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ASX Announcements Office
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Australia

FORCE SIGNS BINDING OFFTAKE AGREEMENT WITH TRANSAMINE TRADING SA

- *Force signs binding offtake agreement with Swiss-based Transamine Trading SA for all lead and silver production from its recently acquired high-grade Tshipala Project in Malawi*
- *Transamine Trading SA is an independent and privately held global commodities trading group headquartered in Geneva and specializing in non-ferrous raw materials*
- *Under the terms of the binding offtake agreement Transamine Trading has agreed to purchase 100% of lead and silver production from the Tshipala Project in a multi-year contract*
- *Force is also pleased to confirm that it is currently finalising arrangements with a global logistics company in regards to a fixed price contract for the transportation and associated handling of 100% of lead and silver production from the Tshipala Project in Malawi and proposed to be exported through the Port of Beira in Mozambique and onto major ports in Asia*

Force Commodities (**Force** or the **Company**) (**ASX Code: 4CE**) is pleased to announce the Company has entered into a binding offtake agreement with independent and privately held global commodities trading group Transamine Trading SA (**Transamine**) for all high-grade lead and silver ore produced from its recently acquired Tshipala Project located in the Republic of Malawi (the **Project**).

Under the terms of the Offtake Agreement, Transamine has the right to purchase all high-grade lead and silver produced from the Tshipala Project on an ‘evergreen’ basis.

Pricing under the Offtake Agreement is to be based on the prevailing LME benchmark price for lead and LBMA price for silver for material transported in sealed containers from the mine site to a designated warehouse at the Port of Beira in Mozambique and through to agreed major ports in Asia.

Force is also pleased to confirm that it is currently finalising arrangements with a global logistics company in regards to the transportation and logistics support for material from the Tshipala Project, and anticipates making a further announcement on this shortly.

The execution of the Offtake Agreement represents the first major agreement to be entered into by the Company since it completed the purchase of an initial 51% interest in the high-grade lead and silver Tshipala Project (refer to ASX Announcement dated 5 July 2019).

The negotiation of the Offtake Agreement was overseen by the Company's senior executive management and Mr Simon Grant-Rennick, who has been appointed by the Company as its London-based metals trading and marketing specialist to assist the Company in such matters (refer to ASX announcement dated 22 May 2019).

About Transamine Trading SA

Founded in 1953, Transamine is an independent and privately held commodities trading company specialising in non-ferrous raw materials.

Transamine is headquartered in Geneva, Switzerland, and has offices throughout key markets including Australia, South Africa, India, the United States and China.

Transamine is a full-service company providing worldwide raw material sourcing, marketing, finance and investment and specialises in all aspects of non-ferrous raw materials production and trade.

Transamine maintains the highest standard of conduct to promote fundamental principles such as sustainability, environment and social responsibilities.

Commenting on execution of the Offtake Agreement with Transamine, Force Commodities Managing Director Jason Brewer said:

"I am delighted that we have been able to finalise this offtake agreement with such a well-respected and established global commodities trading group as Transamine."

"This Offtake Agreement has been executed within 10 days of the Company completing its acquisition of the Tshipala Project and represents a significant vote of confidence and validation of that transaction."

"I am delighted for our shareholders to be able to announce such an Offtake Agreement and am grateful to the professional approach taken by both the team at Transamine and our consultant Mr Simon Grant-Rennick in concluding this in such a timely and efficient manner."

"All of us at Force look forward to now working with Transamine, as we progress the high-grade lead and silver Tshipala Project in Malawi."

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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.