

18 June 2019

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

DUE DILIGENCE COMPLETED FOR ACQUISITION OF MALAWI BASED HIGH-GRADE LEAD AND SILVER PROJECT

- ***Successful completion of legal and technical due diligence for the Company's proposed initial 51% acquisition of Malawi-based high-grade lead and silver project***
- ***Review completed by Force management and technical consultants and follows a series of site visits and with legal due diligence assisted by the Company's in-country legal counsel***
- ***Share Sale Agreement between Force and the project vendor finalised and submitted for final review and execution***
- ***Acquisition of the Project offers immediate exposure to prospective high-grade lead, silver and zinc mineralisation with a near-term path to development***

Force Commodities Ltd (“**Force**” or the “**Company**”) (ASX Code: 4CE) is pleased to confirm it has completed its legal and technical due diligence for the proposed acquisition of an initial 51% majority interest in a Malawi-based base and precious metals project, prospective for high-grade lead and silver (the “**Project**”).

Under the Heads of Agreement (refer ASX announcement dated 9 May 2019) the Company proposes to acquire a 63.75% shareholding in Switzerland-based TerraCare AG (“**TCA**”), with TCA holding an 80% shareholding in Malawian incorporated company, Galena Mining Limited (“**GML**”).

Under the terms of the proposed acquisition of its interest in TCA, the Company will have a resulting indirect 51% interest in GML and will be the manager and operator of GML. This will see the Company assume responsibility for three granted exploration licenses and one mining license (under application) located in the Central Region of the Republic of Malawi.

The Project contains known historic and current small-scale mining activities and is approximately 45km from the capital city of Lilongwe.

Throughout the due diligence period Force management, with assistance from its technical consultants, completed a site visit to verify geological mapping, reconnaissance exploration and sampling work completed to date.

Additionally, legal due diligence completed by the Company’s Malawi-based legal consultants Taulo & Associates confirms the good standing of three granted Exploration Licenses (EPL479, EPL483 and EPL484) and Mining License (AML0029) (under application) held by Graphite Africa Limited (“GAL”).

GML has the rights to exclusively explore for lead, silver and zinc on the Exploration Licenses and the rights to develop and mine on the Mining License, which is currently under application.

Taulo & Associates have further confirmed the status of GML and GAL and the licenses and operating permits held by each of these companies and that the Company’s proposed exploration and development activities comply with all applicable Malawian mining and environmental legislation.

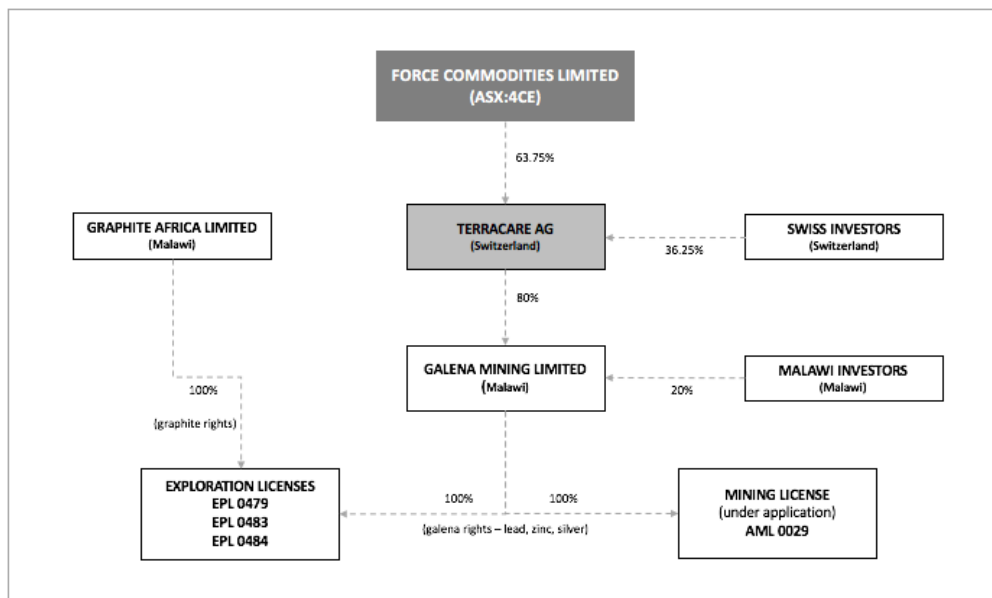


Figure 1: Proposed Acquisition Structure of the Malawi - Lead, Silver and Zinc - Projects

A Share Sale Agreement has now been prepared by the Company’s Australian legal advisor Kings Wood Mallesons and is with TCA for review and final execution, which will complete the acquisition.

Upon execution of the Share Sale Agreement, the Company will be the manager and operator of GML and will be responsible for the funding of its activities and the marketing and sale of all mineral production of lead, silver and zinc ore.

Commenting on the completion of due diligence, Force Commodities Managing Director, Jason Brewer said:

“It is exceptionally pleasing to successfully complete the due diligence process which significantly de-risks the acquisition process for the Company and allows Force to focus on the development prospects available within Malawi.

“The Project offers a compelling base and precious metals opportunity and the ability to reward shareholders through a near-term development pathway.”

The Company will now turn its focus to finalising its phase-one program of exploration and development activities.

END

Contact:

Jason Brewer
Managing Director
Force Commodities Limited
Tel: +61 (0) 8 9328 9368

David Tasker
Chapter One Advisors
Tel: +61 433 112 9036
Em: dtasker@chapteroneadvisors.com.au

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