire the Project has not yet been reached.

3. KANUKA LITHIUM PRODUCTION PROJECT (51%)

The Kanuka Project area comprises two contiguous licenses: granted Mining License PE13082 and Exploration License PR4100.

These licenses cover an area of approx. 194km^2 and are located 20km east of the Company's existing Kitotolo Lithium Project. The licenses are also immediately south (approx. 4km from the license boundaries) of AVZ's Manono Project.

A detailed overview of the Project is included at Annexure B.

3.1 Phase One RC Drilling Program Completed

The Company has completed its Phase One RC drill program which consisted of 45 holes for ~2,700m.

Drill fences 1, 2 and 3 were completed on the Kania Main Pegmatite and drill fences 4 and 5 were completed on the parallel pegmatites identified at the Kalombo Mushwima Prospect, refer Figure 7 below.

Figure 6: RC Drilling Locations at the Kanuka Lithium Production Project in the DRC

The Phase 1 RC Drilling program was designed to rapidly target near surface lithium mineralisation hosted within exposed pegmatites and confirm interpretations from the surface geological mapping work completed earlier this year within MMR's current main alluvial mining area. A further 1,000m diamond drilling program is planned following a review of the Phase 1 RC drilling results.

A total of 2,621 RC samples were taken from all 45 RC drill holes. Samples were dispatched from the Company's exploration camp at Kanuka to ALS in Lubumbashi in several batches for sample preparation and on-forwarded by ALS to its Johannesburg laboratory for multi-element analytical determinations.

The assay results from these samples are now pending from ALS Johannesburg and upon receipt and review by the Company's technical team, will be released to shareholders

4. NSW PROJECTS

As reported previously, the Company is focussing its efforts and financial resources predominantly on its DRC Lithium Projects and for this reason it sought to attract parties interested in advancing its NSW projects via an earn-in, joint venture or sale opportunity, cash or share based.

4.1 Mt Adrah Gold Project

The Company entered into a sale agreement for Mt Adrah Gold Project on 16 March 2018.

Pursuant to the terms of the agreement, Force is to receive consideration of up to $500,000 in cash and shares; comprising $250,000 in cash within 5 Business Days of satisfaction of certain conditions precedent plus a further $250,000 in shares, or $100,000 in cash plus options equal to 5% of the issued capital of the Purchasers or their nominees, upon completion of an initial public offering by one of the Purchasers.

Previously, on 16 April 2018, the Purchasers formally advised that they had completed their technical and legal due diligence and would proceed with the acquisition of the Mt Adrah Gold Project.

Forms to transfer the title of the Mt Adrah tenements have been lodged with NSW Mines Department. NSW Mine Department approval of the transfer is the last remaining condition precedent.

4.2 Halls Peak Base Metals Project

During the quarter, the Company advise that it has entered into individual option agreements to sell its two Halls Peak Project tenements in New South Wales for consideration of up to $665,800 to XS Resources Limited (**XS Resources** or the **Acquirer**) (ACN 624 766 114).

Both options were exercisable within 30 days and have now been exercised. Completion is conditional upon the successful completion of an initial public offering (**IPO**) by XS Resources (**Condition Precedent**). The Condition Precedent is required to be completed by 31 December 2018, or such later date agreed by the parties.

XS Resources Ltd IPO prospectus is dated 10 September and was lodged with ASIC on that date. A copy of the IPO prospectus can be viewed at www.xsresources.com.au

5. CORPORATE

5.1 Cash at Bank

Cash at bank for the Company as at the end of the quarter was $1.18 million.

5.2 Shares

As at 31 October 2018, shares on issue total 423,915,868.

During the quarter, 2,000,000 shares were issued pursuant to the terms of acquisition of the Kanuka Lithium Production Project.

5.3 Options

As at 31 October 2018, share options remaining on issue are as follows:

Type	Expiry Date	Exercise Price	Number	Amount Outstanding
Unlisted	30 June 2019	$0.032	26,416,662	$845,333
Unlisted	30 June 2019	$0.035	10,000,000	$350,000
Unlisted	5 August 2019	$0.048	937,500	$45,000
Unlisted	1 July 2020	$0.06	2,000,000	$120,000
unlisted	1 July 2020	$0.08	2,000,000	$160,000
unlisted	30 June 2020	$0.10	2,500,000	$250,000
			43,854,162	**$1,770,333**

5.4 Consideration Shares Issued pursuant to ASX Listing Rule 7.3.2 Waiver

The Company has received waivers from ASX Listing Rule 7.3.2 relating to its acquisition of each of the Kitotolo Lithium Project and its Kanuka Lithium Production Project, allowing the Company to issue shares in relation to the acquisitions in excess of 3 months after shareholder approval. A condition of the waivers is that the Company report a summary of the number of shares issued during the reporting period, and the number that remain to be issued.

In accordance with this requirement the Company advises the following:

Project	Date of Waiver	Waiver Expiry Date	Number Issued During the Quarter	Number remaining to be Issued
Kitotolo Lithium Project	25 August 2017	4 October 2019	-	60,000,000
Kanuka Lithium Project	27 April 2018	25 May 2023	2,000,000	16,000,000
			2,000,000	**76,000,000**

7. SCHEDULE OF MINERAL TENEMENTS AS AT 30 SEPTEMBER 2018

				Interest held by Force	
Project	Status	Tenement	Location	at 31 March 2018	at 31 December 2017
Mt Adrah~	Granted	EL8606	Australia	99.5%	99.5%
Mt Adrah~	Granted	EL6372	Australia	99.5%	99.5%
Mt Adrah~	Granted	EL7844	Australia	99.5%	99.5%
Halls Peak~	Granted	EL4474	Australia	100%	100%
Halls Peak~	Granted	EL7679	Australia	55%	55%
Rocky River / Uralla	Granted	EL6483	Australia	55%	55%
Rocky River / Uralla	Granted	EL7491	Australia	55%	55%
Kitotolo Lithium Project	Granted	PR12453	DRC	70%*	70%
Kitotolo Lithium Project	Granted	PE13247	DRC	70%*	70%
Kanuka Lithium Project	Granted	PR4100	DRC	51%*	0%

EL, PR – Exploration Licence

PE – Mining Licence

~ - subject to sale agreements

* - Lithium rights only

END

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 on a full-time basis.

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.

Annexure A: Kitotolo-Katamba Lithium Project - Overview

Introduction

Force has acquired a 70% interest in a new Joint Venture company together with DRC sate-owned mining company La Congolaise d'Exploitation Minière (**Cominiere SA**) (30%) for the purpose of exploring in joint venture the Kitotolo Project.

The Kitotolo-Katamba Project is highly prospective for lithium, tin and tantalum mineralisation, with the Company's main focus being on the lithium mineralisation.

There is very limited historical exploration activity at Kitotolo, and Force has commenced an aggressive exploration program to quickly identify the extent of the pegmatite and to target the lithium mineralisation.

Project Setting and Location

The Kitotolo-Katamba Project comprises Exploration License PR 12453 and Mining License PE 13247, and extends over an area of approx. 400Km^2.

It is located 30km south west of ASX listed AVZ Minerals' Manono Project.

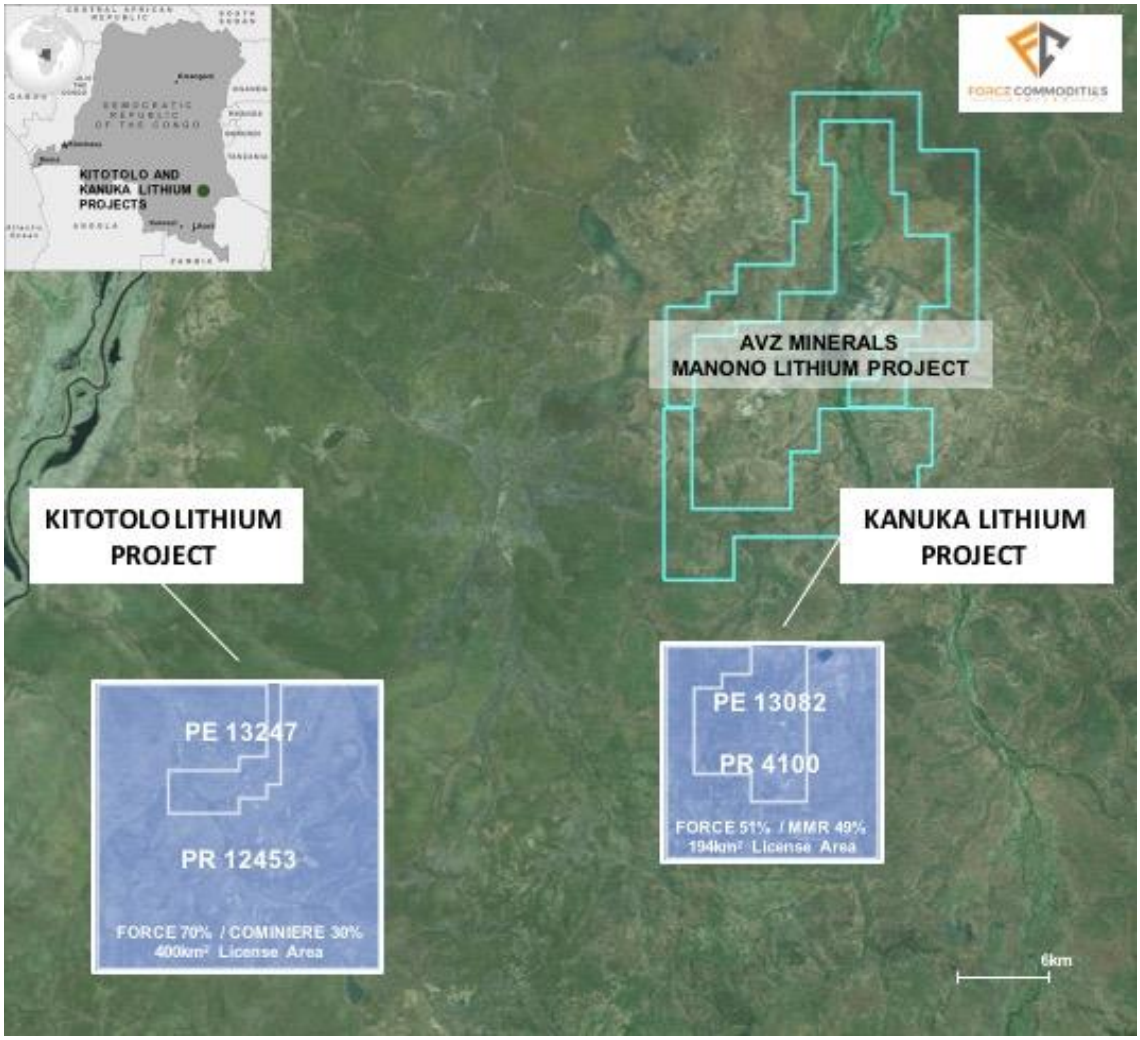

Figure 1: Location Map – Kitotolo-Katamba Lithium Project and Kanuka Lithium Project

AVZ's Manono Project is considered to be potentially one of the largest lithium-rich LCT (lithium, caesium, tantalum) pegmatite deposits in the world. Work performed to date by AVZ has demonstrated that the pegmatites extend for a strike length of 13km+ and is more than 200m wide and more than 240m thick in places.
Historical records suggest that pegmatite field extends over 500km from Kolwezi in the south-west to Kalemie in the north-east and that Force's Kitotolo and Kanuka lithium projects overlay a large section of the pegmatite field.

The Kitotolo-Katamba Lithium Project lies in an inferred regional structural corridor that is trending SW-NE and incorporates AVZ's Manono Project, TSX-V listed Tantale's Buckell Project, and Force's Kitotolo Project, where lithium mineralisation grades appear to be at elevated levels.

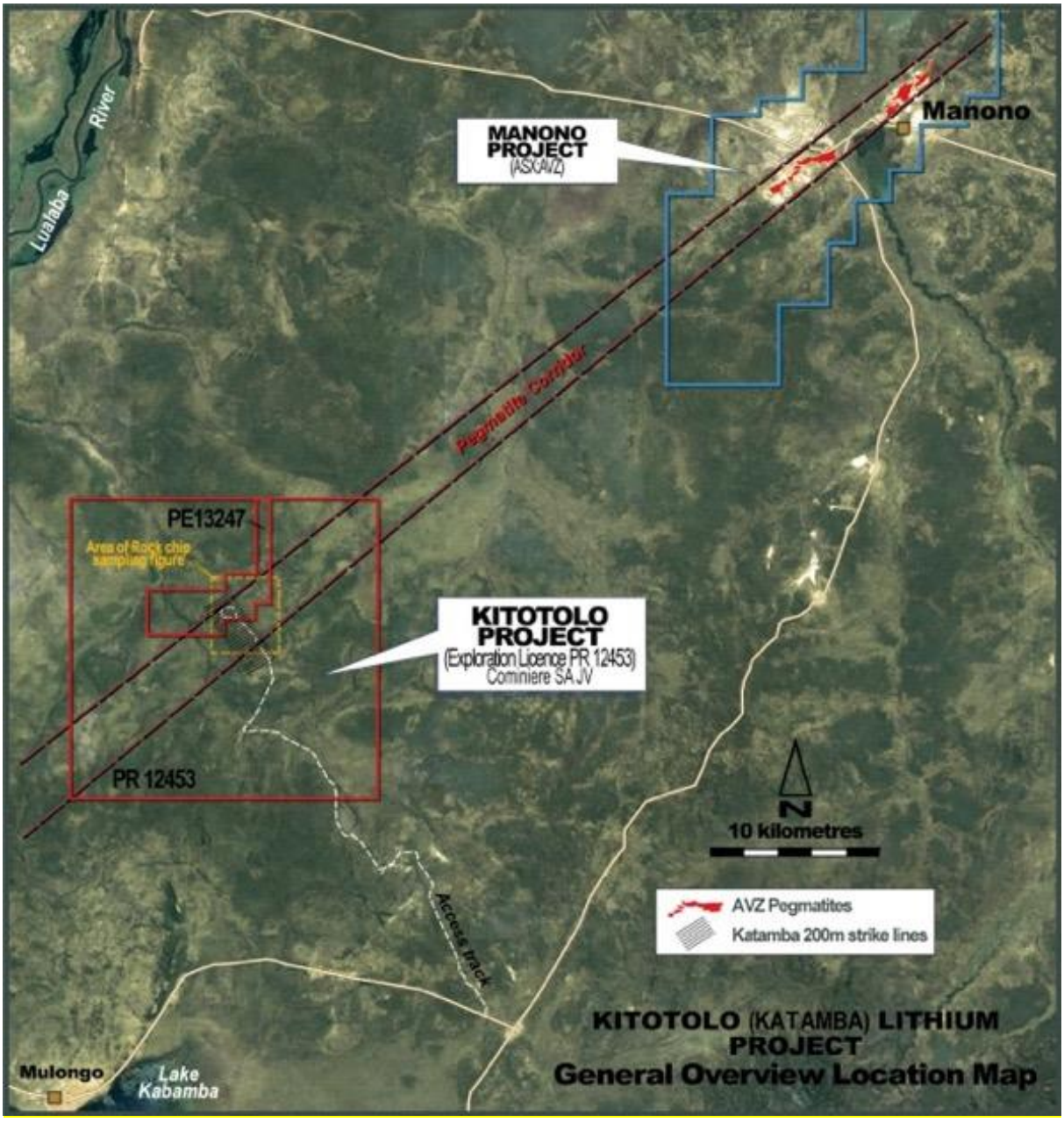

Figure 2: Location Map: Highlights an Inferred Regional structural Corridor which possibly hosts a larger and wider pegmatite field within the Kibaran Belt.

Geology

The Kitotolo-Katamba Project is approximately 30Km SW and along strike of the main historical Manono-Kitotolo (Roche Dure) pegmatite.

The pegmatite is exposed in two regions, Manona in the northeast (where AVZ Minerals Limited' Manona Project is, and Kitotolo in the southwest. These are separated by a 2.5km unexposed section centred on Lake Lukashi and the surrounding alluvial plain.

The area has not been the subject of any modern lithium exploration and as such there is no reliable maps of local geology. What local geology that is known is largely as a consequence of the work that AVZ Minerals Limited has undertaken to date.

At Kitotolo, historical alluvial mining activity focused mainly on Cassiterite and Columbite is visibly evident across the Project area. In the north of the Project area, there is a large artisanal pit measuring approximately 120m long by 50m wide, which contains abundant pegmatite rock types and mineralisation, including Spodumene.

Generally, the pegmatite is observed as being shallow (i.e. near to surface) and underlying a regional laterite cover of between 0 and 6m in thickness. In places, the laterite is exposed in small windows above the sandy soil cover. Lateritic outcrops often have pegmatitic material as large clasts within the concretions. This could suggest further in-situ pegmatitic material below or in close proximity to these laterite exposures.

Numerous pegmatite inclusions were mapped in the lateritic cover several hundred metres from the large artisanal pit's workings suggesting that the pegmatite lies below the lateritic cover or in close proximity. Numerous artisanal workings were identified around the perimeter of the pit, with abundant previously mined material.

Work Completed to Date

On-the-ground technical due diligence activities were undertaken over a 4-week period in September 2017 by consultant geologist Mr James Sullivan with assistance provided by two geologists from joint venture partner - DRC state-owned mining and exploration company Cominiere SA.

The independent technical due diligence work completed determined the Kitotolo Lithium Project to be in the same geological setting as AVZ Minerals 'world-class' Manono Project.

Significant occurrences of visible spodumene and other lithium bearing minerals in pegmatite exposures were also identified across widespread areas within the Kitotolo Lithium Project.

The pegmatite exposures are dominated by quartz-albite-muscovite, with columbite and spodumene-zinewaldite at the macro-scale. In places the laterite is exposed in small windows above the sandy soil cover. Lateritic outcrops were identified as often having pegmatitic material as large clasts within the concretions and conceptually this is considered to suggest further in-situ pegmatitic material below or in close proximity to these laterite exposures.

Figure 3, 4 and 5: Pegmatite hosting spodumene mineralisation at the Kitotolo Lithium Project

Figure 6: Historical artisanal mining activity

Large artisanal workings within the Kitotolo Lithium Project license area were inspected and confirmed as containing abundant pegmatite rock types and mineralisation, including spodumene, lepidolite and other associated micas.

These artisanal workings, typically alluvial in nature have been focused on cassiterite and columbite-tantalite mining.

In the north of the Kitotolo Lithium Project area there is a large artisanal pit measuring approximately 120m long by 50m wide, referred to as the 'Katamba Pit', where visible spodumene, lepidolite and other associated micas were identified.

Further numerous artisanal workings were identified around the perimeter of the pit.

In addition, numerous pegmatite inclusions were mapped in the lateritic cover several hundred metres from the large pit's workings suggesting that the pegmatite lies below the lateritic cover or in close proximity and extends over a significant range.

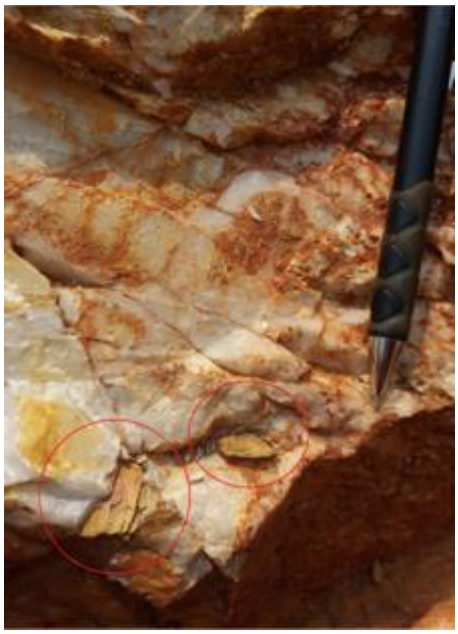

Figure 7 and 8: Spodumene mineralisation at the Kitotolo Lithium Project

Figure 9 and 10: Pegmatitic clasts within regional lateritic cover and further artisanal workings and test pits

Initial geological and structural mapping and visual inspection of samples taken by the Company's technical consultants has highlighted potential economic mineralisation on the Kitotolo Lithium Project.

Furthermore, the potential for significant additional discoveries and further in situ hard rock pegmatites hosting spodumene and related lithium mineralisation was considered extremely high during the Company's initial independent technical due diligence work.

Due Diligence Investigation – Assay Results

A geochemistry sampling program consisting of 20 in-situ channel and rock chip samples were also collected from one of the main artisanal pit areas.

In addition, a channel sample of 6m was sampled from the surface down through weathered in-situ pegmatite, providing a shallow representative portion of the pegmatite.

The assay results confirm the presence of high grade spodumene pegmatite-hosted lithium mineralisation at shallow depths, hosted in an inferred structural corridor, just 40km south-west of AVZ Minerals Limited's 'world-class' Manono Lithium Project.

Upon review of the assay results received, Force's Consulting Geologist Mr. James Sullivan stated:

"The results of the first ever sampling at the Kitotolo Lithium Project are significant, having confirmed the presence of high grade zones of pegmatite hosting lithium spodumene mineralisation at surface and at shallow depths and in predominantly weathered material."

"The results are very encouraging and continue to highlight the potential of the Kibaran Belt within the Kitotolo Lithium Project to host significant pegmatite hosted lithium mineralisation."

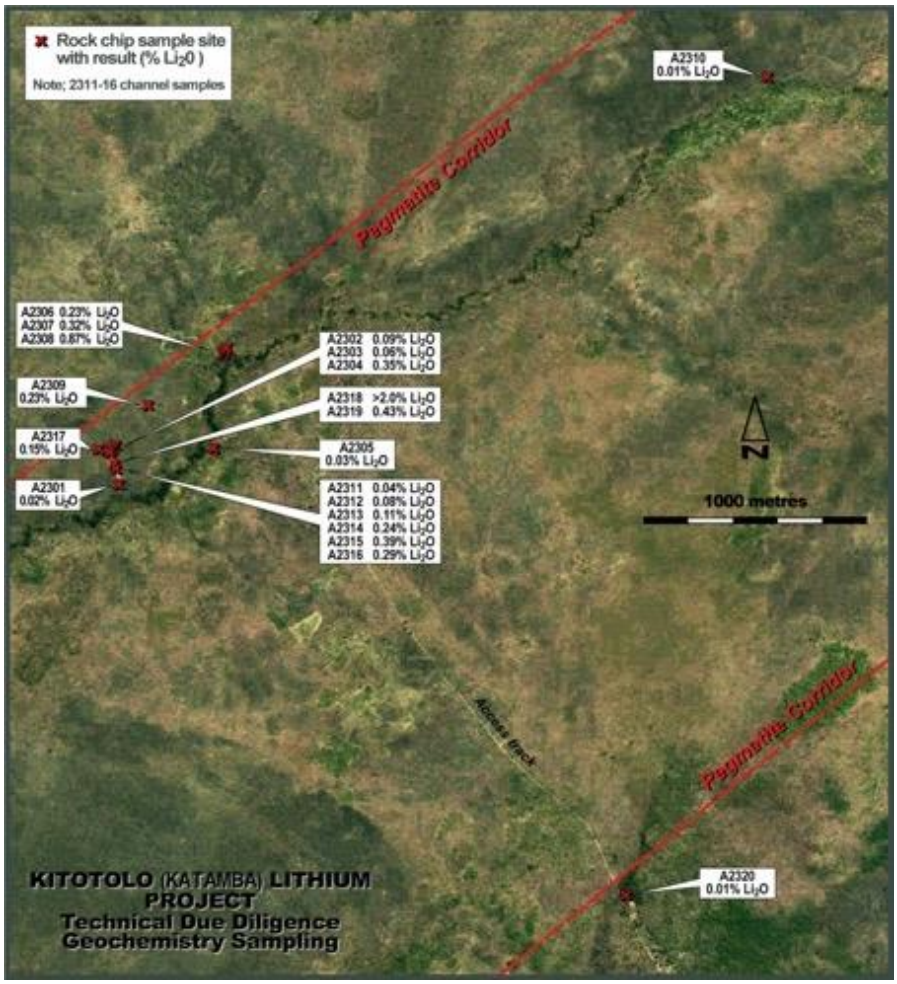

Figure 11: Lithium assays results derived from the Independent Technical Due Diligence

The assay results show in a broad sense, that the lithium mineralisation at the Kitotolo 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 **L**ithium, **C**aesium, and **T**antalum 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 AVZ's Manono pegmatite deposits.

The initial assay results for the first 20 test pit and rockchip samples of the Independent Technical Due Diligence campaign are summarized in Table 1 below.

Phase 1 Exploration – Test-pitting and Trenching

The Phase 1 Lithium Exploration Program commenced at the Kitotolo Lithium Project in late November 2017.

Initial exploration activities are being focused on the area surrounding the large artisanal workings at the Katamba Pit where spodumene in pegmatite has been identified and where assays from the Company's initial independent due diligence review returned high-grade lithium mineralisation (refer ASX Announcement dated 9 October 2017 - Assays Confirm High Grade Lithium Mineralisation at Kitotolo).

Samp_No	UTM_E	UTM_N	Locality	Samp_Type	Depth	ME-MS61	ME-MS61	ME-MS61	ME-MS61	ME-MS61
						Cs	Li	Li_2O	Sn	Ta
					m	ppm	ppm	%	ppm	ppm
A2301	508996	9164072	Katamba	rockchip	3.4	5.46	**99.4**	0.02	3.2	0.1
A2302	508964	9164187	Katamba	rockchip	4.4	129.5	**426**	0.09	216	52.3
A2303	508953	9164174	Katamba	rockchip	2	42.5	**288**	0.06	29.7	0.34
A2304	508957	9164183	Katamba	rockchip	6	>500	**1640**	0.35	421	>100
A2305	509413	9164227	Katamba	rockchip	4	30	**130.5**	0.03	8.5	1.1
A2306	509466	9164664	Katamba	rockchip	0	107	**1060**	0.23	49	2.46
A2307	509466	9164664	Katamba	rockchip	0	211	**1490**	0.32	130	46
A2308	509466	9164664	Katamba	rockchip		491	**4040**	0.87	75	12.05
A2309	509125	9164421	Katamba	rockchip	0.5	185.5	**1050**	0.23	50.9	9.08
A2311	508979	9164147	Katamba	Channel	0-1	32.8	**178**	0.04	6.6	11.15
A2312	508979	9164147	Katamba	Channel	1-2	87.4	**385**	0.08	15.4	5.58
A2313	508979	9164147	Katamba	Channel	2-3	109	**510**	0.11	36.3	22.4
A2314	508979	9164147	Katamba	Channel	3-4	195	**1110**	0.24	48	25.4
A2315	508979	9164147	Katamba	Channel	4-5	264	**1810**	0.39	116.5	58.3
A2316	508979	9164147	Katamba	Channel	5-6	207	**1360**	0.29	112.5	>100
A2317	508937	9164177	Katamba	rockchip	0	117.5	**710**	0.15	49	>100
A2318	**508980**	**9164141**	**Katamba**	**rockchip**	**0**	**>500**	**>10000**	**>2.15**	**480**	**50.6**
A2319	508980	9164147	Katamba	rockchip	0	496	**1990**	0.43	449	>100
A2320	511230	9162167	Katamba	rockchip	0	13.8	**55.7**	0.01	7.6	1.36

Table 1: Summary assay results for rockchip and channel samples A2301 to A2320 at the Kitotolo Project.

In the period to end December 2017, 43 test pits were completed along with 586 line metres of trenching across 9 trenches.

A total of 185 samples were collected for assay, 42 from test-pits and 143 from trenches.

A total of 4 of the 9 trenches intersected shallow and highly weathered pegmatite and zones of lithium mineralisation beneath approx. 6m of lateritic cover. The total strike extent defined by trenching and test pitting is in excess of 1km. Test pitting in the furthermost NE corner of the initial Phase 1 Lithium Exploration Program area, successfully identified pegmatite lithologies in test pit 040 – located approx. 1km NE of the Katamba Pit and which is interpreted to add a continuous strike along the NE/SW orientation and supporting the regional pegmatite orientation interpretations across the Kitotolo Mining and Exploration licences.

Trenches 001, 002, 003 and 008 in particular were observed to contain significant quantities of fresh and partially weathered spodumene mineralisation.

Assay Results - *Phase 1 Exploration: Test-pitting and Trenching*

Significant assays returned from the trench sampling included the following intersections:

- **Trench 001: 10m @ 0.25% Li_2O**
  (incl. 1m @ 0.53% Li_2O)
- **Trench 002: 20m @ 0.21% Li_2O**
  (incl. 1m @ 0.67% Li_2O)
  (incl. 1m @ 0.52% Li_2O)
  (incl. 1m @ 0.50% Li_2O)
- **Trench 008: 21m @ 0.26 % Li_2O**
  (incl. 4m @ 0.50% Li_2O)
  (incl. 4m @ 0.34% Li_2O)
  (incl. 3m @ 0.27% Li_2O)

Figures 12 and 13:. Commencement of Trench 003 and channel sampling exposed pegmatite at base of Trench 001.

Figures 14 and 15: Trench 008 showing exposed and weathered pegmatite from surface dipping 10° to 15° west and providing upper contact structural data

Figure 16: One of several examples of partially weathered spodumene lithium mineralisation – from Trench 008 observed in the trench walls and base.

Figures 17 and 18. Partially weathered spodumene lithium mineralisation - exposed in Trench 002 and white spodumene lithium mineralisation from Test Pit 036

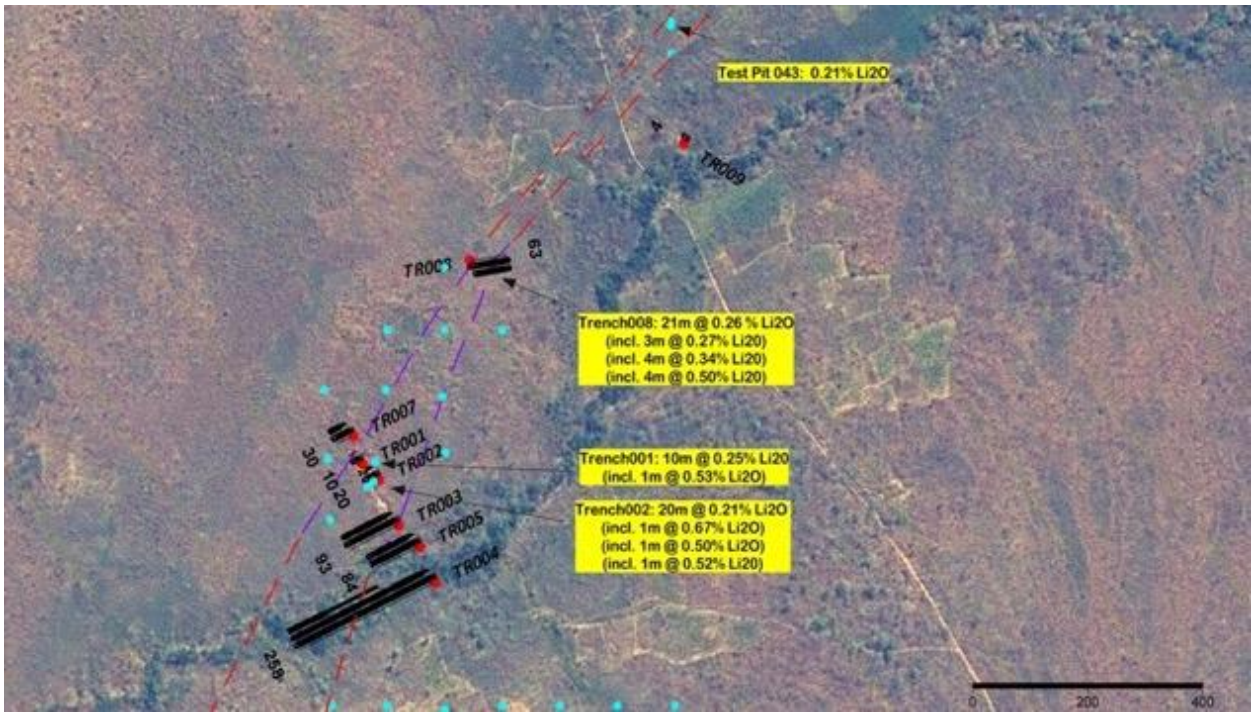

Figure 19: Kitotolo Lithium Project Phase 1 trench locations and assay locations

DATASET	DATE	TRAVERSE NO. (E/N)	NUMBER SAMPLES	TOTAL LENGTH
Katamba	28-Nov 2017	Katamba TR001	12	12m
Katamba	29-Nov 2017	Katamba TR002	20	30m
Katamba	30-Nov 2017	Katamba TR003	66	123m
Katamba	01-Dec 2017	Katamba TR004	not sampled	230m
Katamba	02-Dec 2017	Katamba TR005	not sampled	78m
Katamba	03-Dec 2017	Katamba TR006	10	20m
Katamba	04-Dec 2017	Katamba TR007	not sampled	31m
Katamba	07-Dec 2017	Katamba TR008	45	58m
Katamba	10-Dec 2017	Katamba TR009	not sampled	4m

Table 2: Summary of trench work completed and samples taken

A total of 43 test pits were completed during the initial Phase 1 Lithium Exploration Program. The test pits were conducted on 100m centres to cover a large area quickly.

DATE	TRAVERSE NO. (E/N)	SAMPLES FROM	SAMPLES TO	SENT TO LAB
01-Dec 2017	Katamba TR001	4CE-A2328	4CE-A2337	03-Dec 2017
29-Nov 2017	Katamba TR002	4CE-A2533	4CE-A2549	18-Dec 2017
30-Nov 2017	Katamba TR003	4CE-A2340	4CE-A2416	18-Dec 2017
03-Dec 2017	Katamba TR006	4CE-A2429	4CE-A2438	18-Dec 2017
07-Dec 2017	Katamba TR008	4CE-A2458	4CE-A2528	18-Dec 2017

Table 3: Summary of sample work completed

Further test pitting and trenching as part of the Phase 1 (balance of) and Phase 2 Lithium Exploration Programs will target strike extensions of the current exposed pegmatites.

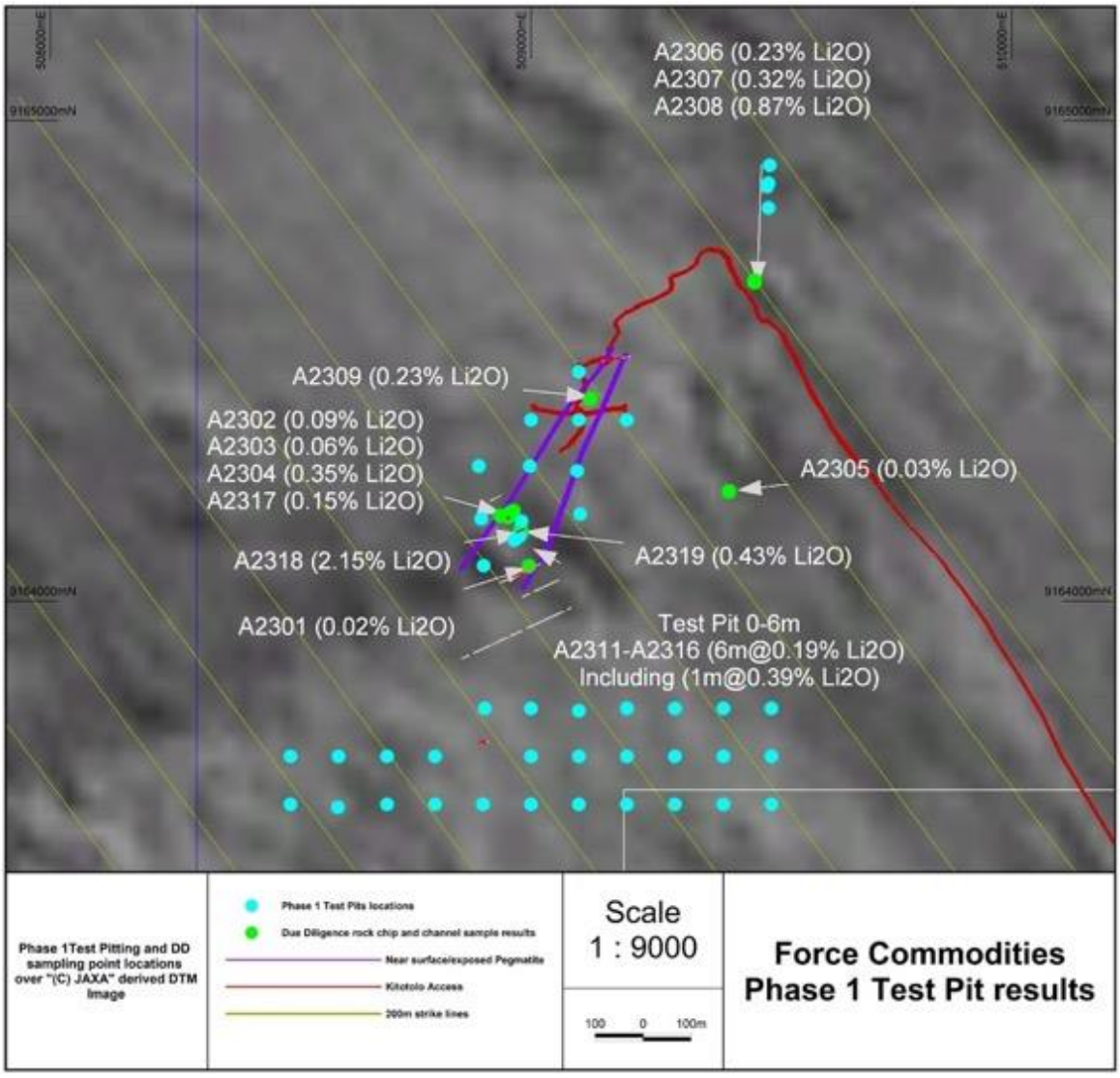

Figure 20: Rockchip and channel assays with new completed Phase 1 Test pit locations. © Jaxa DTM image

The assay results from the initial Phase 1 Lithium Exploration Program have confirmed extensive near surface lithium mineralisation across significant areas in extremely weathered pegmatite on the Kitotolo Lithium Project that remains open towards NE and SW directions and across an initial strike length of more than 1km.

The assay results are considered indicative of near surface and highly weathered pegmatite as having significant lithium depletion which is typical of weathered pegmatites.

The results have further confirmed the continuous strike interpretations along the NE/SW orientation and have reinforced the regional pegmatite orientation across the Company's Kitotolo Mining and Exploration Licences.

Commenting on the initial Phase 1 Lithium Exploration Program results, Mr Sullivan said:

"Mapping, trenching and test-pitting has confirmed near surface pegmatite exposures and interpretations that the Katamba Pit pegmatite extends over 1km and is open in both NE-SW directions."

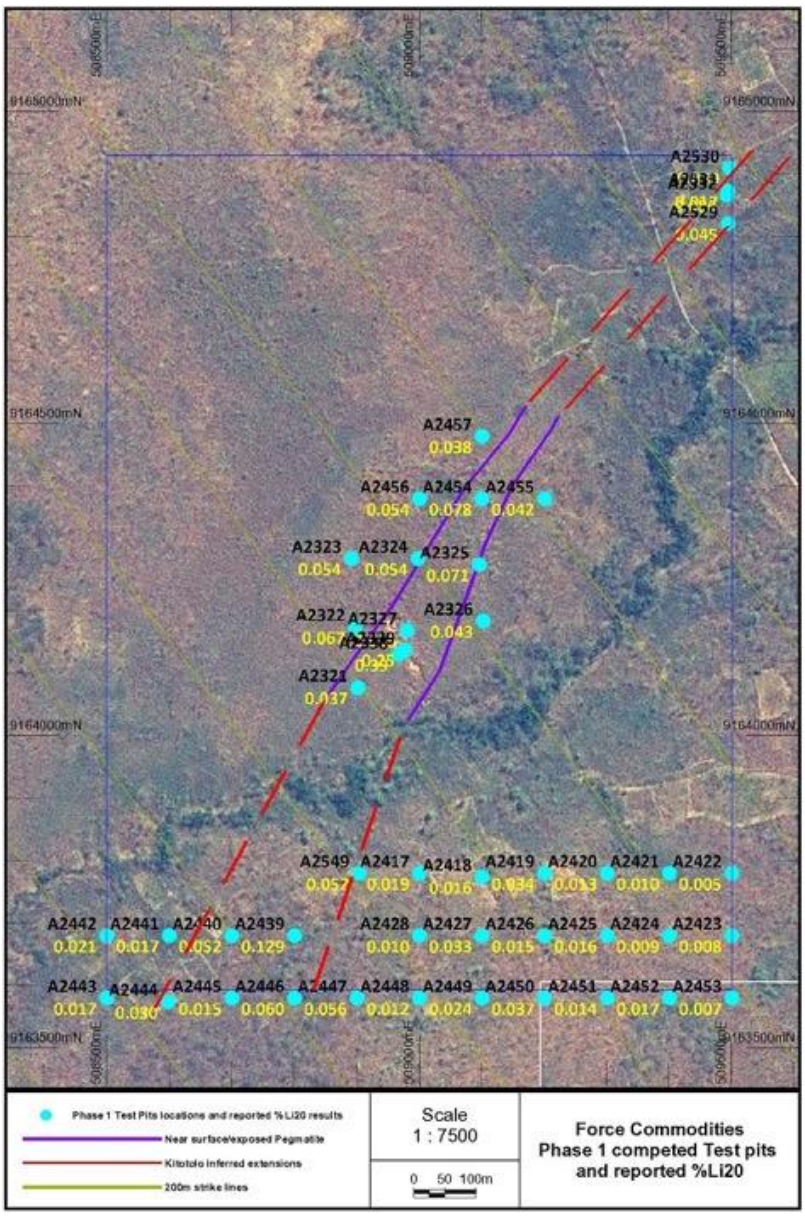

Figure 21: Assay results from the shallow Phase 1 Lithium Exploration Program test pits identified in weathered pegmatites

"The trench and test-pitting results are highly encouraging by exposing near surface pegmatite outcrops and hosting spodumene mineralisation which lends support to the region as being a fast emerging world-class hard rock lithium province."

"We will now move forward to commence a maiden drilling program to drill-test the fresh pegmatite and lithium mineralisation below the lateritic cover and weathered profile over the 1km strike length."

Phase 1 Drilling Program

As at 31 October 2018, 98 RC shallow holes completed for 4,272m of planned Phase 1 program consisting of ~15,000m of RC drilling and ~1,000m of diamond drilling. Refer body of report for detailed information.

Annexure B: Kanuka Lithium Production Project - Overview

Introduction

In late March 2018, a formal joint venture agreement was executed and a Joint Venture company has subsequently been incorporated for the Kanuka Lithium Production Project Joint Venture, 51% Force and 49% MMR (Mining Mineral Resources SPRL).

Project Setting and Location

The Kanuka Project comprises two contiguous licenses: granted Mining License PE13082 and Exploration License PR4100.

These licenses cover an area of approx. 194km^2 and are located 20km east of the Company's existing Kitotolo Lithium Project. The licenses are also located on the licenses immediately south (approx. 4km from the license boundaries) of AVZ's Manono Project.

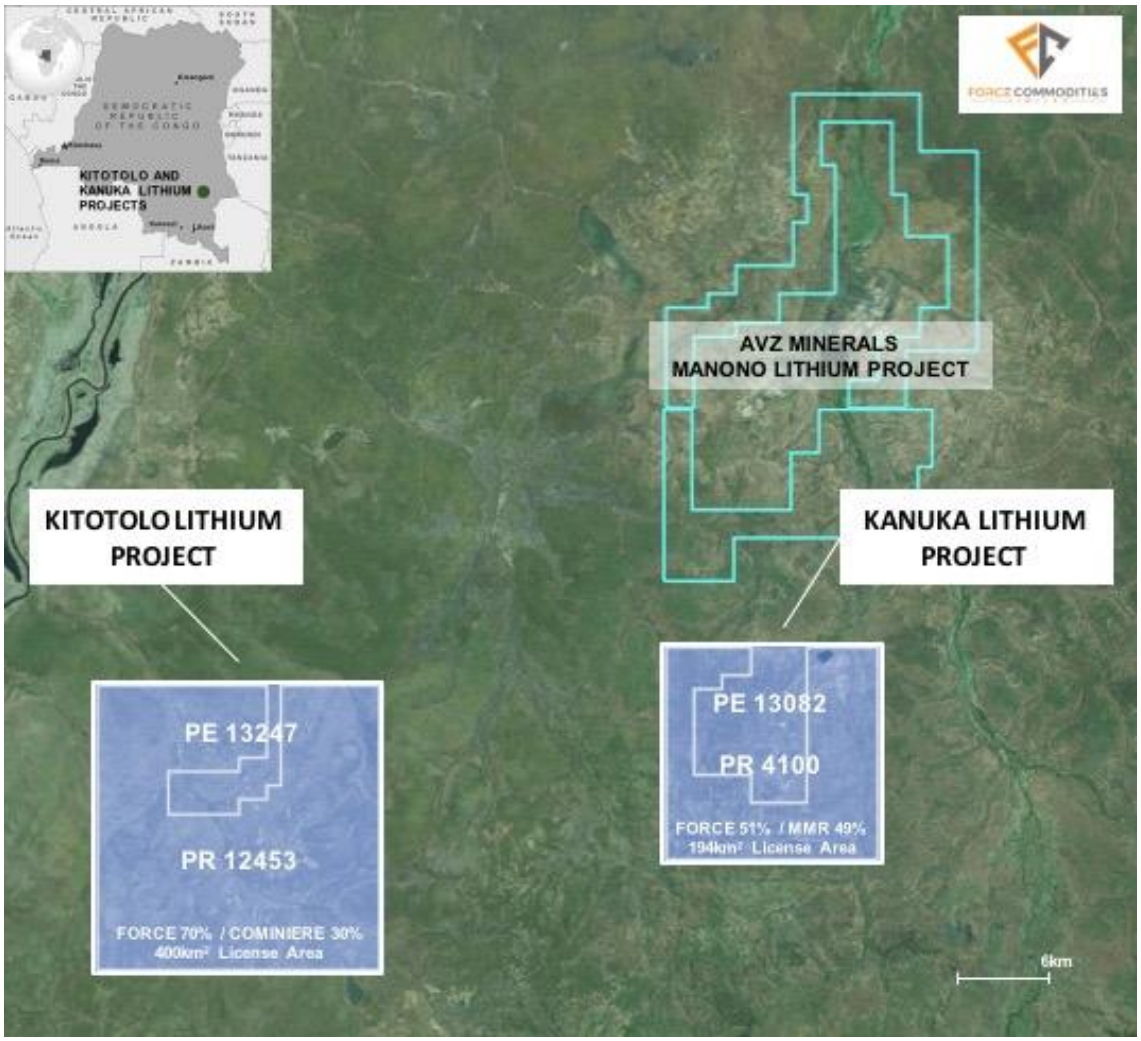

Figure 1: Location Map – Kitotolo Lithium Project and Kanuka Lithium Project

Joint Venture Partner

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 Project in 2012.

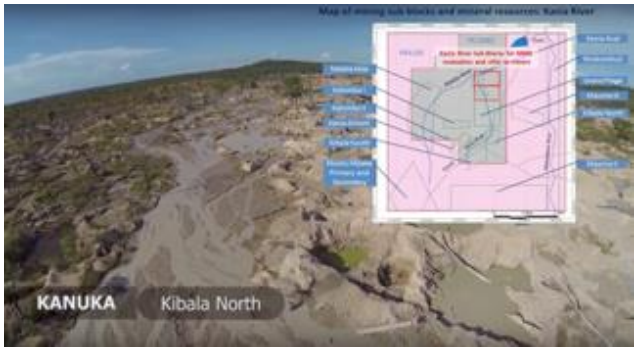

Figure 2 and 3: PE13082 which forms part of the Kanuka Lithium Production Project Joint Venture

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

Work Conducted Historically

Due Diligence – September 2017

The Company completed a detailed technical due diligence investigation on the Kanuka Lithium Project in September 2017.

Mr James Sullivan, Force's Head of Exploration, and the Company's two local geologists 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.

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

Assay Results

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 (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	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 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. 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 project area contains 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".

Phase 1 Drilling Program

As at 31 October 2018, Phase 1 drilling program has been completed with 45 RC holes drilled for 2,673m. Program objective was to test +5km pegmatite strike in main mining area (Kania) and newly identified parallel pegmatites (Kalombo Mushwima) less than 2km to the west.

Sample assays pending from ALS Johannesburg.

Refer body of report for detailed information.