

ASX ANNOUNCEMENT

31 July 2019

About Force

- Force Commodities Limited is a Perth based exploration and development company listed on the Australian Stock Exchange (ASX Code: 4CE) and focussed on advanced African-based mining and metals opportunities.

Project Summary

- 51% interest in JV over Tshipala Lead and Silver Project in Malawi.
- 70% interest in JV over Kitotolo-Katamba Lithium Project, DRC.
- 51% interest in JV over Kanuka Lithium Production Project, DRC.

Directors and Management

Mr Jess Oram - Chairperson
Mr Jason Brewer – Managing Director
Mr Gedeon Pelesa – Director
Mr Simon Grant-Rennick – Director
Mr Mike Pitcher – CFO/CoSec

Capital Structure

Shares on Issue:

496,154,757 fully paid ordinary

Options on Issue:

- 937,500 exercisable @\$0.048; expiring 30 June 2019
- 2,500,000 exercisable @\$0.10; expiring 30 June 2020
- 2,000,000 exercisable @\$0.06; expiring 1 July 2020
- 2,000,000 exercisable @\$0.08; expiring 1 July 2020
- 34,444,445 exercisable @\$0.02; expiring 30 June 2021
- 1,200,000 Performance Rights; subject to vesting conditions

June 2019 Quarter Review of Operations

Highlights

Tshipala High-Grade Lead and Silver Project

- HOA entered into in early May 2019 to acquire an initial 51% interest in high-grade Tshipala Lead and Silver Project, located in Malawi.
- Project licenses extend over 1,414 km² and cover areas of known historic and current small-scale galena mining activities and previous areas of exploration and feasibility study work for graphite mineralisation.
- Recent geological mapping and ground EM surveys have identified over 25 artisanal areas of workings and a substantial number of anomalous areas considered highly prospective for high grade lead and silver mineralisation.
- Trial mining undertaken with a +100t bulk sample returning exceptionally high assays averaging 60.48% PB and 735 g/t Ag.
- A further 2.3kg sample of exposed mineralisation taken for Semi-Quantitative X-Ray Diffraction analyses returned an average grade of 85% PB.
- Metals trading and marketing specialist Simon Grant-Rennick appointed to manage negotiations with global commodity trading groups.
- On 18 June 2019, Force announced that it had completed its legal and technical due diligence and was in the process of finalising agreements.
- On 25 June 2019, Force announced that it had appointed South African based geologist Mr Trevor Mashiloane as Exploration Manager and that Phase 1 exploration activities would comprise test pitting, trenching, sampling and geological mapping and modelling and was expected to commence shortly.
- On 5 July 2019, Force announced that it had completed all acquisition documentation.
- On 17 July 2019, Force announced that it had entered into a binding offtake agreement with Swiss-based Transamine Trading SA for all lead and silver production from the Tshipala Lead and Silver Project.
- On 19 July 2019, Force announced that it had entered into an agreement with Bollore Transport and Logistics for transportation and logistical support for export of lead and silver production from Tshipala Project.

Mt Adrah Gold Project

- On 28 June 2019, Force announced that settlement of the sale of its non-core Mt Adrah Gold Project in NSW had completed and that Force had received net cash proceeds of \$280,000 including \$30,000 related to reimbursement of environmental performance bonds. An additional \$50,000 in share consideration to be received when (if) the acquiror completes an IPO on the ASX or a transaction onto ASX is finalised.

Halls Peak Base Metals Project

- Confirmation received from NSW Mines Department that Halls Peak licenses had been renewed for six years.

Kanuka Lithium Production Project

- In 2018, the early stage drilling program of 45 RC holes was completed for 2,673 m
- Assay results received in the previous quarter confirmed the presence of shallow widespread, multiple stacked, high grade lithium mineralised pegmatites.
- Assay results further confirmed the potential for higher grade lithium mineralisation at depth.
- Results from XRD analyses of selected high-grade lithium samples to provide information on the lithia mineralogy, have yet to be received .
- No field exploration activities were completed during the Quarter.
- The Company's in-country geological team completed further desk-top analyses of previously completed geological mapping work and cross-sections as well as the lithium assay results received, as part of the planning for the next phase of exploration activities.

Kitotolo-Katamba Lithium Project

- In late 2018, the early stage RC drilling program was completed with 98 holes drilled for 4,272 m.
- Drilling program aimed to test +1 km pegmatite strike lying in inferred structural corridor southwest of mineralisation discovered on AVZ's Manono Project.
- A total of 1,170 samples from the early stage RC drilling program were taken for assaying.
- No field exploration activities were completed during the Quarter, with the Company's in-country geological team waiting to receive the assay results to review and finalise an assessment of the work and planning for the next phase of exploration activities.

Corporate & Finance

- Cash at bank as at 30 June 2019 of \$0.56m.
- During the Quarter, the Company sold its 2,250,000 shares in ASX-listed Marquee Resources realising gross proceeds of \$225,000. Force retains its holding of 750,000 options in Marquee Resources.
- On 17 May 2019, the Company held its annual general meeting with all resolutions being carried.
- On 22 May 2019, the Company completed a placement to professional and sophisticated investors. A total of 38,888,889 new fully paid ordinary shares were issued at an average price of \$0.009 (0.9 cents) raising \$350,000. Participants in the Placement were also issued with one free attaching option for every two shares subscribed for, exercisable on or before 30 June 2021, at an exercise price of \$0.02 (2 cents) resulting in a total of 19,444,446 options being issued. An announcement of the same date by the Company stated that the funds raised will primarily be used to undertake due diligence activities on, and to advance, the in high-grade Tshipala Lead and Silver Project, located in Malawi.
- Also on 22 May 2019, Sixty Two Capital Pty Ltd, who managed the Placement were issued 15,000,000 Options on the same terms.
- On 22 May 2019 the Company announced that it had lodged interlocutory applications in the District Court of Western Australia in relation to a legal claim brought against it by a company associated with former director Alistair Stephens. The Company will not make any further comment whilst the matter is before the Court.
- On 28 June 2019, the Company announced that it had settled the sale of the Mt Adrah Gold Project and had received net cash proceeds of \$280,000 including \$30,000 relating to reimbursement of environmental performance bonds.
- On 30 June 2019, 24,416,662 Unlisted Options having an exercise price of \$0.032 (i.e. 3.2 cents) and an expiry date of 30 June 2019, and 10,000,000 unlisted options having an exercise price of \$0.035 (i.e. 3.5 cents) and an expiry of 30 June 2019 lapsed.
- During the Quarter, the Company continued to review a number of additional exploration and development opportunities, including lead, silver, copper and zinc projects located in Central Africa that are considered highly complementary to the Company's existing projects.
- Subsequent to the end of the Quarter, Mr Simon Grant-Rennick was appointed as a non-executive director, with commencement to take effect from 1 August 2019.
- Subsequent to the end of the Quarter, Force completed the issue of 28,500,000 shares to the vendor of Tshipala Project. 21,500,000 of the 28,500,000 shares are subject to voluntary escrow of 6 months. A further 11,500,000 shares are to be issued to the vendor following the Company's upcoming General meeting on 16 August 2019.
- Subsequent to the end of the Quarter, 4,250,000 shares were issued to staff and consultants under the Company's Employee Share Scheme.
- Subsequent to the Quarters end, the Company announced a General Meeting would be held on Friday, 16 August 2019 to consider amongst other things the ratification of previous share and option issues and the issue of shares to the vendor of the Tshipala Project.

Activities Report for the quarter ended 30 June 2019

Force Commodities Limited (ASX Code: 4CE) ("**Force**" or the "**Company**") provides its activities report for the quarter ended 30 June 2019.

Force holds a 51% interest in the high-grade lead and silver Tshipala Project, located in Malawi.

Force also 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.

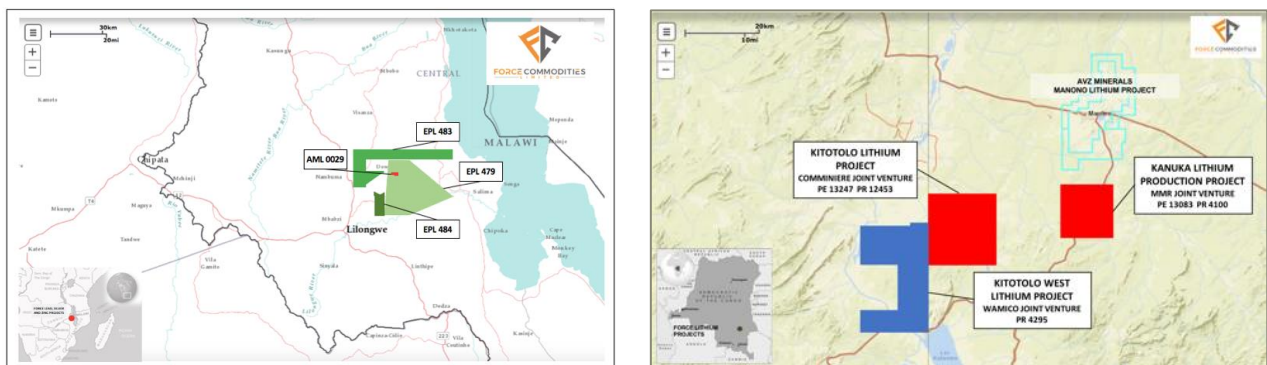


Figure 1. Project Location Maps – Malawi and DRC.

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 landholding of 1,414km² in the Central Region of Malawi and 594km² in the Kitotolo-Manono area of the DRC.

Should the Company proceed with the proposed acquisition of the Kitotolo West Lithium Project, it will result in the Company increasing its landholding to 994 km² in the Kitotolo-Manono area and with all its licenses and project interests in proximity to AVZ's Manono Project. The Kitotolo-Manono area is considered a 'world-class' lithium region.

1. TSHIPALA PROJECT (51%)

1.1 Overview

The high-grade lead and silver Tshipala Project extends over 3 granted exploration licenses and one mining license (under application) located in the Central Region of the Republic of Malawi and approx. 45km from the capital city of Lilongwe (the **Tshipala Project**).

Under the terms of the HOA, Force has secured the right to acquire a majority 51% indirect interest in Galena Mining Limited (**GML**), a Malawian incorporate company. GML has the rights to exclusively explore for lead, silver and zinc on Exploration Licenses EPL479, EPL483 and EPL484. These licenses were issued in on 10 November 2017 and are valid until November 2020.

GML has also secured the rights to develop and mine on Mining License AML 0029, which is currently under application.

Historically, the Tshipala Project has been subject to a number of exploration programs primarily targeting graphite mineralisation. This has included various early stage sampling and mapping work and more advanced diamond drilling programs as well as feasibility study work completed in the 1980s and through to the early 2000's.

Detailed exploration work targeting high grade lead and silver mineralisation only commenced on the Project in late 2018 by GML and to date has focused primarily on areas within EPL479.

Work completed by GML has included geological mapping, reconnaissance work and sampling. A detailed review and assessment of previous aeromagnetic and radiometric survey and follow up ground electro-magnetic surveys. Trial mining was completed in late 2018, which produce a very high-grade bulk sample for mineralogical analyses and chemical assay.

Over 25 areas of shallow, small scale artisanal workings with exposed galena mineralisation - the natural occurring form of lead sulphide mineralisation - have been identified, primarily through mapping and reconnaissance work on EPL479.

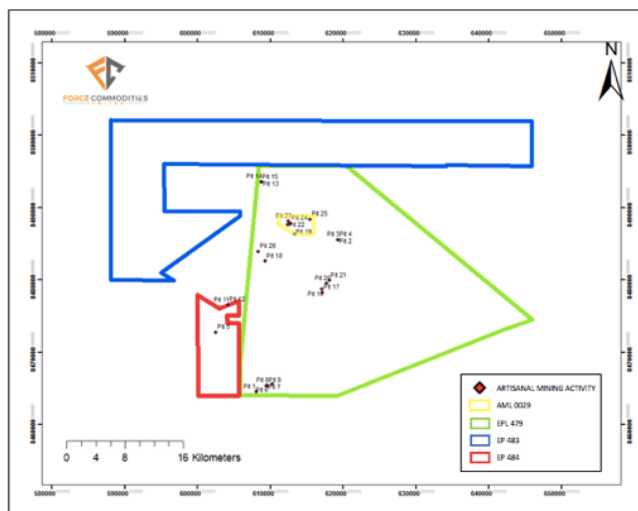


Figure 2: Location of small scale artisanal mining areas



Figures 3 and 4: Material from artisanal mining areas

HISTORIC AND CURRENT EXPLORATION ACTIVITIES

In 2015, a detailed 250m line spacing aeromagnetic and radiometric survey was completed over the Project area.

In 2018, GML completed a review of this work and engaged consultants to process and interpret the data focusing on galena mineralization. The focus of the geophysical interpretation was to generate further exploration and mining targets based on integration with other geological and exploration work completed by GML, including mapping, reconnaissance work and the known areas of artisanal mining activities and shallow and exposed galena mineralisation.

Based on the results of this work GML then completed a further follow-up very low frequency (VLF) ground survey on the selected targets to map the fractures systems and contact zones that may host the galena mineralisation. The data was collected along a traverse and the traverse was perpendicular to the strike. The survey line spacing was maintained at 50m with a 5m along line sampling interval.

This VLF ground electromagnetic survey was focussed around the Grand Canyon, Riverside and Small Canyon Prospects.

REGIONAL GEOLOGICAL SETTING OF THE PROJECT

The Project lies within the Basement Complex in Malawi.

The Basement Complex is mainly made up of gneisses and granulites. It occupies some 85% of the land area of Malawi and is host to a variety of metamorphic deposits that include marble, kyanite, graphite and iron ore, and pegmatites containing micas, uranium minerals, galena, gold, molybdenum, zircon (titanium) and corundum.

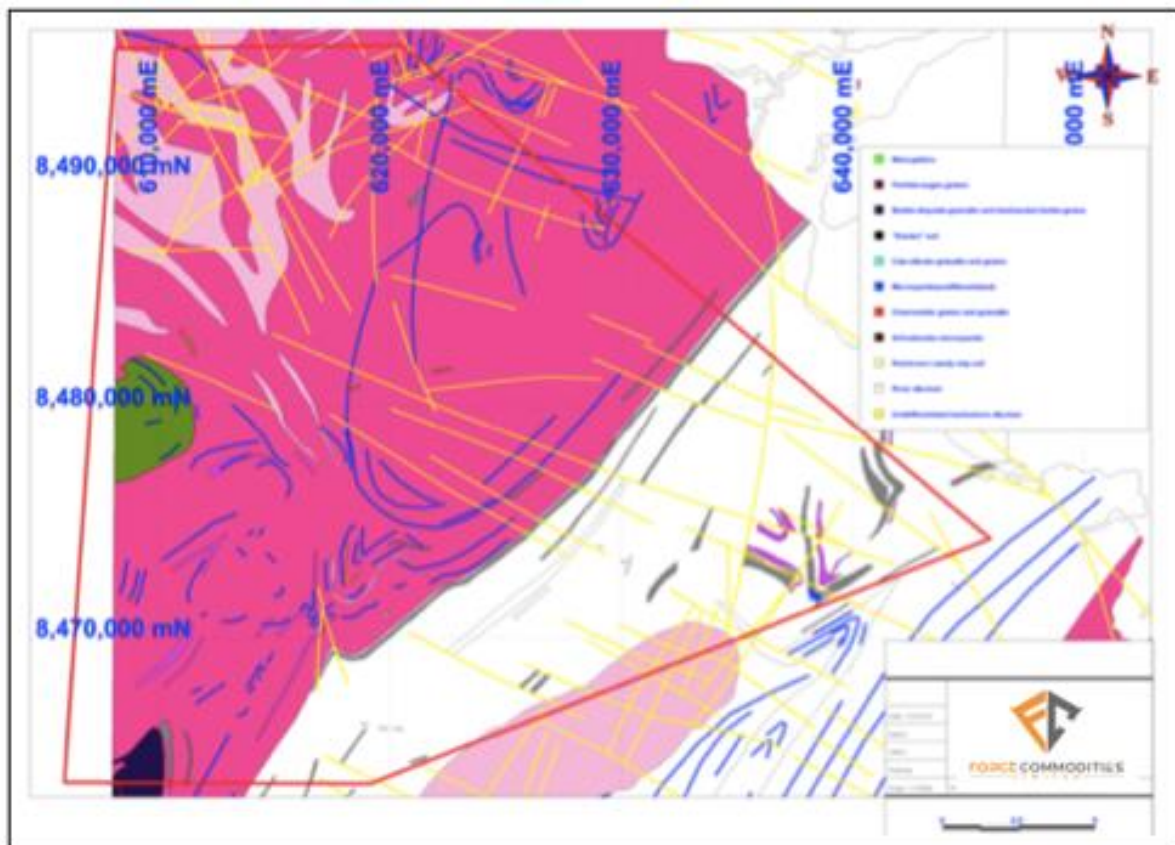


Figure 5: Regional geology over EPL 479

The Basement Complex constitutes the Malawi province of the Mozambican orogenic belt and is divided into a northern and the southern sub province separated by the Chimalizo Dislocation Zone on the southern edge of the Champira dome.

A major unit in the southern sub province of the basement complex is a chernockitic suite composed of orthopyroxene bearing granulites and gneisses and intruded by syenite and granite igneous complexes. Biotite and hornblende gneisses dominate the northern sub province with minor granulites being intruded granitic, pegmatitic and ultramafic rocks.

Biotite and hornblende bearing gneisses are the most commonly encountered rock types in Malawi. The biotite is typically well formed, also common in the basement complex are quartz – feldspar gneisses and granulites which form bands and lenses in both the amphibolites and granulite facies rocks.

Galena - lead sulphide - is the primary ore of lead and is a bluish, grey or black mineral of metallic appearance and has been identified on the Exploration Licenses as being associated with graphitic gneisses and graphitic schists.

GRAND CANYON, RIVERSIDE AND SMALL CANYON LEAD SILVER PROSPECTS

The area around the Grand Canyon, Riverside and Small Canyon Prospects is composed of a fairly strong magnetic feature with an E-W trend lying north of a low magnetic anomaly.

The low magnetic anomaly is interpreted as the gneiss, graphitic in some positions and is the basement rock. It is also elevated in radioelement values, indicating the presents of feldspars, giving rise to high potassium and monazite, contributing to elevated thorium. The magnetic feature is interpreted as the amphibolitic gneiss/schist - containing hornblende mineralisation.

The mineralisation has been exposed by an excavator and at Small Canyon, as a massive and more competent unit lying on the hanging-wall of the galena mineralization. The contact of the magnetic anomaly and the low magnetic feature marks the galena mineralization.

At Small Canyon, the magnetic anomaly lies north of artisanal mining activities, being amphibolitic gneiss associated with a low radioelement signature. Small Canyon lies on the contact, the mineralized seam being E-W in strike and dipping north beneath the magnetic anomaly. The measured dip is 60° to the north. The contact has been mapped towards the west of the pit, being associated with a less magnetic feature to the north and a low magnetic feature to the south.

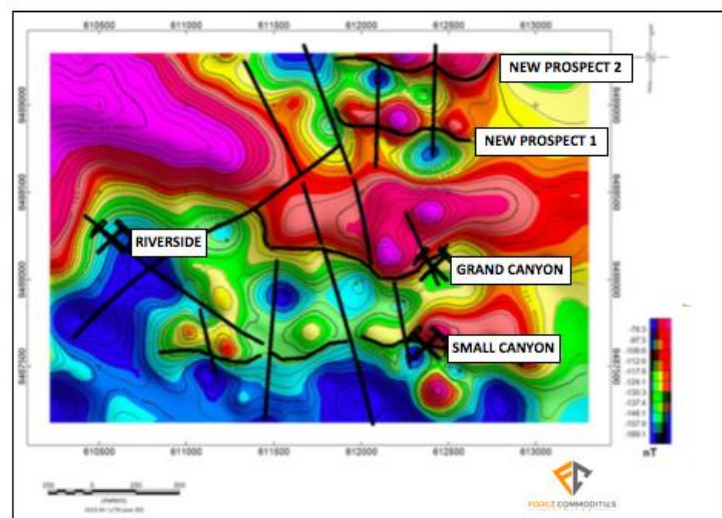


Figure 6: Total Magnetic Intensity Map and Interpreted Contacts

The measured strike length is 2.1km and further follow up trenching and future drilling is proposed. The contact is curvilinear along its strike, dictated by the pinching and swelling along strike of magnetic feature. As the magnetic anomaly pinches and swells along strike, it is cut by NW SE structures. These are regional to localised structures, occasionally cutting across the entire interpretation area or localised to a singular E W striking magnetic/radioelement anomaly

Grand Canyon lies directly north of Small Canyon and lies on the contact of the magnetic anomaly to the north and the low magnetic zone to the south, synonymous to Small Canyon. The contact is also curvilinear and is in general, east west, changing direction as the magnetic anomaly pinches and swells. The contact is some 1.65km in strike and cut by a north south to north-east south-west structures that have been interpreted as faults.

Riverside is the westerly pit, lying on the contact of the magnetic low anomaly and an intermediary high magnetic anomaly. It has a near east west strike with a northerly dip of 60°.

Two further nearby prospects to the north of Grand Canyon have been identified with similar characteristics to the Riverside and Small Canyon contacts and which is interpreted to be a follow-up zone for galena mineralization.

The exploration work completed by GML has identified multiple interpreted zones of parallel, shallow galena mineralisation (down to 20m below surface) and with strike lengths of up to 500m.

As part of the Company's proposed initial exploration activities at the Project, it is proposing to complete further trenching, pitting and sampling work to be undertaken prior to commencement of a maiden shallow drilling program to test the mineralisation.

TRIAL MINING AND BULK SAMPLING AT GRAND CANYON, RIVERSIDE AND SMALL CANYON

In November 2018, GML commenced a trial mining exercise as part of its exploration activities to obtain a bulk sample of the galena mineralisation.

Mining was by a bulldozer removing the shallow overburden and free-digging of the material by an excavator. Material was then crushed and bagged for transportation.



Figure 7, 8 and 9: Trial mining activities at the Grand Canyon, Riverside and Small Canyon Prospects in November 2018



Figure 10 and 11: Exposed galena mineralisation at the Grand Canyon Prospect

GML mined an approx. 100 tonne bulk sample of material from the three prospects all of which are located on AML0029.

The material was transported to Johannesburg by sealed road by Bollore Africa Logistics, the largest transport and logistics operator in Africa, to ALS laboratories.

BULK SAMPLING ASSAY AND CERTIFICATION

ALS issued a Certificate of Quality in January 2019 for the bulk sample.

ALS certified that the material mined was a high grade product, with an average 60.48% lead grade and 735g/t silver grade reported.

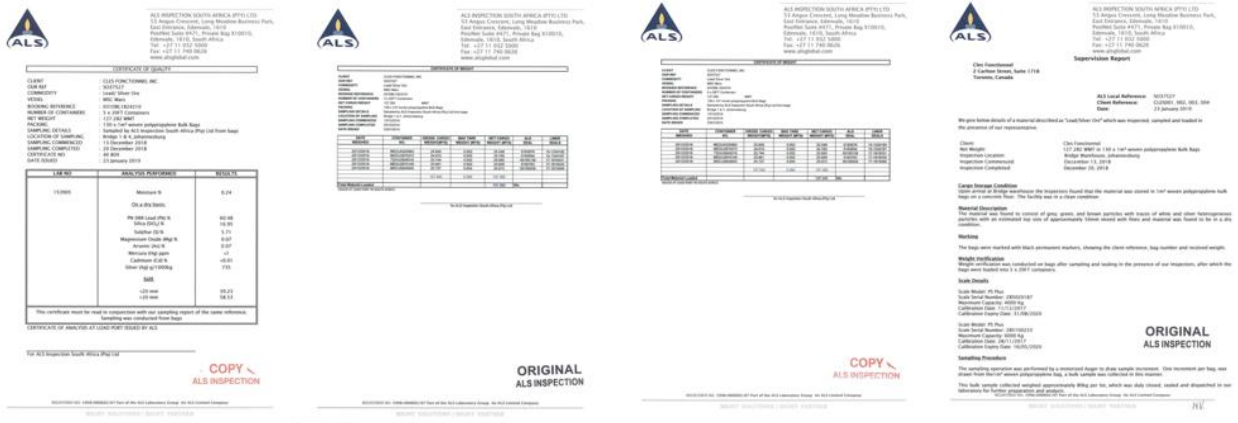


Figure 12 and 13: ALS Certificate of Quality and Certificate of Weight

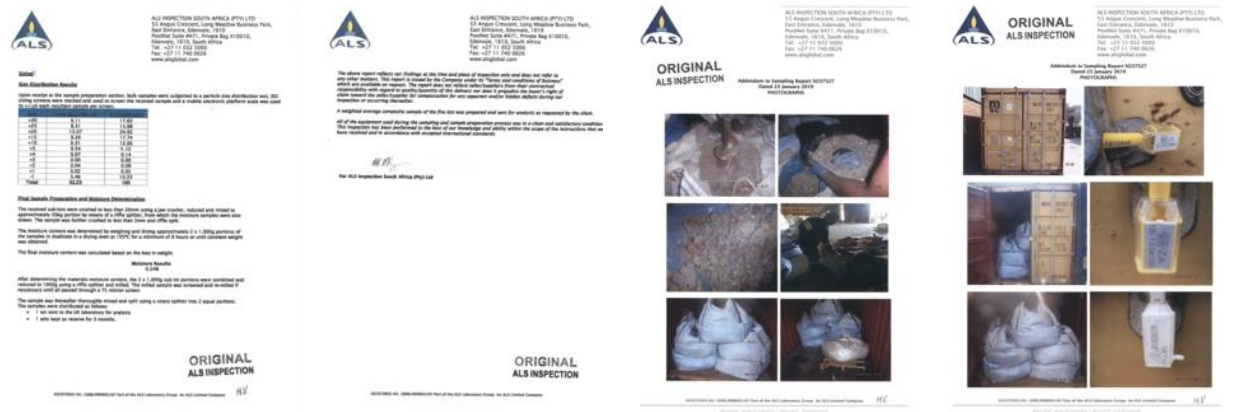


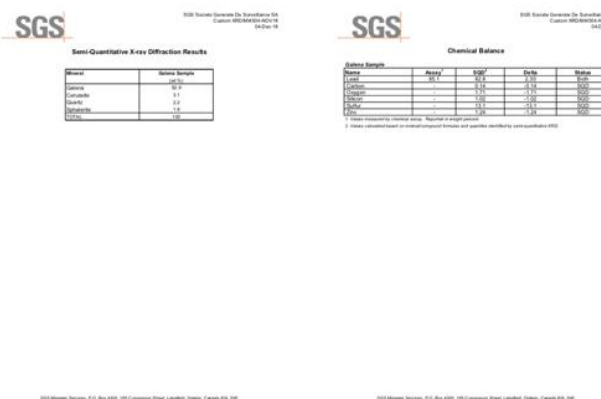
Figure 14 and 15: ALS Supervision Report and Addendum to Sampling Report

In addition, GML took a further 2.3kg sample of the exposed mineralisation from the Grand Canyon Prospect.

This sample was sent to Switzerland for Semi-Quantitative X-Ray Diffraction analyses by SGS to determine its mineral composition and for further chemical assaying.



Figure 16 and 17: SGS Semi-Quantitative X-Ray Diffraction Analyses Report



The 2.3kg sample was determined to comprise galena (92.9%), cerussite (3.1%), quartz (2.2%) and sphalerite (1.9%).

The average lead grades from chemical assay were reported as 85.1% and by Semi-Quantitative X-Ray Diffraction analyses as 82.8%.

Figure 18: SGS Semi-Quantitative X-Ray Diffraction Analyses Report

NEXT PHASE OF EXPLORATION AND GALENA MINERALISATION TARGETS

1. Grand Canyon Prospect

Six primary targets at Grand Canyon have been mapped with an East West strike and with lengths of up to 500m.

The Main Target is 500m in strike cutting across the highly magnetic zone to its west. Target 3 is synonymous to the Main Target, striking East West and dipping to the south at 60° on average.

Only Target 6, to the south has a southerly dip of 70°

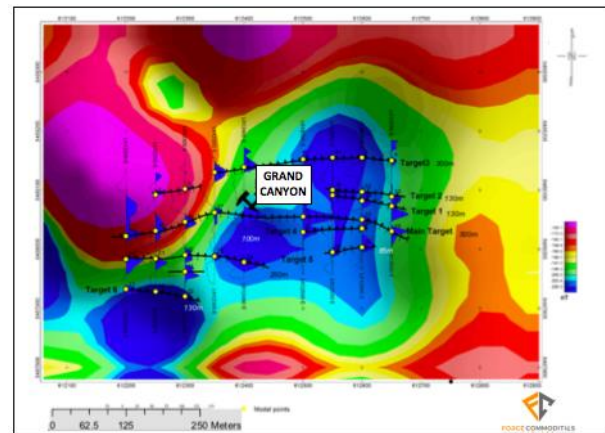


Figure 19: Total Magnetic Intensity Map and Interpreted Contacts

2. Riverside Prospect

The anomalies associated with the Riverside Prospect are numerous and are East West trending.

Six primary targets have been mapped. The Main Target and Target 2 are the more continuous ones with a strike length in excess of 400m. Targets 4 and 6 are some 200m in strike while Target 5 is discontinuous along its strike. The Main Target anomaly dips some 60° to the north. Other targets have varied dip directions of north and south.

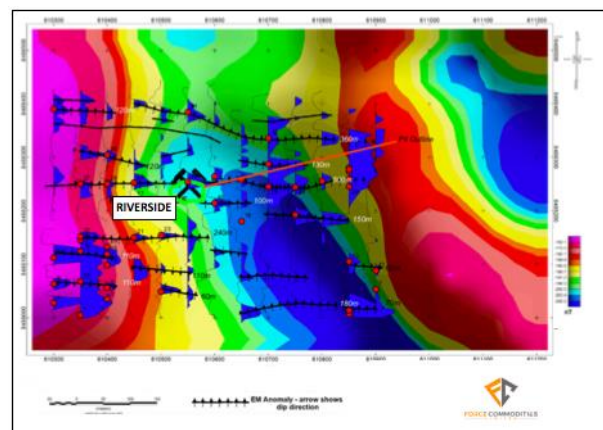


Figure 20: Total Magnetic Intensity Map and Interpreted Contacts

3. Small Canyon Prospect

Five main targets have been identified, with the East West striking zone associated with the artisanal activity cut by a North-East South-West structure to its east.

Three other structures to the north have been mapped, the main target having a strike of 470m.

A single anomaly is mapped south of the pit lying within the low magnetic horizon.

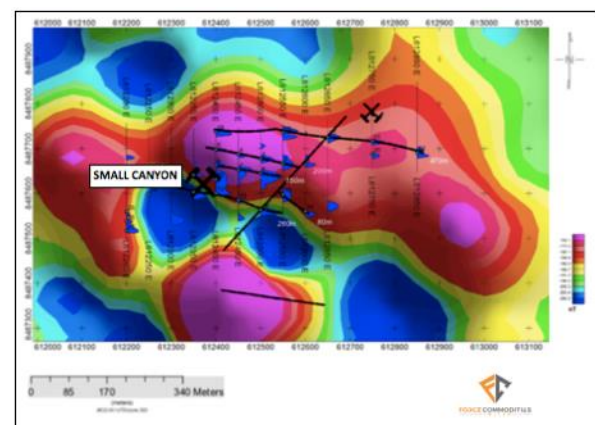


Figure 21: Total Magnetic Intensity Map and Interpreted Contacts

ACQUISITION TERMS AND STRUCTURE

The Company has executed a binding HOA with Swiss based, TerraCare AG (**TCA**) and with Malawi based GML and Graphite Africa Limited (**GAL**).

Force will acquire a 63.75% shareholding in TCA. TCA has an 80% shareholding in GML, with the 20% balance held by local Malawi shareholders.

GML has an agreement with GAL, under which it has secured the rights to explore and develop the galena rights - lead, silver and zinc rights - over three granted Exploration Licenses (EPL479, EPL483 and EPL484) which GAL holds 100%.

GAL has further made an application for a Mining License (AML0029) which upon payment of the fees will be issued in the name of GML.

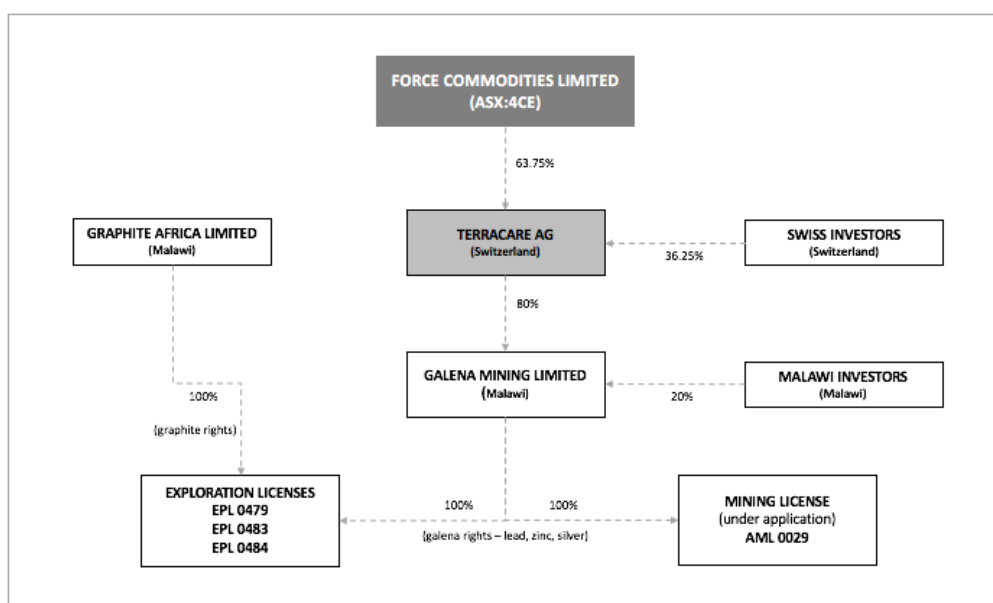


Figure 22: Acquisition Structure of the Malawi Galena - Lead, Silver and Zinc - Projects

Under the terms of the HOA, and 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 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.

The HOA is subject to a number of conditions which must be satisfied or waived, including:

- completion of satisfactory technical, legal and financial due diligence by the Company;
- execution of formal joint venture agreements as may be necessary to formalise and define the final and agreed terms between the parties;
- receipt of any government, regulatory and third-party approval and consents, if required;
- the Company obtaining any necessary ASX, shareholder, regulatory or Board approvals or consents, if required.

The Company has already received confirmation from ASX that listing rule 11.1.2 and 11.1.3 does not apply to the proposed acquisition.

CONSIDERATION TERMS

The Company has secured the right to acquire its initial 51% interest on the following key commercial terms:

- a. reimbursement of US\$50,000 of historical costs incurred by TCA on the Project areas;
- b. funding a further US\$850,000 of exploration and development expenditure over 18 months in accordance with an agreed budget included fees associated with issuance of the Mining Licence AML0029 and historical exploration and mining activities and further bulk sampling to be mined and delivered to South Africa for assaying and sale.
- c. issue to TCA, or its nominee(s), the following securities:
 - i. 40 million fully paid ordinary shares in the Company upon execution of formal joint venture agreements; and
 - ii. 40 million fully paid ordinary shares in the Company upon the sale of 1,000 tonnes of run-of-mine ore containing a minimum 50% lead and 400g/t silver.

The Company has been given a 60 day exclusivity period to complete its legal and technical due diligence. In the event that the conditions precedent are not satisfied within that period or such later date as agreed between the Company and TCA and GAL, the HOA may be terminated by either party.

The HOA of is legally binding as between the parties notwithstanding the intention that the HOA will be ultimately superseded by formal agreements.

In addition, Force has secured a further 90-day option over the graphite rights of the three Exploration Licenses held by GAL. Force intends to complete this due diligence review and evaluation of the historical exploration work, including diamond drilling and feasibility study work, once it has finalised the acquisition of its interest in TCA.

2. KITOTOLO-KATAMBA LITHIUM PROJECT (70%)

2.1 Overview

The Kitotolo-Katamba Lithium Project comprises exploration license PR 12453 and mining lease PE 13247, and extends over an area of about 400 km². It is located southwest of ASX listed AVZ Minerals' Manono Lithium Project.

Force has acquired a 70% interest in a new joint venture company with DRC state-owned mining company La Congolaise d'Exploitation Minière (**Cominiere SA**) (30%) to jointly explore the Kitotolo Lithium Project.

A brief overview of the Project follows:

- Project comprises exploration license PR 12453 and mining lease PE 13247, and extends over an area of about 400 km².
- 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 tenements across four 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 confirmed high grade lithium mineralisation (up to 2.15% Li₂O) in pegmatites.

- Subsequent assays from shallow exploration pits and trenches confirm high grade lithium mineralisation in shallow pegmatite bodies 1 km along strike from the Katamba Artisanal Pit.
- Project area has historical cassiterite and columbite-tantalum mining, minerals commonly associated with lithium.
- 98 RC holes for 4,272 m completed under the initial stage of its Phase 1 RC drill program.
- A total of 1,170 samples from were taken for sample preparation and assaying. All the samples are at the ALS laboratory in Johannesburg for routine (ME- MS61 48 element four acid digest) preparation and assay and the results are still outstanding.
- Upon receipt and review of these assay results, by the Company and its joint venture partner at the Kitotolo-Katamba Lithium Project, Cominiere SA, the exploration budget and schedule for the remainder of 2019 will be finalised and approved.

2. KITOTOLO WEST LITHIUM PROJECT – UNDER OPTION

The Company announced in 2018 that it acquired an option for a 75% interest in the Kitotolo West Lithium Project, comprising granted exploration license PR4295.

PR4295 covers an area of about 400 km² and is contiguous to the Company's existing Kitotolo-Katamba Lithium Project and 35 km west of the Company's Kanuka Lithium Production Project.

A decision on whether to exercise the option to acquire the Project has not yet been reached and no work was completed during the Quarter.

3. KANUKA LITHIUM PRODUCTION PROJECT (51%)

The Kanuka Project area comprises two contiguous licenses: granted mining lease PE13082 and exploration license PR4100.

These licenses cover an area of about 194 km² and are located 20 km east of the Company's existing Kitotolo Lithium Project. The licenses are immediately south (about 4 km from the license boundaries) of AVZ's Manono Project.

A brief overview of the Project follows:

- Project comprises mining lease PE13082 and exploration license PR4100; covering an area of 194 km² and containing extensive lithium bearing pegmatites.
- Project licenses located 5 km south of AVZ Mineral's 'world- class' Manono-Kitotolo Lithium Project licenses and 20 km 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), a member of the VinMetals Group (a diversified mining, metals and trading group that has operated successfully in the DRC since 1997) operating existing copper, cobalt, tantalum, tin and tungsten mines and processing plants.
- Force completed of 45 holes for 2,700 m of RC drilling; further diamond drilling of about 1,000 m 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.
- Assay results confirmed the drilling program had successfully intersected multiple and stacked lithium bearing pegmatite veins over an initial inferred strike of 1.3 km at the Kania Main Pegmatite.

No field exploration activities were completed by the Company's in-country geological team during the Quarter. Further desk-top analyses of geological mapping work and cross-sections as well as the lithium assay results received was undertaken.

The Company is waiting the results of this additional work, prior to committing to its next phase of exploration activities.

4. MT ADRAH GOLD PROJECT

The Company entered into a sale agreement for Mt Adrah Gold Project on 16 March 2018 with Wildcat Resources Pty Limited (**Wildcat**), subject to approval from the NSW Minister for Resources, given the change in effective control of the license holder.

On 28 June 2019, following approval from the NSW Minister for Resources, settlement of the sale of the Mt Adrah Gold Project was completed with Force receiving net cash proceeds of \$280,000 including \$30,000 related to reimbursement of environmental performance bonds. An additional \$50,000 in share consideration is to be received when (if) the acquiror completes an IPO on the ASX or a transaction onto ASX is finalised.

5. HALLS PEAK BASE METALS PROJECT

Confirmation received from NSW Mines Department that Halls Peak licenses had been renewed for six years.

6. CORPORATE

6.1 Board Strengthened

Subsequent to the end of the Quarter, metals trading and marketing specialist Mr Simon Grant-Rennick was appointed as a non-executive director, commencing effective 1 August 2019.

6.2 Cash at Bank

Cash at bank for the Company as at the end of the quarter was \$0.56 million.

Included in cash at bank are the proceeds from sale of the Mt Adrah Gold Project of \$280,000 and the proceeds from sale of the Company's 2,250,000 shares in ASX-listed Marquee Resources of \$225,000 (Note: Force retains its holding of 750,000 options in Marquee Resources).

6.3 Shares

At the commencement of the Quarter on 1 April 2019, the Company had a total of 424,515,868 shares on issue.

On 22 May 2019, the Company completed a placement to professional and sophisticated investors. A total of 38,888,889 new fully paid ordinary shares were issued at an average price of \$0.009 (0.9 cents) raising \$350,000.

As at 30 June 2019, total shares on issue were 463,404,757.

Subsequent to the end of the Quarter, Force completed the issue of 28,500,000 shares to the vendor of Tshimpala Project. (Note: 21,500,000 of the 28,500,000 shares are subject to voluntary escrow of 6 months. A further 11,500,000 shares are to be issued to the vendor following the Company's upcoming General meeting on 16 August 2019.)

Also subsequent to the end of the Quarter, Force issued 4,250,000 shares to staff and consultants under the Company's Employee Share Scheme.

As a consequence, the total shares on issue as at the date of this report are 496,154,757.

6.4 Options

On 22 May 2019, the Company completed a placement to professional and sophisticated investors. Participants in the Placement were issued with one free attaching option for every two shares subscribed for, exercisable on or before 30 June 2021, at an exercise price of \$0.02 (2 cents) resulting in a total of 19,444,446 options being issued. Sixty Two Capital Pty Ltd, who managed the Placement were issued 15,000,000 Options on the same terms.

On 30 June 2019, 24,416,662 Unlisted Options having an exercise price of \$0.032 (i.e. 3.2 cents) and an expiry date of 30 June 2019, and 10,000,000 unlisted options having an exercise price of \$0.035 (i.e. 3.5 cents) and an expiry of 30 June 2019 lapsed.

As at 30 June 2019, share options remaining on issue were as follows:

Type	Expiry Date	Exercise Price	Number	Amount Outstanding
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
unlisted	30 June 2021	\$0.02	34,444,446	\$688,889
			41,881,946	\$1,263,889

6.5 Legal Claim

On 22 May 2019 the Company announced that it had lodged interlocutory applications in the District Court of Western Australia in relation to a legal claim brought against it by a company associated with former director Alistair Stephens. The Company will not make any further comment whilst the matter is before the Court.

6.6 2019 Annual General Meeting

On 17 May 2019, the Company held its annual general meeting. All three resolutions were carried by a show of hands.

Proxies lodged with respect to the resolutions were as follows:

Resolution	Item	Proxies						Total	Result
		For	Against	Chair	Discretion	Abstain	Excluded		
1	Adoption of Remuneration Report	8,398,913	2,789,616	119,125	18,377	198,076	6,503,500	18,027,607	CARRIED
2	Re-election of Director - Jess Oram	16,747,384	672,483	544,125	18,377	45,238	-	18,027,607	CARRIED
3	Approval - 10% Enhanced Placement Capacity	16,915,932	893,060	125,000	18,377	75,238	-	18,027,607	CARRIED

6.7 August 2019 General Meeting

Subsequent to the Quarters end, the Company announced a General Meeting would be held on Friday, 16 August 2019.

The General meeting will consider the following ordinary resolutions:

Resolution 1 – Ratification of prior issue of Shares issued under Listing Rule 7.1a in relation to May 2019 Placement

Resolution 2 – Ratification of prior issue of Options issued under Listing Rule 7.1 in relation to May 2019 Placement

Resolution 3 – Ratification of prior issue of Options to Sixty Two Capital issued under Listing Rule 7.1 for management of May 2019 Placement

Resolution 4 – Ratification of proposed issue of Shares to Terra Care AG (or nominee) in relation to Malawi base metals project acquisition.

6.8 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
Kanuka Lithium Project	27 April 2018	25 May 2023	-	16,000,000
			-	76,000,000

7. SCHEDULE OF MINERAL TENEMENTS AS AT 30 JUNE 2019

Project	Status	Tenement	Location	Interest held by Force	
				at 31 March 2019	at 31 December 2018
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 Jess Oram is a member of the Australasian Institute of Geoscientists and a Member of Geological Society of Australia. Mr Oram is engaged by Force Commodities as its non-executive Chairman.

Mr Oram 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 Oram 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 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

FORCE COMMODITIES LIMITED

ABN

12 145 184 667

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(154)
(b) development	-	-
(c) production	-	-
(d) staff costs	(130)	(167)
(e) administration and corporate costs	(222)	(395)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other		
- BAS Refunds	20	25
1.9 Net cash from / (used in) operating activities	(332)	(690)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	305	305
	(c) investments	220	220
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	525	525

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	327	327
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	327	327

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	40	398
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(332)	(690)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	525	525
4.4	Net cash from / (used in) financing activities (item 3.10 above)	327	327
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	560	560

Mining exploration entity and oil and gas exploration entity quarterly report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	560	40
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details) – Trust accounts	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	560	40

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	89
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

The payments made to directors of the entity and their associates reported at 6.1 relate wholly to directors' fees.

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	235
9.2 Development	-
9.3 Production	-
9.4 Staff costs	65
9.5 Administration and corporate costs	119
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	419

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director)

Date: 31 July 2019

Print name: Jason Brewer

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.