



Force Commodities Limited
ACN 145 184 667

Suite 7,
234 Churchill Avenue,
Subiaco, WA, 6008, Australia

Phone: +61 8 9388 9968

Contact

Alistair Stephens, Executive Director

e: corporate@sovereigngold.com.au

Latest News

www.sovereigngold.com.au

Directors / Officers

Alistair Stephens (Executive)
Mark Darras (Chairman)
Patrick Glovac (Non-Exec)
Charles Thomas (resigned)
Rocco Tassone (resigned)

ASX: 4CE

ASX Release
28th February 2017

KEY DIRECTOR & MANGEMENT APPOINTMENTS

- **Mr Alistair Stephens appointed Executive Director – over 30 years experience in the resource industry, Newmont, Normandy, KCGM, WMC Resources, Orica, Arafura Resources and Globe Metals and Mining**
- **Mr Mark Darras appointed Non-Exec Chairman, vast experience as senior counsel and in executive positions; a former member of the Takeovers Panel and served as Deputy and Acting Chairman at Australian Postal Corporation**
- **Leading management and geological team appointed (Mr Geoff Chapman – Resource Development and Dr Marc Steffens – Project Development) to drive exploration activities at Mt Adrah and Halls Peak**
- **Detailed project overview and company strategy has commenced and will be released shortly**

The Board of Directors of Force Commodities limited (**Force Commodities** or the **Company**) (ASX Code: 4CE) is pleased to announce the appointment of Mr Mark Darras as Non-Executive and Independent Chairman and Mr Alistair Stephens as Executive Director to the Board of the Company. It also appoints key management positions for the progression of commercialisation studies for the company's assets.

Mr Patrick Glovac will continue in his position as Non-Executive director of the Company. Current Non-Executive Chairman Mr Charles Thomas has resigned effective immediately to focus on his other business interests and current Managing Director Mr Rocco Tassone has tendered his resignation and is assisting the new management group gaining a thorough understanding of the Company.

The Board would sincerely like to thank both Mr Thomas and Mr Tassone for their invaluable contribution over the past 18 months as directors and both have been instrumental in the significant transformation of Force Commodities Ltd and remain supportive shareholders.

Mr Mark Darras – Non-Executive Chairman

Mr. Darras, (LLM., BA., LLB., B.Ed) who is based in Melbourne, is a former lawyer practising in corporate advisory, commercial and corporate governance law, including director duties. He also has extensive board experience having served on boards such as Australia Post, John Holland Engineering, John Holland Queensland, the Forestry Corporation, Amanie Advisors, and has been a member of the Takeovers Panel. Mr Darras has worked and advised in various sectors, including infrastructure, mining and resources, FMCG, as well as Government, and has spent considerable time working in Asia.

Mr Alistair Stephens – Executive Director

Mr Stephens (BsC Hons, Grad Dip Fin. MBA, GAICD) has 30 years of professional experience in the resources industry. He has extensive experience in resource development, feasibility studies, operations, and marketing in precious, base and industrial minerals. With companies including Newmont, Normandy, KCGM, WMC Resources, Orica (explosives), Arafura Resources, and Globe Metals and Mining Ltd. With over 12 years in CEO and directorship roles in ASX listed companies, he brings leadership skills in corporate governance, stakeholder communications, strategic planning, finance, personnel management, marketing, mining and processing operations. He has undertaken business in Europe, Asia and Africa, and raised finance in Australia, Europe and Asia.

Mr Stephens is ideally suited to join the Board of Force Commodities and lead the Company's' strategic direction. Concurrent with his appointment, Mr Stephens has appointed a management team with the appropriate skills in resource and mining development, feasibility and operations suited to advance the commercialisation of the company's projects.

Mr Stephens commented: "the underlying value of the Company's assets is greater than the current market capitalisation. I see great opportunity to improve shareholder value from the very start. A focus on targeted project development studies will further realise asset and shareholder value. I see clear opportunities for success at both the Mt Adrah gold and Halls Peak zinc-rich base metals projects."

"The current board consisting of Thomas, Tassone and Glovac has turned around this Company and we are now on the verge of unlocking the significant inherent value in both Mt Adrah and Halls Peak. I thank the retiring Board for the diligent work that has been undertaken over the last few years and I now look forward to driving the Company's success and building shareholder wealth. "

Management Team

Mr Stephens is pleased to appoint Mr Geoff Chapman and Dr Marc Steffens to key management appointments.

Mr Geoff Chapman - Resource Development

Mr Geoff Chapman, B AppSc, MSc, GAICD, FAusIMM, is a geologist with over 30 years' experience in the mining industry including management roles in mining, exploration, feasibility studies, project evaluation, mine planning and business development with major and junior companies including KCGM, WMC Resources, View Resources, Silver Lake Resources and Western Metals. Commodity experience includes gold, nickel, base metals uranium and manganese.

Mr Chapman brings his significant experience in the company to focus on resource development and mining studies.

Dr Marc Steffens – Project Development

Dr Marc Steffens, BEng(Hons), PhD, MAusIMM, is a qualified mineral (metallurgical) engineer with 13 years' experience in technology and metallurgical flowsheet development, project engineering and feasibility study management. Marc attained his degrees at the WA School of Mines and is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). He brings to Force Commodities excellence in project development and feasibility studies.

Mr Charles Thomas, resigning Chairman of Force Commodities, confirmed; "The board stated its intention in 2016 to recruit into the Company the necessary personnel and skills to be able to implement technical programs and develop the Company's assets. We are pleased that the engagement of Mr Darras and Mr Stephens and the management team of Mr Chapman and Mr Steffens commence this next important stage. As a major shareholder in the Company I am excited with the skills and vision that this new team brings to the Company."

Mr Rocco Tassone, current Managing Director said; “I have thoroughly enjoyed my time serving shareholders and transforming the Company into the strong position it is in today, with a strong shareholder register, supportive of the company’s projects and aspirations and keen to see the Company prosper.”

“After a long period of corporate rebuilding, the Board is pleased to be able to implement the next phase and recruit into the Company first tier corporate governance professionals and industry specialists that will now focus on progressing and realising value for the Company’s assets. Under the leadership of Mr Darras and the direction of Mr Stephens I am confident that the Company’s true value will be realised.”

Executive Remuneration

Mr Stephens agreed remuneration is set out below.

Period	Rate	Total charged excl GST
From 1 March to 30 June 2017	A\$10,000 per month	Total A\$40,000
From 1 July to 31 December 2017	A\$15,000 per month	Total A\$90,000
From 1 January to 31 December 2018 (and going forward on an annual basis)	A\$20,000 per month	Total A\$240,000

The agreement can be terminated by either party giving twelve months notice in writing to the other party plus twelve months payment on termination (subject to the requirements of the ASX Listing Rules and the Corporations Act).

Proposed Options and Performance Rights to Directors

Mr Alistair Stephens

The Company will issue unlisted Options and Performance Rights to Mr Stephens, or his nominee, subject to the Company obtaining the necessary regulatory and shareholder approval at the Company’s Annual General Meeting (AGM). The exercise price of the Options shall be determined by an agreed daily trading average of the Company’s ordinary share plus an escalation (of no more than 30%) calculated prior to the date of the AGM. Subject to the Company obtaining regulatory and shareholder approvals, the following securities will be issued to Mr Stephens;

- a) 5,000,000 unlisted options will be issued on the day after the AGM and expiring on 1 December 2025. The exercise price shall be determined and negotiated in good faith as set out above.
- b) Performance Rights that will not vest and the underlying Shares will not be issued unless the following performance conditions have been satisfied;
 - I. 5,000,000 Performance Rights, converting into 5,000,000 ordinary shares, upon the Board resolving on either a decision to mine the Mt Adrah project or an agreement for the divestment of the Mt Adrah project; and
 - II. 5,000,000 Performance Rights, converting into 5,000,000 ordinary shares, upon the Board resolving on either a decision to mine the Halls Peak project or an agreement for the divestment of the Halls Peak project.
 - III. For the purposes of the conditions, a “divestment” is a binding agreement for a commercial transaction that is deemed to be commercially more prudent for the shareholders than a decision to mine and, if necessary, the Company has obtained shareholder approval at a general meeting of the Company’s shareholders.

Mr Mark Darras

The Company will issue unlisted Options and Performance Rights to Mr Darras, or his nominee, subject to the Company obtaining the necessary regulatory and shareholder approval at the AGM. The exercise price of the

For personal use only

Options shall be determined by an agreed daily trading average of the Company's ordinary shares plus an escalation (of no more than 30%) prior to the date of the AGM. Subject to the Company obtaining the necessary regulatory and shareholder approvals, the following securities will be issued to Mr Darras;

- a) 3,000,000 unlisted Options will be issued one day after the AGM and expiring on 1 December 2025. The exercise price shall be determined and negotiated in good faith as set out above.
- b) Performance Rights that will not vest and the underlying Shares will not be issued unless the following performance conditions have been satisfied;
 - I. 1,000,000 performance rights, converting into 1,000,000 ordinary shares, upon the Board resolving on either a decision to mine the Mt Adrah project or the divestment of the Mt Adrah project; and
 - II. 1,000,000 Performance Rights, converting into 1,000,000 ordinary shares, upon the Board resolving on either a decision to mine the Halls Peak project or an agreement for the divestment of the Halls Peak project.
 - III. For the purposes of the conditions, a "divestment" is a commercial transaction that is deemed to be commercially more prudent for the shareholders than a decision to mine, if necessary, the Company has obtained shareholder approval at a general meeting of the Company's shareholders.

Mr Patrick Glovac

The Company shall issue unlisted Options and Performance Rights to Mr Glovac, or his nominee, subject to the Company obtaining the necessary regulatory and shareholder approval at the AGM. The exercise price of the Options shall be determined by an agreed daily trading average of the Company's ordinary shares plus an escalation (of no more than 30%) prior to date of the AGM. Subject to the Company obtaining the necessary regulatory and shareholder approvals the following securities will be issued to Mr Glovac;

- a) 5,000,000 unlisted Options will be issued one day after the AGM and expiring on 1 December 2025. The exercise price shall be determined and negotiated in good faith as set out above.
- b) Performance Rights that will not vest and the underlying Shares will not be issued unless the following performance conditions have been satisfied;
 - I. 500,000 performance rights, converting into 500,000 ordinary shares, upon the Board resolving on either a decision to mine the Mt Adrah project or an agreement for the divestment of the Mt Adrah project; and
 - II. 500,000 performance rights, converting into 500,000 ordinary shares, upon the Board resolving on either a decision to mine the Halls Peak project or an agreement for the divestment of the Halls Peak project.
 - III. For the purposes of the conditions, a "divestment" is a commercial transaction that is deemed to be commercially more prudent for shareholders than a decision to mine, if necessary, the Company has obtained shareholder approval at a general meeting of the Company's shareholders.

For further information, please contact

Alistair Stephens
Executive Director
Force Commodities Limited

Telephone +61 8 9388 9968

For personal use only