

ASX ANNOUNCEMENT

4 May 2020

About Force

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

Project Summary

Tshimpala Project (lead-silver) - Malawi.
51% interest.

Halls Peak-Gibson Project (lead-zinc-copper-gold-silver) - Australia.
100% and 55% interest

Kitotolo-Katamba Project (lithium) - DRC.
70% interest.

Kanuka Project (lithium) - DRC.
51% interest

Directors and Management

Mr Jess Oram - Chairperson

Mr Gedeon Pelesa - Director

Mr Simon Grant-Rennick – Director

Mr Jihad Malaeb - Director

Mr Henry Kinstlinger – Company Sec

Capital Structure

Shares on Issue:

557,654,757 fully paid ordinary

Options on Issue:

34,444,445 exercisable @\$0.02; expiring
30 June 2021

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

40,000,000 exercisable @\$0.02 expiring
31 October 2021

MARCH 2020 QUARTER REVIEW OF OPERATIONS

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2020

Force Commodities Limited (ASX Code: 4CE) (**Force** or the **Company**) provides its activities report for the quarter ended 31 March 2020.

Summary

Tshimpala Project - Malawi

- In the December 2019 activities report, the Company reported a program of reverse circulation (RC) drilling comprising 26 holes for 742 m, at Small Canyon
- The assay results from this drilling program were received with unsatisfactory results
- the best intercept being 4.0 m at 300 ppm lead from 40 m depth
- Notwithstanding the results, the Grand Canyon prospect prospective.

Halls Peak-Gibson Project - Australia

- No work was completed on the Halls Peak Project during the reporting period
- The Halls Peak-Gibson Project Licenses are considered highly prospective

Kanuka Project - Democratic Republic of Congo

- No work was completed on the Kanuka Project during the reporting period

Kitotolo-Katamba Project - Democratic Republic of Congo

- No work was completed on the Kitotolo Project during the reporting period

Corporate and Finance

- Cash at bank as at 31 March 2020 of \$117,000
- the cash component of the convertible note valued at \$250,000 taken out with Global Opportunities Pty Ltd (GTT) was fully paid out
- Jihad Malaeb, a major shareholder and director, provided the Company with a \$300,000 loan
- Sufian Ahmad, a major shareholder, provided the Company with a \$100,000 loan

Exploration

The Company holds a majority interest in the Tshimpala Project which is currently the main focus of field activity.

The Company also holds a majority interest in the highly prospective Halls Peak-Gibson Project located in the New England area of northern New South Wales. No work was completed on this project during the reporting period.

The Company has interests in the Kitotolo-Katamba and Kanuka Projects, both located in the Tanganyika Province of the Democratic Republic of Congo (**DRC**). No work was completed on this project during the reporting period.

1. TSHIMPALA PROJECT – MALAWI

During the Quarter, the Company completed no work at the Tshimpala Project.

2. HALLS PEAK-GIBSON PROJECT – AUSTRALIA

The Halls Peak-Gibson Project comprises granted Exploration Licenses EL 4474 and EL 7679, located in north-eastern NSW and covering an area of about 84km².

EL 4474 is held 100% by the Company and EL 7679 held by Sugec Resources Limited, a 55% owned subsidiary of the Company. The Halls Peak-Gibson Project is located on EL 4474.

The Halls Peak-Gibson Project area contains several known occurrences of base metals rich in zinc and lead with varying associated levels of copper, silver and gold.

A summary of the project is adequately covered in ASX Announcements dated 15 and 29 December 2016.

No work was completed at the Halls Peak Project during the quarter.

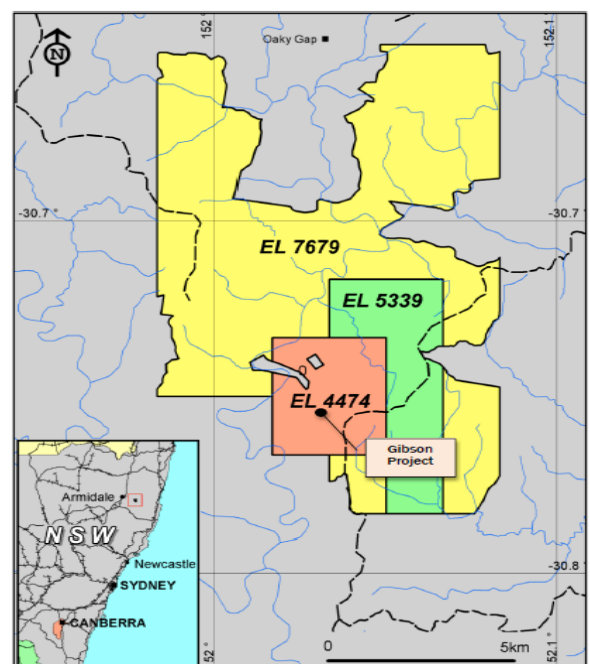


Figure 1: Location map of the Halls Peak-Gibson Project in NSW

3. KITOTOLO-KATAMBA PROJECT – DEMOCRATIC REPUBLIC OF CONGO

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.

The Company holds a 70% interest in a joint venture company with DRC state-owned mining company La Congolaise d'Exploitation Minière.

No work was completed on the project during the reporting period. The Company will continue discussion with its joint venture partner and determine how best to now advance the project.

Force completed 26 holes for 742 m of reverse circulation drilling (RC) at Small Canyon in the previous reporting period. This drilling targeted lead-silver veins along strike from artisanal exposures at Small Canyon. Assays of the drilling returned disappointing results, with the best intercept being 4.0 m at 300 ppm lead from 40 m depth. Whilst the results are disappointing, they do not reflect a lack of prospectivity shown by the Grand Canyon prospect.

4. KANUKA PROJECT – DEMOCRATIC REPUBLIC OF CONGO

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.

No work was completed on the project during the reporting period.

5. CORPORATE AND FINANCE

5.1 Cash at Bank

The Company's cash at bank as at 31 March 2020 was \$117,000.

5.2 Debt Funding

As reported in the December 2019 Quarter, the Company entered into a convertible note agreement with Global Opportunities Pty Ltd (GTT) which provided funding totalling \$250,000. During this March Quarter, Force fully paid out the cash component including principal interest, fee and payment of \$50,000 in lieu of shares.

The balance of the fees remains payable through the issue of 2,500,000 FPO listed shares and 3,000,000 options with an exercise price of \$0.02 and an expiry of 30 June 2020.

The loan facility with Briggs and Macadam (ASX announcement 1 November 2019) totalling \$2,500,000 did not proceed as the conditions precedent for the loan (including, completion of due diligence to the satisfaction of Briggs and Macadam, and the drafting of formal documentation) was not completed.

During the March Quarter, the Company raised \$400,000.

Major shareholder and director Jihad Malaeb provided a loan in the amount of \$300,000. The loan is to be secured through a convertible note and security over Company assets to the value of the loan. Interest payable on the loan is 10% per annum. Major shareholder Sufian Ahmad provided a loan in the amount of \$100,000 on the same terms.

The Company will seek shareholder approval as required under the Corporations Act and the Listing Rules.

The terms of the Convertible Note will be advised once settled.

5.3 Shares on Issue

As at 31 March 2020 the shares on issue totalled 557,654,757 fully paid ordinary. No shares were issued by the Company during this quarter reporting period.

5.4 Options on Issue

As at 31 March 2020, options on issue comprised:

- 34,444,445 exercisable at \$0.02; expiring 30 June 2021
- 2,500,000 exercisable at \$0.10; expiring 30 June 2020
- 2,000,000 exercisable at \$0.06; expiring 1 July 2020
- 2,000,000 exercisable at \$0.08; expiring 1 July 2020
- 40,000,000 exercisable at \$0.02; expiring 31 October 2021 (attaching options in placement totalling 25m options; plus, fee options to placement manager of 15m options)

5.5 Voluntary Suspension of Company's Securities

The Company requested a voluntary suspension of trading in its securities on the 13 January 2020 for the purpose of completing organisational change of management, on the 28 January 2020 the Company extended voluntary suspension for the purpose of raising new capital to continue the operations. The Company remains in suspension at the end of the quarter.

5.6 Management Changes

- Departure of Jason Brewer (14 January 2020) as managing director, a replacement is being sought and will be communicated in due course.
- Appointment non-executive director of Jihad Malaeb on 27 January 2020
- Resignation of company secretary, Michael Pitcher on 23 March 2020
- Appointment of company secretary, Henry Kinstlinger on 9 April 2020 (subsequent to the reporting period)

6. SCHEDULE OF MINERAL TENEMENTS AS AT 31 MARCH 2019

Project	Status	Tenement	Location	Interest held by Force	
				31 Dec 2019	31 March 2020
Tshimpala ¹	Granted	EPL479	Malawi	51%	51%
Tshimpala ¹	Granted	EPL483	Malawi	51%	51%
Tshimpala ¹	Granted	EPL484	Malawi	51%	51%
Tshimpala ¹	Application	AML0029	Malawi	51%	51%
Halls Peak-Gibson	Granted	EL4474	Australia	100%	100%
Halls Peak-Gibson	Granted	EL7679	Australia	55%	55%
Kitotolo ²	Granted	PR12453	DRC	70%*	70%
Kitotolo ²	Granted	PE13247	DRC	70%*	70%
Kanuka ²	Granted	PR4100	DRC	51%*	0%

EPL, EL, PR – Exploration/Prospecting Licence

PE, AML – Mining Licence

¹ lead, silver and zinc rights only

² lithium rights only

Authorised for release by Mr Jess Oram.

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 in relation to the Tshimpala Project, Kitotolo-Katamba Project and the Kanuka Project 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.

The information in this report that relates to Exploration Results in relation to the Halls Peak-Gibson Project is extracted from ASX Announcements dated 15 December 2016 and 29 December 2016 (see ASX Announcement – 15 December 2016 “102m Intercept from Surface – High Grade Zinc, Lead and Silver” and 29 December 2016, (see ASX Announcement – 29 December 2016 “Final Assay results Confirm Extensive High Grade Zinc and lead Mineralisation – Up to 46% Zinc and 27% Lead”, www.forcecommodities.com.au and www.asx.com.au).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Exploration Results in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are represented have not been materially modified from the original market announcement.

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.