FORCE COMMODITIES LIMITED

and its Controlled Entities

ABN 12 145 184 667

Annual Report

For the Year Ended 31 December 2020

FORCE COMMODITIES LIMITED AND CONTROLLED ENTITIES
CORPORATE INFORMATION

DIRECTORS

Mr Robert Martin	Non-executive Chairman
Mr Jihad Malaeb	Non-executive Director
Mr Michel Leu	Non-executive Director
Mr Jeremy Whybrow	Non-Executive Director

COMPANY SECRETARY
Mr Henry Kinstlinger

REGISTERED AND PRINCIPAL OFFICE
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AUDITORS
BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

SHARE REGISTER
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GPO Box 2975
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Force Commodities Limited shares are listed on the Australian Securities Exchange (ASX)

ASX Code	4CE
ACN	145 184 667
ABN	12 145 184 667

In this report, the following definitions apply:

"Board" means the Board of Directors of Force Commodities Limited

"Force" or the **"Company"** means Force Commodities Limited ABN 12 145 184 667

"Group" means Force Commodities and its controlled entities

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The directors of Force Commodities Limited ('Force' or the 'Company') submit the financial report of the Company and its controlled entities (the 'Group') for the year ended 31 December 2020.

DIRECTORS

The names and particulars of directors who are in office at the date of this report:

Mr Robert Martin	Non-Executive Chairman (appointed 4 February 2021)
Mr Jihad Malaeb	Non-Executive Director (appointed 27 January 2020)
Mr Michael Leu	Non-Executive Director (appointed 4 February 2021)
Mr Jeremy Whybrow	Non-Executive Director (appointed 1 March 2021)

The names and particulars of directors who are not in office at the date of this report but who held office during the financial year:

Mr Jess Oram	Non-Executive Chairman (appointed 5 February 2019, resigned 4 February 2021)
Mr David Sproule	Non-Executive Director (appointed 24 August 2020, resigned 4 February 2021)
Mr Jason Brewer	Managing Director (resigned 14 January 2020)
Mr Simon Grant-Rennick	Non-Executive Director (appointed 1 August 2019, resigned 27 May 2020)
Mr Gedeon Pelesa	Non-Executive Director (resigned 21 August 2020)

Directors have held office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Mr Henry Kinstlinger (appointed 9 April 2020)
Mr Michael Pitcher (appointed 5 February 2019 and resigned 9 April 2020)

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was mineral exploration and development. There were no significant changes in the nature of the Group's principal activity during the financial year.

RESULTS

The result for the year ended 31 December 2020 attributable to members of the Company was a net loss after tax of $807,388 (year ended 31 December 2019 loss: $4,484,485).

DIVIDENDS

No amounts have been paid or declared by way of dividend during or since the end of the financial year.

REVIEW OF OPERATIONS

Corporate

During the year ended 31 December 2020, the Company concentrated its operational activity on a successful re-capitalisation and acquisition of an exploration project in Oman (described in detail in the exploration section below), management restructure, reducing corporate overheads, assessing the current assets of the Group, and assessing new opportunities for the Company.

The following timeline of events summarises the major corporate activities and initiatives during the 2020 financial year:

- On 14 January 2020, Mr Jason Brewer resigned as Managing Director. On resignation, 600,000 unvested performance rights with an expiry date of 19 February 2020, and a further 600,000 unvested performance rights with an expiry date of 19 February 2021, were forfeited.
- On 27 January 2020, Mr Jihad Malaeb was appointed Non-Executive Director.

- On 9 April 2020, Mr Henry Kinstlinger was appointed as Company Secretary and Mr Michael Pitcher resigned as Company Secretary and Chief Financial Officer.
- On 6 May 2020, the vendor and 35% minority shareholder of Terra Care AG, put Terra Care AG into liquidation, without Force's knowledge. Force reserves its rights in relation to this project.
- On 27 May 2020, Simon Grant-Rennick resigned as Non-Executive Director.
- On 21 July 2020, Mr Simon Pooley was appointed Chief Executive Officer of the Company.
- On 24 August 2020, Makonga Ngoy "Gedeon" Pelesa resigned as Non-Executive Director, and Mr David Sproule was appointed Non-Executive Director.
- On 1 September 2020, Force announced that a Share Purchase Agreement to acquire interests in Block 4 and Block 5 copper projects located in the Sultanate of Oman from AIM-listed Savannah Resources Plc.
- During September and October 2020, the Company raised a total of $3.0m with the assistance from Corporate Advisor, Sixty Two Capital Pty Ltd. Shares were issued at a price of $0.01 per share, following shareholder approval at the Company's October 2020 Annual General Meeting.
- On 26 October 2020, Force advises that the claim brought by Fletcher Tailleur Associates Limited (FTA), a Seychelles incorporated company associated with former director Mr Alistair Stephens, was settled by mutual agreement with FTA and Mr Stephens.
- On 4 November 2020, the acquisition of Copper Projects in Oman was completed.
- On 4 November 2020, the Company's securities were reinstated to Official Quotation on ASX.

Exploration

A brief overview of each of the existing projects and the work conducted during the course of the year and up to the date of this report is as follows:

Oman Copper Acquisition

On 4 November 2020, the Company completed the transaction to acquire 100% interest in the Block 4 and Block 5 copper projects in Oman (the "Projects") from Savannah Resources plc ("Savannah").

Project highlights

- The Company acquired 100% of Savannah's subsidiary, Savannah Resources B.V., which via its subsidiaries has a 51% interest in Block 4 (granted Exploration Licence), a 65% interest in Block 5 (granted Exploration Licence and 2 Mining Lease applications) and a 70% interest in two Exploration Licence applications near Block 10 to the west of Blocks 4 and 5.
- The Projects cover 999 km² of the copper-rich Ophiolite belt, proven to host clusters of relatively high grade VHMS copper deposits. Ores within these deposits are metallurgically simple and contain gold and silver credits.
- Measured, Indicated and Inferred Mineral Resources (2012 JORC) of 0.82Mt at 3.4% Cu (including a high-grade zone of approximately 0.5Mt at 4.5% Cu) are in two deposits within Block 5. Contained metal is reported at 28,000 tonnes of Copper, 5,900 ounces of Gold and 220,000 ounces of Silver (Table 1-3).

On completion of the Oman Copper Project acquisition, the Company immediately commenced metallurgical diamond drilling to:

- provide samples for further metallurgical test work
- provide grade confirmation within the high-grade massive sulphide and lower grade disseminated sulphide zones hosted within the known VMS copper deposits of Block 5

This drilling was completed at the end of the year at Maqail South, Mahab 4 and Hara Kilab (Table 4 and 5, Figures 2 and 3).

Table 1: Mahab 4 Deposit JORC Resources

Domain	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
Oxide Domain*							
Measured							
Indicated	22,000	0.2	1.4	14	40	1,000	10,000
Inferred							
Total Oxide	**22,000**	**0.2**	**1.4**	**14**	**40**	**1,000**	**10,000**
Supergene Domain							
Measured							
Indicated	11,000	14.8	1.1	41	1,700	400	15,000
Inferred							
Total Supergene	**11,000**	**14.8**	**1.1**	**41**	**1,700**	**400**	**15,000**
Massive Sulphide Domain							
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	60,000	4.6	0.3	15	2,800	600	29,000
Inferred							
Total Massive Sulphide	**367,000**	**5.2**	**0.3**	**15**	**19,100**	**3,600**	**172,000**
Disseminated Domain							
Measured							
Indicated	64,000	0.6	0.05	2	400	100	4,000
Inferred	234,000	0.7	0.02	1	1,700	200	6,000
Total Disseminated	**298,000**	**0.7**	**0.03**	**1**	**2,100**	**300**	**10,000**
All Domains							
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	157,000	3.1	0.4	11	4,900	2,100	58,000
Inferred	234,000	0.7	0.2	1	1,700	200	6,000
Total Mahab 4 Deposit	**698,000**	**3.3**	**0.2**	**9**	**22,900**	**5,300**	**207,000**

* Oxide reported at 0.5 ppm Au Cut-off

Table 2: Maqail South Mineral Resource Estimate 0.5% Cu Cut-off

Domain	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
Massive Sulphide Domain							
Measured							
Indicated	121,000	4.2	0.2	3	5,100	600	13,000
Inferred							
Total Maqail South Deposit	**121,000**	**4.2**	**0.2**	**3**	**5,100**	**600**	**13,000**

Table 3: Total Mineral Resource Estimate 0.5% Cu Cut-off

Classification	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	279,000	3.6	0.3	8	10,000	2,700	70,000
Inferred	234,000	0.7	0.02	1	1,700	200	6,000
Total Project	**820,000**	**3.4**	**0.2**	**8**	**28,000**	**5,900**	**219,000**

Please refer to JORC Statement on page 9.

Significant copper results include:

- Massive sulphide intersection of 20.8 metres at 4.65% Cu from 49.55 metres, including 11 metres at 6.38% Cu from 54 metres from hole 20B5DD003 at Maqail South

- Massive sulphide intersection of 13 metres at 5.60% Cu from 24 metres including 2 metres at 15.70% Cu from 25 metres downhole from hole 20B5DD001 at Mahab 4

- Disseminated copper sulphide intersections of 23 metres at 0.79% Cu from 37 metres and 46 metres at 0.99% Cu from 78 metres in hole 20B5DD001 at Mahab 4

- Massive sulphide intersection of 8.3 metres at 1.34% Cu from 18 metres in hole 20B5DD002 at Hara Kilab

Table 4: Significant Copper Assay Results

Hole ID	Prospect	Northing WGS84_40N	Easting WGS84_40N	RL (m AMSL)	Dip (Deg)	Azimuth (Deg)	EOH (m)		From (m)	To (m)	Interval (m)	Grade (% Cu)	Cu Sulphide (Type)
20B5DD003	Maqail South	2661239	453579	403	-55	270	100		49.55	70.35	20.8	4.65	Massive
								incl	*54*	*65*	*11*	*6.38*	Massive
20B5DD001	Mahab 4	2656158	468753	226	-61	250	42		25	31.8	6.8	3.44	Massive
								incl	*25*	*27*	*2*	*8.07*	Massive
									35.65	41	5.35	3.43	Massive
20B5DD001R	Mahab 4	2656157	468757	226	-60	250	132		24	37	13	5.60	Massive
								incl	*25*	*27*	*2*	*15.70*	Massive
								and	*35*	*37*	*2*	*9.11*	Massive
									37	60	23	0.79	Disseminated
									78	124	46	0.99	Disseminated
20B5DD002	Hara Kilab	2659947	464563	214	-90	0	50		18	26.3	8.3	1.34	Massive
20B5DD004	Hara Kilab	2659938	464559	214	-70	360	41.5		Assays Pending				
20B5DD005	Mahab 4	2656101	468765	224	-62	216	70		Assays Pending				
20B5DD006	Mahab 4	2656101	468765	224	-66	270	77.5		Assays Pending				

Significant gold results include:

- 32 metres at 1.05 g/t Au from 5 metres in hole 20B5DD001 at Mahab 4

Table 5: Significant Gold Assay Results

Hole ID	Prospect	Northing WGS84_40N	Easting WGS84_40N	RL (m AMSL)	Dip (Deg)	Azimuth (Deg)	EOH (m)		From (m)	To (m)	Interval (m)	Grade (g/t Au)
20B5DD001R	Mahab 4	2656157	468757	226	-60	250	132		5	37	32	1.05
								incl	16	25	9	2.22
20B5DD002	Hara Kilab	2659947	464563	214	-90	0	50		No Significant Assays			
20B5DD004	Hara Kilab	2659938	464559	214	-70	360	41.5		Assays Pending			
20B5DD005	Mahab 4	2656101	468765	224	-62	216	70		Assays Pending			
20B5DD006	Mahab 4	2656101	468765	224	-66	270	77.5		Assays Pending			

Subsequent to year end, the Company commenced a 1,200 metre infill and extensional drill programme at Mahab 4, Hara Kilab and Mahab 2. Mahab 2 has historical copper intersections which require additional drilling.

In late October 2020, the Company entered into a contract with Kenex Pty Ltd to collate and interpret the geology, geophysics, geochemistry and drilling from the high-quality database acquired from Savannah Plc. This database covers both Block 4 and Block 5. The output from this work is to generate a prospectivity map that highlights potential VMS targets as either massive sulphide, disseminated sulphide or a combination of both. This work is to be done in 5 stages such that at the completion of each stage, progress can be assessed and if needed, refined to certain areas that show higher prospectivity.

Stages 1 to 3 were completed during the year. The more prospective areas have now been refined, targeting the geological units known to host VMS copper deposits. During the March 2021 quarter, these areas will be interpreted via 3D geological modelling (Stage 4) and prospectivity mapping (Stage 5).

Stages 1 to 3 have defined 19, Category 3 (low level) chargeability anomalies within the prospective VMS host lithologies that will be the subject of Stage 4 work. These anomalies will be mapped prior to drill testing.

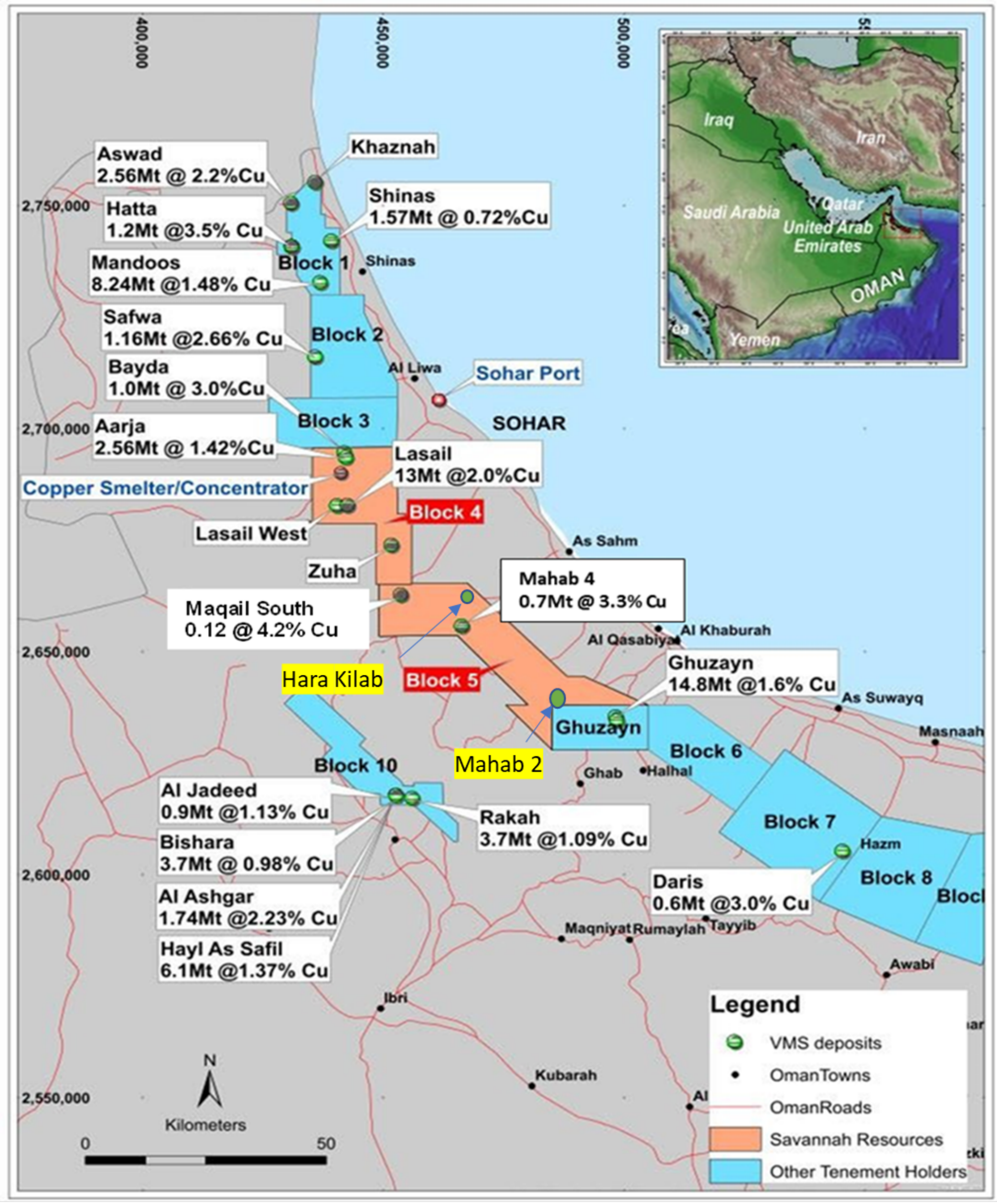

Figure 1: Oman Tenement Location Plan

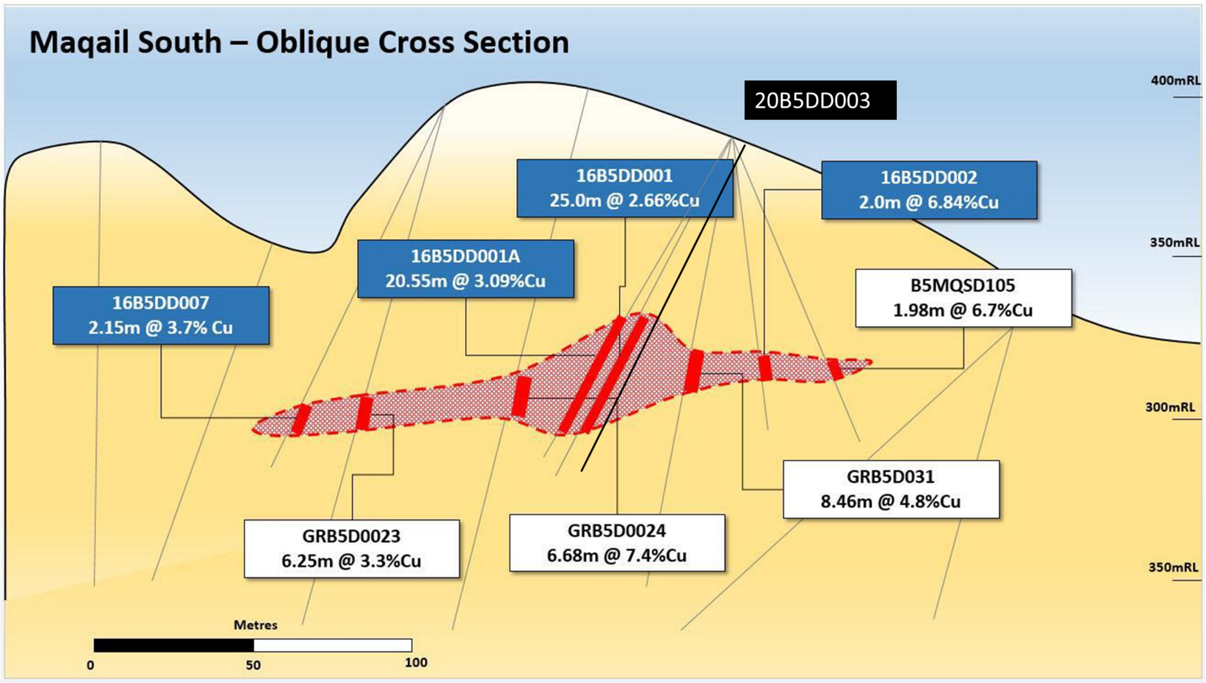

Figure 2: Cross Section Maqail South with completed diamond drill hole 20B5DD003. Orebody in red.

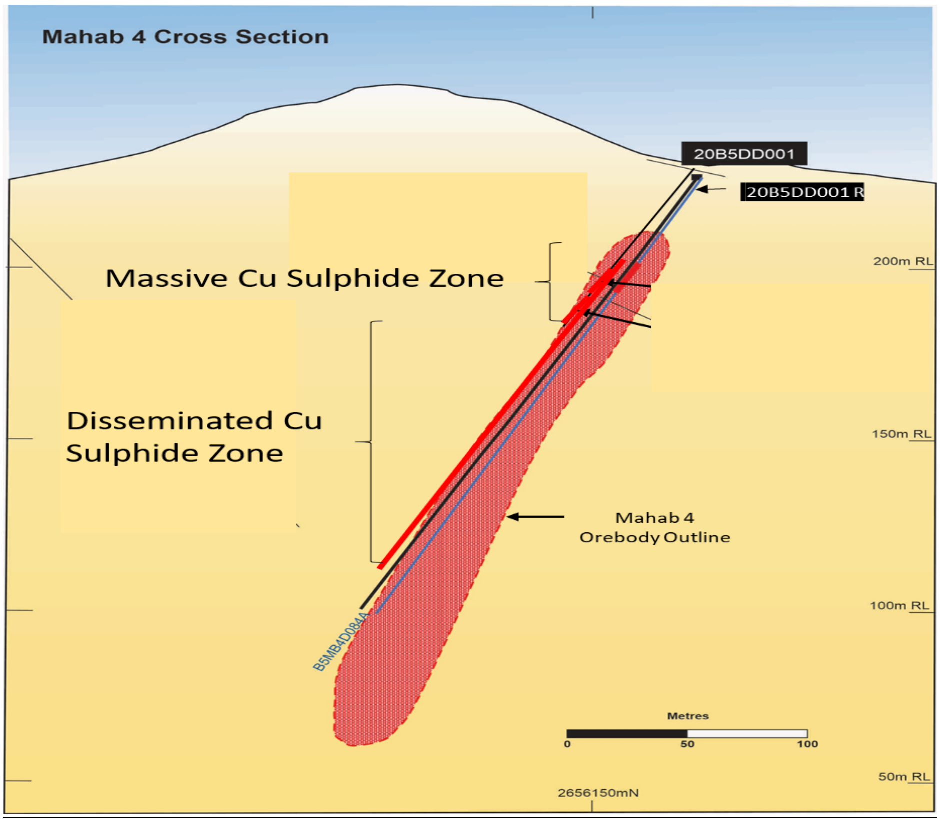

Figure 3: Cross Section Mahab 4 with completed diamond drill holes 20B5DD001 and 20B5DD001R

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 84km^2.

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.

The Company completed some preliminary data review at the Halls Peak Project during the year with the intention to develop plans for renewed field activity in 2021.

TSHIMPALA PROJECT – MALAWI

During the year, no field work was completed at the Tshimpala Project.

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 km^2. The Company owns a 70% interest in joint venture with DRC state-owned mining company La Congolaise d'Exploitation Minière.

No work was completed on the project during the year.

KANUKA PROJECT – DEMOCRATIC REPUBLIC OF CONGO

The Kanuka Project area comprises two contiguous licenses, being a granted mining lease PE13082 and exploration license PR4100. These tenements cover an area of about 194 km^2 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 year.

PROJECT GENERATION

Force continues to assess additional exploration projects capable of rapid value uplift to be realised with judicious exploration activity. Through the acquisition of such projects, Force aims to establish early cashflow by the establishment of a mining operation.

Qualifying Statements

Competent Person Statement

The Information in this ASX Announcement that relates to Exploration Results is based on information compiled by Mr Simon Pooley, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Pooley was a full-time employee of Force Commodities Limited during 2020. Mr Pooley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pooley consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.

The Information in this report that relates Mineral Resources is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Code Compliant Reports

The information regarding the Mineral Resource is extracted from the report entitled "Force to Acquire High Grade Copper Projects in Oman" created 1 September 2020 and is available to view on http://www.forcecommodities.com.au/news-research. 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, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates 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 presented 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.

INFORMATION ON DIRECTORS

Robert Martin	**Non-Executive Chair** ***(appointed 4 February 2021)***
Qualifications	None
Experience	Mr Martin is a commercial businessman with over 25 years' experience across a broad range of sectors including mining, manufacturing, mining services, supply chain, and capital markets. Mr Martin has recently operated a highly successful mining services company which became a leading provider of products and services to the mining industry with offices and operations located globally in key mining hubs.
Special Responsibilities	Nil
Interest in Shares and Options	Nil
Current Directorships of other ASX Listed Companies	Suvo Strategic Minerals Limited, Parkd Limited
Former Directorships of other ASX Listed Companies in the Last Three Years	Nil
Michael Leu	**Non-Executive Director** ***(appointed 4 February 2021)***
Qualifications	Bachelor of Science (Hons 1, Geology), MAIG, MAusIMM
Experience	Mr Leu has over 40 years geological experience and has held managerial roles including Chief Geologist, CEO and Managing Director of ASX Listed exploration companies. His skills include strategic planning, execution and mining across a range of mineral commodities around the world.
Special Responsibilities	Nil
Interest in Shares and Options	Nil
Current Directorships of other ASX Listed Companies	Nil
Former Directorships of other ASX Listed Companies in the Last Three Years	Nil
Jeremy Whybrow	**Non-Executive Director** ***(appointed 1 March 2021)***
Qualifications	Bachelor of Science (Mineral Exploration and Mining Geology), Graduate Diploma (Minerals Economics), MAusIMM
Experience	Mr Whybrow has over 25 years geological experience in the mining industry both domestically and internationally. He has devised, developed and executed exploration programs in some of the most remote places, and has utilised most technologies.
Special Responsibilities	Exploration Manager
Interest in Shares and Options	Nil
Current Directorships of other	Nil

ASX Listed Companies	
Former Directorships of other ASX Listed Companies in the Last Three Years	Nil
Jess Oram	**Non-Executive Chair *(resigned 4 February 2021)***
Qualifications	BSc, AIG member
Experience	Mr Oram has over 30 years' experience in mineral exploration in a wide variety of geological terrains and resource commodities with an accomplished track record in establishing and leading the exploration function of several companies. Mr Oram has considerable experience in executive management roles with a distinguished career in exploration discovery, project feasibility and project development. Mr Oram has a Bachelor of Science (Bsc), Geology major from the University of Queensland and is a member of the Australian Institute of Geoscientists (AIG).
Special Responsibilities	Nil
Interest in Shares and Options	4,000,000 shares
Current Directorships of other ASX Listed Companies	Cauldron Energy Limited
Former Directorships of other ASX Listed Companies in the Last Three Years	Nil
David Sproule	**Non-Executive Director (*appointed 24 August 2020, resigned 4 February 2021)***
Qualifications	B. Eng (Ext. Met) Hons
Experience	Mr David Sproule has + 35 years of operational experience in gold, silver and base metals production. He spent 25 years as Founder and Managing Director of the private Polymetals Group which developed and operated numerous small to medium scale mining and processing operations in WA, NSW, SA and Tasmania.
Special Responsibilities	Nil
Interest in Shares and Options	Nil
Current Directorships of other ASX Listed Companies	Nil
Former Directorships of other ASX Listed Companies in the Last Three Years	Kin Mining NL (resigned Feb 2018)
Jihad Malaeb	**Non-Executive Director (*appointed 27 January 2020)***
Qualifications	Not applicable
Experience	Mr Jihad Malaeb is a significant long-term investor of Force. Jihad is a successful businessman who brings a pragmatic approach to governance and brings critical oversight to corporate management.

	He has 25 years' experience running businesses in the construction industry, hotel industry and managing commercial properties.
Special Responsibilities	Nil
Interest in Shares and Options	42,709,768 fully paid ordinary shares; 3,333,334 options exercisable at $0.02, expiry date 31 October 2021 and 2,500,500 unlisted options, with an exercise price of $0.025 each, and an expiry date of 3 November 2022.
Current Directorships of other ASX Listed Companies	Nil
Former Directorships of other ASX Listed Companies in the Last Three Years	Nil

Jason Brewer	**Managing Director (*resigned 14 January 2020*)**
Qualifications	M.Eng (Hons) ARSM
Experience	Mr Brewer has over 20 years' international experience in the natural resources sector and in investment banking. He has extensive experience in delivery of African projects and has significant experience as an ASX company director.
Special Responsibilities	Nil
Interest in Shares and Options	Nil
Current Directorships of other ASX Listed Companies	None
Former Directorships of other ASX Listed Companies in the the last three years	Cape Lambert Resources Ltd (resigned 28 February 2018) Black Mountain Resources Limited (resigned 31 January 2017) Kupang Resources Limited (resigned 14 December 2016) Vector Resources Limited (resigned 8 February 2019) Winmar Resources Limited (resigned 30 March 2020) Tao Commodities Limited (resigned 23 January 2020) MetalSearch Limited (resigned 16 October 2019)

Gedeon Pelesa	**Non-Executive Director (*resigned 24 August 2020)***
Qualifications	M.Eng (Mining) Lubumbashi University
Experience	Mr Pelesa is a mining engineer with over 10 years' experience in mineral exploration projects including senior roles with Xstrata and Glencore in the DRC.
Special Responsibilities	Nil
Interest in Shares and Options	2,500,000 options (directly)
Current Directorships of other ASX Listed Companies	Winmar Resources Limited
Former Directorships of other ASX Listed Companies in the Last Three Years	Nil

Simon Grant-Rennick	**Non-Executive Director (*resigned 27 May 2020*)**
Qualifications	B.Sc. Hons (Mining)
Experience	Mr Grant-Rennick is a mining engineer with over 40 years' experience in exploration, mining and mining geology and finance specialising in base metals and industrial metals. Mr Grant-Rennick has for over four decades worked in the international commodities markets with groups such as Leopold Lazarus as a metal trader, with SGS as a UK Manager of their minerals division, and with Falconbridge International as raw materials marketing manager based in Bermuda.
Special Responsibilities	Metals trading and marketing specialist
Interest in Shares and Options	Nil
Current Directorships of other ASX Listed Companies	Nil
Former Directorships of other ASX Listed Companies in the Last Three Years	Black Mountain Resources Limited (resigned 13 June 2018)

MEETINGS OF DIRECTORS

The number of Directors' Meetings and the number of meetings attended by each of the Directors of the Company during the financial year were:

	Directors Meetings	
Directors	**Held Whilst in Office**	**Attended**
Jess Oram	6	6
Jason Brewer	-	-
Gedeon Pelesa	3	2
Simon Grant-Rennick	1	1
Jihad Malaeb	6	6
David Sproule	3	3

REMUNERATION REPORT - AUDITED

This remuneration report outlines the remuneration arrangements of the Group for the year ended 31 December 2020 in accordance with the requirements of Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by Section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for Key Management Personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent.

For the purposes of this report, the term "executive" includes the Managing Director (MD), executive directors (where applicable) and senior executives of the Group.

A. Remuneration Governance

The Board of Directors is responsible for the remuneration practices of the Group.

The Board of Directors has determined that a separate Remuneration Committee is not necessary at this time due to the size of the Group and the scale and nature of its operations.

B. Remuneration Policy

The remuneration policy of the Group has been designed to align Director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific incentives, from time to time, that are based on share price and key performance areas affecting the Group's financial results.

The Board of Directors of Force believes the remuneration policy is appropriate and effective in its ability to attract, retain and motivate suitably qualified and experienced Directors and executives to run and manage the Group, as well as create goal congruence between the Directors, executives and the Company's shareholders.

C. Remuneration Arrangements

All executives receive a base salary or allowance (which is based on factors such as length of service and experience). Executive and non-executive remuneration may also incorporate a component of performance based remuneration.

The Board reviews executive packages annually by reference to the economic entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

Non-executive directors are remunerated at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $300,000)

The Board of Directors may exercise discretion in relation to approving incentives, bonuses and options.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed. Options are independently valued by corporate advisers using the Black-Scholes method.

D. Performance Based Remuneration

The Company believes that linking the remuneration of Directors and executives with performance will be effective in increasing shareholder wealth.

From time to time, the Board of Directors may establish performance targets and a bonus system for the purposes of providing directors and executives with short-term and long-term performance incentives. Such incentives are offered to increase goal congruence between shareholders and directors and executives.

E. Performance Summary

The tables below set out summary information about Force's earnings and movements in shareholder wealth for the five years to 31 December 2020:

	2020 $'000	**2019 $'000**	**2018 $'000**	**2017 $'000**	**2016 $'000**
Other Income	205	285	50	304	1,040
Comprehensive loss before and after tax	(807)	(4,537)	(10,917)	(4,651)	(1,690)

	2020	2019	2018	2017	2016
Share price at start of year	$0.014	$0.015	$0.080	$0.030	$0.022
Share price at end of year	$0.022	$0.014	$0.015	$0.080	$0.030
Dividend		-	-	-	-
Basic (loss) per share	($0.12)	($0.094)	($0.022)	($0.019)	($0.010)
Diluted /(loss) per share	($0.12)	($0.094)	($0.022)	($0.019)	($0.010)

F. No Hedging Contracts

The Company does not permit executives to enter into contracts to hedge their exposure to options or performance rights to shares granted as part of their remuneration package.

G. Securities Trading Policy

The Board has in place a Securities Trading Policy to ensure that:

- any dealings in securities by the Directors, employees and contractors comply with legal and regulatory obligations (including the prohibition against insider trading); and
- the Company maintains market confidence in the integrity of dealings in its securities.

H. Details of Remuneration

Compensation of key management personnel for the year ended 31 December 2020

2020	SHORT-TERM BENEFITS			POST EMPLOY-MENT	SHARE-BASED PAYMENT	TOTAL	SHARE-BASED PAYMENT
	Salary & Fees $	Termination Payment $	Other $	Super-annuation $	$	$	as a % of TOTAL
Directors							
Jess Oram - Chairman (i)	48,000	-	-	-	-	48,000	-
Jason Brewer – Managing Director (ii)	-	-	-	-	-	-	-
Gedeon Pelesa – Non-Executive Director (iii)	28,000	-	-	-	-	28,000	-
Jihad Malaeb – Non Executive Director (iv)	33,000	-	-	-	-	33,000	-
David Sproule – Non Executive Director (v)	12,000	-	-	-	-	12,000	-
Simon Grant-Rennick – Non-Executive Director (vi)	15,000	-	-	-	-	15,000	-
Total remuneration directors 2020	**136,000**	**-**	**-**	**-**	**-**	**136,000**	**-**
Specified Executives							
Michael Pitcher – CFO & Company Secretary (vii)	22,500	-	-	-	-	22,500	-
Simon Pooley – CEO (viii)	90,000	-	-	2,850	-	92,850	-
Total remuneration specified executives 2020	**112,500**	**-**	**-**	**2,850**	**-**	**115,350**	**-**
Total key management personnel 2020	**248,500**	**-**	**-**	**2,850**	**-**	**251,350**	**-**

(i) Appointed 5 February 2019, resigned 4 February 2021. Mr Oram was issued 4,000,000 shares to settle $56,000 of outstanding Director fees.
(ii) Appointed as a Non-Executive Director on 6 June 2017 and was re-appointed as Managing Director effective 19 February 2018 and resigned 14 January 2020.
(iii) Resigned 24 August 2020. Mr Pelesa was issued 2,500,000 shares to settle $15,000 of outstanding Director fees.
(iv) Appointed 27 January 2020. Mr Malaeb was issued 1,071,429 shares to settle $35,000 of outstanding Director fees.
(v) Appointed 24 August 2020, resigned 4 February 2021.
(vi) Appointed 1 August 2019, resigned 27 May 2020. Fees for 2019 and 2020 were settled in shares in November 2020. Mr Grant-Rennick was issued 2,142,857 shares to settle $30,000 of outstanding Director fees.
(vii) Appointed 5 February 2019, resigned 9 April 2020. Mr Pitcher was issued 1,321,429 shares to settle $13,215 of outstanding Director fees.
(viii) Appointed 21 July 2020, resigned 26 February 2021.

Compensation of key management personnel for the year ended 31 December 2019

2019	SHORT-TERM BENEFITS Salary & Fees $	Termination Payment $	Other $	POST EMPLOY-MENT Super-annuation $	SHARE-BASED PAYMENT Options $	TOTAL $	SHARE-BASED PAYMENT as a % of TOTAL
Directors							
Jess Oram - Chairman (i)	43,286	-	-	-	-	43,286	-
David Sanders – Chairman (ii)	13,698	-	-	1,301	-	14,999	-
Jason Brewer – Managing Director (iii)	70,000	-	-	-	-	70,000	-
Gedeon Pelesa – Non-Executive Director	59,314	-	-	-	-	59,314	-
Simon Grant-Rennick – Non-Executive Director (iv)	15,000	-	-	-	-	15,000	-
Total remuneration directors 2019	**201,298**	**-**	**-**	**1,301**	**-**	**202,599**	**-**
Specified Executives							
Michael Fry – CFO & Company Secretary (v)	38,182	-	-	-	15,750	53,932	29%
Michael Pitcher – CFO & Company Secretary (vi)	62,500	-	-	-	10,500	73,000	14%
Total remuneration specified executives 2019	**100,682**	**-**	**-**	**-**	**26,250**	**126,932**	**21%**
Total key management personnel 2019	**301,980**	**-**	**-**	**1,301**	**26,250**	**329,531**	**8%**

(i) Appointed 5 February 2019, resigned 4 February 2021. $11,390 has been paid to Mr Oram during 2019 for services provided.
(ii) Resigned 5 February 2019.
(iii) Appointed as a Non-Executive Director on 6 June 2017 and was re-appointed as Managing Director effective 19 February 2018 and resigned 14 January 2020.
(iv) Appointed 1 August 2019, resigned 27 May 2020. No payment has been made to Mr Grant-Rennick during 2019 for services provided.
(v) Resigned on 5 February 2019.
(vi) Appointed 5 February 2019, resigned 9 April 2020.

Compensation options granted to key management personnel

There were no options issued to key management personnel during 2020 (2019: Nil).

Compensation performance shares granted to key management personnel

During the 2019 financial year, the Company issued the following performance shares to key management personnel:

	Vesting Date	Number of Performance Shares issued	Fair Value $
Specified Executives			
Simon Pooley – Chief Executive Officer (i)	Milestone #1	1,500,000	15,000
Simon Pooley – Chief Executive Officer (i)	Milestone #2	2,500,000	25,000
Total key management personnel		**4,000,000**	**40,000**

(i) appointed 21 July 2020, resigned 26 February 2021

The performance shares will vest upon the following milestones being achieved:

- Milestone #1: upon share price being greater than 3 cents and less than 4.5 cents based on a 10-day VWAP.
- Milestone #2: upon share price being greater than 4.5 cents based on a 10-day VWAP.

No amount has been recognised within the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the current year. Mr Pooley resigned on 26 February 2021. The performance shares were forfeited on resignation.

During 2019, the Company issued the following performance shares to key management personnel:

	Vesting Date	Number of Performance Shares issued	Fair Value $
Specified Executives			
Michael Fry – CFO & Company Secretary (resigned 5 February 2019)	23 July 2019	750,000	15,750
Michael Pitcher – CFO & Company Secretary (resigned 9 April 2020)	23 July 2019	500,000	10,500
Total key management personnel		**1,250,000**	**26,250**

On 23 July 2019, 4,250,000 performance shares were issued to certain staff and consultants of the Company. Mr Michael Fry received 750,000 of these Performance Shares, and Mr Michael Pitcher received 500,000. The share price on issue date was $0.021 resulting in $15,750 and $10,500 respectively, being recognised within the Consolidated Statement of Profit or Loss and Other Comprehensive Income during 2019.

Performance Rights held by Directors and key management personnel during the year ended 31 December 2020

2020	**Year Granted**	**Balance at the beginning of the year**	**Granted during the year**	**Vested**	**Forfeited on resignation**	**Balance at end**
Directors						
Jess Oram (i)	-	-	-	-	-	-
Jihad Malaeb (ii)	-	-	-	-	-	-
David Sproule (iii)	-	-	-	-	-	-
Jason Brewer (iv)	2018	1,200,000	-	-	(1,200,000)	-
Gedeon Pelesa (v)	-	-	-	-	-	-
Simon Grant-Rennick (vi)	-	-	-	-	-	-
Specified Executives	-					
Michael Pitcher (vii)	-	-	-	-	-	-
Simon Pooley (viii)	2020	-	4,000,000	-	-	4,000,000
Total		**1,200,000**	**4,000,000**	**-**	**(1,200,000)**	**4,000,000**

(i) Resigned 4 February 2021.
(ii) Appointed 27 January 2020.
(iii) Appointed 24 August 2020, resigned 4 February 2021.
(iv) Resigned 14 January 2020.
(v) Resigned 24 August 2020
(vi) Resigned 27 May 2020.
(vii) Resigned 9 April 2020.
(viii) Appointed 21 July 2020. Performance rights were forfeited upon resignation date, being 26 February 2021.

Option Holdings of Directors and Key Management Personnel as at 31 December 2020

The numbers of options over ordinary shares in the company granted under the executive short term incentive scheme that were held during the financial year by each director and the key management personnel of the Group, including their personally related parties, are set out below.

2020	Balance at beginning	Granted as Remune ration	Granted other	Exercised	Disposed	Holding on Resignation	Balance at 31 December 2020	Exercisable	Not Exercisable
Directors									
Jess Oram (i)	-	-	-	-	-	-	-	-	-
Jihad Malaeb (ii)	3,333,334	-	2,500,500	-	-	-	5,833,834	5,833,834	-
David Sproule (iii)	-	-	-	-	-	-	-	-	-
Jason Brewer (iv)	-	-	-	-	-	-	-	-	-
Gedeon Pelesa (v)	2,500,000	-	-	-	-	2,500,000	-	-	-
Simon Grant-Rennick (vi)	-	-	-	-	-	-	-	-	-
Specified Executives			-						
Michael Pitcher (vii)	-	-	-	-	-	-	-	-	-
Simon Pooley (viii)	-	-	-	-	-	-	-	-	-
Total	**5,833,334**	**-**	**2,500,500**	**-**	**-**	**2,500,000**	**5,833,834**	**5,833,834**	**-**

(i) Resigned 4 February 2021.
(ii) Appointed 27 January 2020.
(iii) Appointed 24 August 2020, resigned 4 February 2021.
(iv) Resigned 14 January 2020.
(v) Resigned 24 August 2020.
(vi) Resigned 27 May 2020
(vii) Resigned 9 April 2020.
(viii) Appointed 21 July 2020, resigned 26 February 2021.

Shareholdings of Directors and Key Management Personnel as at 31 December 2020

2020	Balance at Beginning	Acquired	Disposed	Holding on Resignation	Balance at end
Directors					
Jess Oram (i)	-	4,000,000	-	**-**	**4,000,000**
Jihad Malaeb (ii)	36,636,340	6,072,429	-	**-**	**42,708,769**
David Sproule	-	-	-	**-**	**-**
Jason Brewer	-	-	-	**-**	**-**
Gedeon Pelesa	-	-	-	**-**	**-**
Simon Grant-Rennick (iii)	-	2,142,857	-	**-**	**2,142,857**
Specified Executives					
Michael Pitcher	500,000	-	-	**500,000**	**-**
Simon Pooley	-	-	-	-	-
Total	**37,136,340**	**12,215,286**	**-**	**500,000**	**48,851,626**

(i) 4,000,000 shares were acquired during the year, by Timdee Resources Pty Ltd, a Company controlled by Mr Oram, as settlement of outstanding director fees owed by Force.
(ii) 1,071,429 shares were acquired during the year as settlement of outstanding director fees owed by the Company. 5,001,000 shares were acquired during the year as settlement of fees in relation to the loan provided to the Company.
(iii) Resigned 27 May 2020. 2,142,857 shares were acquired during the year as settlement of outstanding director fees owed by the Company.

All equity transactions with key management have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

I. Service Agreements

Robert Martin - Chair (appointed 4 February 2021)
The key terms of Mr Martin's service contract are:

- Non-Executive Chair fee of $72,000 per annum.
- No notice period.
- No termination benefit entitlement.
- Performance shares (subject to shareholder approval);
  5day VWAP of 5 cents, 1million shares
  5day VWAP of 7.5 cents, 1 million shares
  5day VWAP of 10 cents, 1 million shares

Michael Leu (appointed 4 February 2021)
The key terms of Mr Leu's service contract are:

- Non-Executive Director fee of $48,000 per annum.
- No notice period.
- No termination benefit entitlement.
- Performance shares (subject to shareholder approval);
  5day VWAP of 5 cents, 1million shares
  5day VWAP of 7.5 cents, 1 million shares
  5day VWAP of 10 cents, 1 million shares

Jeremy Whybrow (appointed 1 March 2021)
The key terms of Mr Whybrow's service contract are:

- Non-Executive Director fee of $48,000 per annum.
- No notice period.
- No termination benefit entitlement.
- Performance shares (subject to shareholder approval);
  5day VWAP of 5 cents, 1 million shares
  5day VWAP of 7.5 cents, 1 million shares
  5day VWAP of 10 cents, 1 million shares

Jess Oram - Chair (appointed 5 February 2019; resigned 4 February 2021)
The key terms of Mr Orams' service contract are:

- Non-Executive Director fee of $48,000 per annum.
- No notice period.
- No termination benefit entitlement.

Jihad Malaeb – Non-Executive Director (appointed 27 January 2020)
The key terms of Mr Malaeb's service contract are:

- Non-Executive Director fee of $48,000 per annum.
- No notice period.
- No termination benefit entitlement.

David Sproule – Non-Executive Director (appointed 24 August 2020; resigned 21 February 2021)
The key terms of Mr Sproule's service contract are:

- Non-Executive Director fee of $36,000 per annum.
- No notice period.
- No termination benefit entitlement.

Simon Pooley – Chief Executive Officer (appointed 21 July 2020, resigned 26 February 2021)
The key terms of Mr Pooley's service contract are:

- Chief Executive Officer remuneration of $180,000 per annum.
- 3 month's notice period.
- Performance bonus on a sliding scale subject to achievement of a rise in the Company share price, assuming share price on re-listing settles at 1.5 cents:

- 1,500,000 shares on achievement of a share price greater than 3.0 cents but less than 4.5 cents (this is between doubling and tripling of a re-listing share price).
- 2,500,000 shares on achievement of a share price greater than 4.5 cents (this is more than a tripling of a re-listing share price).

Jason Brewer – Managing Director (appointed 19 February 2018; resigned 14 January 2020)
The key terms of Mr. Brewer's service contract are:

- Managing Director fee of $180,000 per annum. It was agreed with Mr. Brewer that his annual remuneration be reduced, and there is no amounts due to Mr. Brewer on his resignation.
- Short-term incentive: up to 50% of annual fee subject to achievement of agreed KPIs.
- Long-term benefit: 1.8m shares over 3 years (approved by shareholders).
- Notice period of 6 months. It was agreed with Mr. Brewer that no termination payment would be made on his resignation.
- No termination benefit entitlement.

Gedeon Pelesa – Non-Executive Director (appointed 17 October 2017; resigned 24 August 2020)
The key employment terms of Mr Pelesa's service contract are:

- Non-Executive Director fee of $48,000 per annum.
- No notice period.
- No termination benefit entitlement.

Michael Pitcher – CFO / Company Secretary (appointed 5 February 2019; resigned 9 April 2020)
The key terms of Mr Pitcher's service contract are:

- Annual fee of $62,500 per annum
- 3 months notice period.
- No termination benefit entitlement.

J. Other transactions with key management personnel

Timdee Resources Pty Ltd, a company controlled by Mr Jess Oram, was paid, or is owed, a total of $48,000 in relation to Mr Oram's services as a Director for the current year (2019: $43,286). No cash was paid to Mr Oram during the year for services provided (2019: $11,390). Timdee was issued 4,000,000 shares in the Company in relation to $56,000 of outstanding Director fees. As at 31 December 2020, $4,000 was payable to Mr Jess Oram.

The Company made payments on behalf of entities that are controlled by Mr Jason Brewer. An Amount of $64,082 from Vector Resources Limited and $13,919 from Winmar Resources Limited are owed to the Company. These transactions were made on normal commercial terms. The Company has provided for the amounts receivable from Winmar Resources Limited as at 31 December 2019, and Vector Resources Limited as at 31 December 2020.

During February 2020, major shareholder and Non-Executive Director, Mr Jihad Malaeb, provided a loan for $300,000.

A 16.67% fee associated with Mr Jihad Malaeb's loan to the Company, was settled with the issue of 5,001,000 Fully Paid Ordinary Shares on 10 November 2020. 2,500,500 unlisted options, with an exercise price of $0.025 each, and an expiry date of 3 November 2022 were also issued to Jihad Malaeb in relation to his loan on 10 November 2020.

Interest payable on the loan is 10% per annum. As at 31 December 2020, the loan was fully drawn, and $10,823 of interest had been paid. A further $1,561 of interest was accrued as at 31 December 2020.

The loan was converted to 30,000,000 Fully Paid Ordinary Shares in the Company on 2 March 2021.

Jasald Hotel Group Pty Ltd, a company controlled by Mr Jihad Malaeb, was paid, or is owed, a total of $33,000 in relation to Mr Malaeb's services as a Director. $15,000 of these fees were settled by the issue of 1,071,429 shares in the Company to Mr Malaeb.

Voting and comments made at the Company's 2020 Annual General Meeting (AGM)
At the 2020 AGM, 99% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2019. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

End of audited remuneration report

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Group proposes to continue its exploration activities across its various mineral industry interests. Other than the information disclosed in this report, further information in relation to likely developments and the impact on the operations of the Group has not been included.

SHARES UNDER OPTION

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Class	Date options granted	Expiry Date	Exercis Price	No. of options
Options	20 May 2019	30 June 2021	$0.020	34,444,446
Options	16 August 2019	31 October 2021	$0.020	40,000,000
Options	10 November 2020	3 November 2022	$0.025	3,334,000
				77,778,446

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, apart from:

- Mr Robert Martin was appointed Non-Executive Chairman on 4 February 2021, following Mr Jess Oram's resignation on the same date.
- Mr Michael Leu was appointed Non-Executive Director on 4 February 2021.
- Mr David Sproule resigned as Non-Executive Director on 21 February 2021.
- Mr Jihad Malaeb's loan to the Company of $300,000 was converted to 30,000,000 Fully Paid Ordinary Shares in the Company on 2 March 2021.
- Mr Jeremy Whybrow was appointed Non-Executive director of the Company on 1 March 2021.

To date, COVID-19 has not had a material impact on the business, however in this environment the Group acknowledge it does have the potential to impact the business, particularly if it impacts the ability to raise capital.

PROCEEDINGS ON BEHALF OF COMPANY

On the 22 May 2019 the Company announced to the ASX that it had lodged interlocutory applications in the District Court of Western Australia in respect of a claim against the Company by Fletcher Taileur Associates limited (FTA), a Seychelles incorporated company associated with former director, Mr Alistair Stephens.

Mr Stephens was appointed by the previous Board of Directors on 28 February 2017, as an Executive Director of the Company. At the Company's annual general meeting of shareholders held on 31 May 2017, shareholders overwhelmingly voted against Mr Stephens re-election as a director with 51,249,541 votes against his re-election and 6,461,255 votes in favour of his re-election.

The Company defended the claim by FTA for an amount of $489,867.

Since the ASX announcement, on defending proceedings in the District Court, the Company has consented to Mr Stephens being named as a party and amending the statement of claim, and the Company has been successful in the proceedings in obtaining:

1. an order for security for costs requiring Mr Stephens to pay monies into court;
2. orders striking out of paragraphs of the FTA statement of claim and requiring further and better particulars be given;

3. orders the defendant pay the Company's costs thrown away arising from FTA's amended statement of claim.

The matter proceeded to mediation on 26 October 2020. As a result, the claim was settled by mutual agreement with FTA and Mr Stephens.

Without any admission of liability or wrongdoing, the Parties have agreed to resolve all matters arising out of or in connection with the Services Agreement, Mr Stephens' engagement and termination, the District Court proceeding and the Company's defence to that proceeding on confidential terms and with no order as to costs.

Other than disclosed in this report, no other person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

Other than disclosed in this report, no other proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

ENVIRONMENTAL REGULATIONS

The Group is subject to significant environmental regulation in respect of its exploration activities as follows:

- The Company's operations in the State of New South Wales involve exploration activities. These operations are governed by the *Environment Planning and Assessment Act 1979*.
- The Company operates within the resources sector and conducts its business activities with respect for the environment while continuing to meet the expectations of the shareholders, employees and suppliers.
- The Company aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Directors are mindful of the regulatory regime in relation to the impact of the Company's activities on the environment.
- To the best of the directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of all environmental legislation described above and are not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

Environmental code of practice for mineral exploration

The Company is committed to conducting its exploration programs by following industry best practice in accordance with published government guidelines and codes.

The following policy is specific to gold exploration on the Company's exploration projects.

Access to land

Prior to the commencement of any work, the Company makes contact with landholders/leaseholders and discusses the general aims and types of work likely to be conducted.

Discussion with landowners, leaseholders and Native Title Claimants is ongoing. It commences prior to any work being conducted and continues throughout the program and beyond the cessation of exploration work.

The Company establishes conditions of access with landholders and where practicable, signs a written access agreement that sets out conditions and includes a schedule of agreed compensation payments.

The Company endeavours to provide landholders with ample warning prior to commencing any work and landholders are kept informed upon commencement, during and upon completion of an exploration program.

Type of land

The type of land is determined and its inhabitants are assessed to identify areas of particular environmental concern including identification of sensitive areas or areas prone to erosion, water catchment, heritage sites, and areas home to vulnerable and endangered species.

Land use is taken into consideration and land under cultivation is not disturbed without the express consent of the landholder.

Mineral exploration programs

Access

The Company utilises existing tracks for access where possible.

Climatic conditions are considered when assessing areas to avoid access during extreme conditions such as during bush fire risk during hot, windy conditions and damage to tracks after heavy rain.

Surface disturbances are kept to a minimum.

Drilling

Drilling programs include rehabilitation and where possible holes are positioned in areas requiring little or no clearing. Small, manoeuvrable drill rigs are used to minimise the need for track clearing and to reduce ground compaction. Where required, topsoil is removed and stored separately so that it can be replaced during rehabilitation of the site. Ground sheets are used where required to avoid oil/fuel spills contaminating the soil.

Rehabilitation

Drill sites are rehabilitated as soon as practicable and drill holes are filled and capped where necessary. Landholders are asked to confirm at the end of each program that exploration has been conducted to their satisfaction and that sites have been rehabilitated.

INDEMNIFYING OFFICERS OR AUDITOR

The Group has agreed to indemnify all the directors and executive officers for any costs or expenses that may be incurred in defending civil and criminal proceedings that may be brought against them in their capacity as directors and officers for which they may be held personally liable.

A confidentiality clause in the insurance contract prohibits disclosure of the amount of the premium and the nature of insured liabilities.

The Company has not entered into any agreement to indemnify BDO Audit (WA) Pty Ltd against any claims by third parties arising from their report on the annual financial report.

AUDITOR

Non-Audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed (if any) did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Details of the amounts paid or payable to the auditor BDO Audit (WA) Pty Ltd and related entities for audit services provided during the year are set out in Note 7 to the financial Statements. There were no non-assurance services provided during the year.

CORPORATE GOVERNANCE STATEMENT

Force Commodities Limited and its controlled entities (the Group) and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders.

The Directors are responsible to the shareholders for the performance of the Group in both the short and the longer term and seek to balance sometimes competing objectives in the best interests of the Group as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Group is properly managed.

ASX Listing Rule 4.10.3 requires listed companies to disclose the extent to which they have complied with the ASX Best Practice Recommendations of the ASX Corporate Governance Council in the reporting period. The Company has disclosed this information on its website at https://forcecommodities.com.au/corporategovernance. The Corporate Governance Statement is current as at 31 December 2020, and has been approved by Directors.

The Company website at www.forcecommodities.com.au contains a corporate governance section that includes copies of the Company's corporate governance charters and policies.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 26 for the year ended 31 December 2020.

This report is made in accordance with a resolution of directors.

Mr Robert Martin
Non-Executive Chairman
Perth, Western Australia
26 March 2021

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Australia

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF FORCE COMMODITIES LIMITED

As lead auditor of Force Commodities Limited for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Force Commodities Limited and the entities it controlled during the period.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 26 March 2021

FORCE COMMODITIES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 $	2019 $
Continuing Operations			
Interest income	5	3,299	1,582
Other income	5	205,418	285,142
Administrative expenses	6a	(489,102)	(745,257)
Consulting and staff costs	6a	(221,545)	(334,994)
Depreciation	6a	(36,469)	(113,475)
Share based payments	6a	-	(89,250)
Exploration expenditure impaired	11a	(100,700)	(445,414)
Exploration expenditure expensed	11b	-	(3,010,051)
Change in fair value of investments		-	100,050
Impairment		-	(91,151)
Finance costs	6b	(168,289)	(94,668)
Loss before income tax expense		**(807,388)**	**(4,537,486)**
Income tax expense		-	-
Loss for the year		**(807,388)**	**(4,537,486)**
Other comprehensive income			
Exchange difference on translating foreign operations		24,903	27,937
Total other comprehensive loss for the year, net of tax		**(782,485)**	**(4,509,549)**
Net loss for the year is attributed to:			
Loss attributable to owners		**(807,388)**	**(4,484,485)**
Non-controlling interests		**-**	**(53,001)**
Net loss for the year		**(807,388)**	**(4,537,486)**
Total comprehensive loss for the year is attributed to:			
Loss attributable to owners		**(729,685)**	**(4,470,181)**
Non-controlling interests		**(52,800)**	**(39,368)**
Total comprehensive loss for the year		**(782,485)**	**(4,509,549)**
Loss per share			
Basic and diluted loss per share (cents per share)	20	**(0.12)**	**(0.94)**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

FORCE COMMODITIES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	2020 $	2019 $
ASSETS			
Current assets			
Cash and cash equivalents	9	1,846,553	8,772
Trade and other receivables	10	52,426	77,349
Prepayments		14,846	-
Total current assets		**1,913,825**	**86,121**
Non-current assets			
Plant and equipment	13	11,066	69,660
Exploration and evaluation assets	11	1,398,797	-
Right of use asset		-	127,643
Security Deposits		-	56,538
Total non-current assets		**1,409,863**	**253,841**
Total assets		**3,323,688**	**339,962**
LIABILITIES			
Current liabilities			
Trade and other payables	14	949,200	1,999,478
Financial liabilities	15	301,562	250,000
Provisions		29,435	
Lease liability		-	134,978
Total current liabilities		**1,280,197**	**2,384,456**
Total liabilities		**1,280,197**	**2,384,456**
Net assets/(liabilities)		**2,043,491**	**(2,044,494)**
Equity			
Issued capital	16	45,277,303	41,020,252
Reserves	18	4,647,064	4,561,060
Accumulated losses		(48,372,673)	(47,565,285)
		1,551,694	(1,983,973)
Non-Controlling interest	19	491,797	(60,521)
Total equity		**2,043,491**	**(2,044,494)**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

FORCE COMMODITIES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 $	2019 $
Cash flows from operating activities			
Interest received		3,299	1,582
Other income		-	30,000
Payments to suppliers and employees		(773,057)	(992,867)
Interest paid		(35,952)	-
Net cash flows used in operating activities		**(805,710)**	**(961,285)**
Cash flows from investing activities			
Proceeds from sale of equity investments		-	220,000
Payments for exploration and evaluation		(291,775)	(1,243,594)
Proceeds from sale of tenements		-	285,000
Acquisition of subsidiaries - cash		(34,734)	-
Reimbursement of performance bonds		-	30,000
Net cash flows used in investing activities		**(326,509)**	**(708,594)**
Cash flows from financing activities			
Proceeds from issue of shares		3,000,000	1,100,000
Share issuing costs		(180,000)	(70,500)
Proceeds from borrowings		400,000	250,000
Repayment of borrowings		(250,000)	-
Net cash flows from financing activities		**2,970,000**	**1,279,500**
Net increase/(decrease) in cash and cash equivalents		1,837,781	(390,379)
Cash and cash equivalents at beginning of year		8,772	399,151
Cash and cash equivalents at year end	9	**1,846,553**	**8,772**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

FORCE COMMODITIES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Issued Capital $	Reserves $	Accumulated Losses $	Non-Controlling Interest	Total Equity $
Balance at 1 January 2019	**39,262,831**	**4,365,161**	**(43,080,800)**	**(21,153)**	**526,039**
Loss for the year	-	-	(4,484,485)	(53,001)	(4,537,486)
Other comprehensive loss for the year	-	14,304	-	13,633	27,937
Total comprehensive loss for the year	-	14,304	(4,484,485)	(39,368)	(4,509,549)
Transactions with owners in their capacity as owners					
Issue of shares from capital raising	1,100,000	-	-	-	1,100,000
Share issue costs	(130,500)	60,000	-	-	(70,500)
Shares issued to acquire subsidiaries	800,000	-	-	-	800,000
Shares issued to staff and consultants in lieu of cash	89,250	-	-	-	89,250
Share based payments	(101,329)	121,595	-	-	20,266
Balance at 31 December 2019	**41,020,252**	**4,561,060**	**(47,565,285)**	**(60,521)**	**(2,044,494)**
Balance at 1 January 2020	**41,020,252**	**4,561,060**	**(47,565,285)**	**(60,521)**	**(2,044,494)**
Loss for the year	-	-	(807,388)	-	(807,388)
Other comprehensive loss for the year	-	77,703	-	(52,800)	24,903
Total comprehensive loss for the year	-	77,703	(807,388)	(52,800)	(782,485)
Transactions with owners in their capacity as owners					
Issue of shares from capital raising	3,000,000	-	-	-	3,000,000
Share issue costs	(180,000)	-	-	-	(180,000)
Shares issued to acquire subsidiaries	500,000	-	-	-	500,000
Shares issued to staff, consultants and other creditors in lieu of cash	448,371	-	-	-	448,371
Shares issued – convertible loans	488,680	-	-	-	488,680
Options issued – convertible loans	-	8,301	-	-	8,301
Minority interest – acquisition of subsidiaries	-	-	-	605,118	605,118
Balance at 31 December 2020	**45,277,303**	**4,647,064**	**(48,372,673)**	**491,797**	**2,043,491**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The general purpose financial report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

(i) Statement of Compliance

This financial report complies with Australian Accounting Standards which include International Financial Reporting Standards as adopted in Australia. Compliance with these standards ensures that the consolidated financial statements and notes as presented comply with the International Financial Reporting Standards (**IFRS**).

(ii) Historical cost convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention except where noted in these accounting policies.

(iii) Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

During the year the Group incurred a net loss of $807,388 (2019: $4,537,486) and incurred net cash outflows from operating activities of $805,710 (2019: $961,285). The Group had a net working capital surplus of $633,628 (2019: deficit of $2,298,335), trade and other payables of $949,200 (2019: $1,999,478) at reporting date.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe that as at the date of this report there are reasonable grounds to believe that the Group will continue as a going concern for the following reasons:

- Loan amounts payable to Mr Jihad Malaeb (Note 16) for $300,000 were converted to 30,000,000 Fully Paid Ordinary Shares in the Company on 2 March 2021, subsequent to the reporting date,
- The Company plans to issue additional equity securities under the Corporations Act 2001, to raise further working capital. The Company has been successful in raising capital previously, and
- The Company has been successful in negotiating standstill deeds with its creditors during previous periods. The Company continues to pursue a number of historical creditors for amounts payable at 31 December 2020. The Company is confident that some of these amounts payable, will not be paid in full. This will provide additional working capital for the Company's operations.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and liabilities that might be necessary should the entity not continue as a going concern.

The Group has cash reserves of $1,846,553 at 31 December 2020 and has prepared a budget taking into consideration the plans for the Company as detailed above. Management are confident that the Group has the ability to raise further capital based on its newly acquired Copper projects and continued exploration of existing projects.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Force Commodities Limited (the **parent entity**) as at reporting date and the results of all subsidiaries for the year then ended. Force Commodities Limited and its subsidiaries together are referred to in this financial report as the **Group**.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The financial performance of those activities is included only for the period of the year that they were controlled.

Intercompany transactions, balances and unrealised gains on transactions between consolidated entity companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

(c) Share-based Payment Transactions for the acquisition of goods and services

Share-based payment arrangements in which the Group receives goods or services as in exchange for its own equity instruments are accounted for as equity-settled share-based payment transactions. The Group measures the value of equity instruments granted at the fair value of the goods and services received, unless that fair value cannot be measured reliably.

If the fair value of the goods or services cannot be measured reliably, the transaction is measured by reference to the fair value of the instruments granted.

(d) Convertible Notes

Convertible notes (with embedded derivatives), that do not contain an equity component are accounted for as a financial liability through profit or loss with a value equating to the total proceed/face value with no day one gain or loss and subsequently value will change depending on the changes in the share price/ redemption event and or accretion of the value of the discount on the note. If the convertible note is converted, the carrying amounts of the derivative and liability components are transferred to share capital as consideration for the shares issued. If the note is redeemed, any difference between the amount paid and the carrying amounts of liability is recognised in the statement of profit or loss.

(e) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost. Financial liabilities in the former category include contingent consideration payable on business combinations, financial liabilities in the latter category include trade payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Fair value is determined based on the value of the entity's equity instruments when the related business combination takes place.

Subsequent measurement

The measurement of financial liabilities depends on the classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are subsequently measured, at each reporting date, at the fair value of the amount estimated to settle the liability. The increase or decrease in the value of the liability, other than the movements in the value of the liability which arise through part settlement of the liability is recognised in the profit or loss.

Financial liabilities at amortised cost

Trade and other payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the entity. Trade accounts payable are normally settled within 60 days.

(f) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. Reporting to management by segments is on this basis.

(g) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer. Revenue is recognised for the major business activities as follows:

Interest Revenue

Interest revenue is recognised as it accrues taking into account the effective yield on the financial asset.

Other Income

Income from other sources is recognised when proceeds or the fee in respect of other products or service provided is receivable. All revenue is stated net of the amount of goods and services tax (GST).

Research & Development (R&D) incentives refundable

Companies within the Group may be entitled to claim R&D refundable tax offsets for the investment in qualifying assets. R&D tax incentives are only recognised by the Group when all conditions attached to the R&D incentive have been complied with and the grant will be received. The Group accounts for R&D refundable tax incentives by offsetting the refund against the original expenditure or capitalised evaluation and exploration asset.

(h) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

The Company and its wholly owned entities are part of a tax-consolidated group under Australian taxation law. Force Commodities Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

The amounts receivable/payable under tax funding arrangements are due upon notification by the entity which is issued soon after the end of each financial year. Interim funding notices may also be issued by the head entity to its wholly owned subsidiary. These amounts are recognised as current intercompany receivables or payables.

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;
- receivables and payables are stated with the amount of GST included; and
- the net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis except for the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(j) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting period. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(k) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and in at call deposits with banks or financial institutions, investment in money market instruments maturing within less than two months, net of bank overdrafts.

(l) Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments: Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

These include trade and other receivables and financial assets at amortised cost

- Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains or losses. Impairment losses are presented as separate line items in the statement of profit or loss.

- FVPL:

Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments: The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(m) Property, plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and other Comprehensive Income during the financial period in which they are incurred.

Depreciation on plant and equipment is calculated using the straight line method, over their estimated useful lives, as follows:

- Plant and equipment 5 – 15 years (depreciation rate 6.7% to 20%)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss and Other Comprehensive Income.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Tenement exploration, valuation and development costs

Costs incurred in the exploration for, and evaluation of, tenements for suitable resources are carried forward as assets provided that one of the following conditions is met:

- the carrying values are expected to be justified through successful development and exploitation of the area of interest; or
- exploration activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of recoverable mineral resources, and active and significant operations in relation to the area are continuing.

Expenses failing to meet at least one of the aforementioned conditions are expensed as incurred.

Costs associated with the commercial development of resources are deferred to future periods, provided they are, beyond any reasonable doubt, expected to be recoverable. These costs are amortised from the commencement of commercial production of the product to which they relate on a straight-line basis over the period of the expected benefit. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(p) Contributed equity

Ordinary shares are classified as equity.

(q) Share based payments

Ownership-based remuneration is provided to employees via an employee share option plan. Share-based compensation is recognised as an expense in respect of the services received, measured on a fair value basis.

The fair value of the options at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the Group revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

(r) Earnings per share (EPS)

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to members, adjusted for costs of servicing equity (other than dividends), the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(s) Parent Entity Financial Information

The financial information for the parent entity, Force Commodities Limited, has been prepared on the same basis.

(t) Accounting policy choice for non-controlling entities

The Group recognises non-controlling interest in an acquired entity either at a fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The decision is made on an acquisition-by-acquisition basis.

(u) Foreign currency translation

Functional and presentation currency
The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances
Foreign currency transactions are translated into functional currency using average exchange rates for the period, or where possible, the exchange rates prevailing at the date of the transaction. Foreign currency monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rate.

Group companies
The functional currency of the overseas subsidiaries is either US dollars, Euros or Omani Rial. The Board of Directors assesses the appropriate functional currency of these entities on an ongoing basis.

(v) Right of use assets and lease liabilities

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(w) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements may differ from the related actual results and may have a significant effect on the carrying amount of assets and liabilities within the next financial year and on the amounts recognised in the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of deferred exploration and evaluation expenditure

The Group will elect by Area of Interest to adopt one of the following policies:

i) Exploration and evaluation expenditure is stated at cost and is accumulated and carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves; or

ii) Exploration and evaluation costs are expensed as incurred as an operating cost of the Group. Costs related to the acquisition of properties that contain mining resources are capitalised and allocated separately to specific areas of interest. These costs are capitalised until the viability of the area of interest is determined.

The Board has determined to apply this policy to an area of interest on a case by case basis.

Area of Interest	**Accounting Policy Election**
Oman Exploration – Blocks 4 and 5	2(a)(i)
Kitotolo Lithium Project and the Kanuka Lithium Production Project[1]	2(a)(i)
Tshimpala Project	2(a)(ii)

[1] The Board and Management have assessed the carrying value of the Exploration and Evaluation Expenditure in relation to the Kitotolo Lithium Project and the Kanuka Lithium Production Project and has determined that they are impaired. Refer Note 11 for movements in the exploration and expenditure balance.

(b) Tax in foreign jurisdictions

The Consolidated Entity operates in overseas jurisdictions and accordingly is required to comply with the taxation requirements of those relevant countries. This results in the consolidated entity making estimates in relation to taxes including but not limited to income tax, goods and services tax, withholding tax and employee income tax. The consolidated entity estimates its tax liabilities based on the consolidated entity's understanding of the tax law. Where the final outcome of these matters is different from the amounts initially recorded, such differences will impact profit or loss in the period in which they are settled.

(c) Asset Acquisition

The Consolidated Entity has determined that the acquisition of a controlling interest in the Block 4 and Block 5 Copper Projects in Oman is not deemed a business acquisition. The transaction has been accounted for as an asset acquisition. In assessing the requirements of AASB 3 *Business Combinations*, the Consolidated Entity has determined that the assets acquired do not constitute a business.

Following execution of the acquisition documentation, and conditions precedent, the Company became the 100% shareholder of Savannah BV. The Company acquired 100% of Savannah's subsidiary, Savannah Resources B.V., which via its subsidiaries has a 51% interest in Block 4 (granted Exploration Licence), a 65% interest in Block 5 (granted Exploration Licence and 2 Mining Lease applications) and a 70% interest in two Exploration Licence applications near Block 10 to the west of Blocks 4 and 5.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transactions costs of the acquisition are included in the capitalised cost of the asset.

(d) Share-based payment transactions

The Group measures the cost of equity-settled transactions with directors and others by reference to the fair value of the equity instruments at the date at which they are granted.

(e) *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

3. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

The consolidated entity's principal financial instruments comprise cash and cash equivalents. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the consolidated entity. The consolidated entity also has other financial instruments such as other receivables and creditors which arise directly from its operations. For the year under review, it has been the consolidated entity's policy not to trade financial instruments. The main risks arising from the consolidated entity's financial instruments are interest rate risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

Consolidated	**Weighted Average Interest Rate**	**Floating Interest Rate**	**Fixed Interest**	**Non-Interest Bearing**	**Total**
2020	**%**	**$**	**$**	**$**	**$**
Financial assets					
Cash and cash equivalents	0.50%	1,846,553	-	-	1,846,553
		1,846,553	-	-	**1,846,553**
Financial liabilities					
Loan payable	10%	-	301,562	-	301,562
		-	**301,562**	**-**	**301,562**

Consolidated	**Weighted Average Interest Rate**	**Floating Interest Rate**	**Fixed Interest**	**Non-Interest Bearing**	**Total**
2019	**%**	**$**	**$**	**$**	**$**
Financial assets					
Cash and cash equivalents	0.50%	8,772	-	-	8,772
		8,772	-	-	**8,772**
Financial liabilities					
Loan payable	10%	-	250,000	-	250,000
		-	**250,000**	**-**	**250,000**

The maturity date for cash included in the above tables is less than one year from the reporting date.

(i) Sensitivity Analysis

The Group's main interest rate risk arises from cash and cash equivalents with various variable interest rates. At 31 December 2020 and 31 December 2019, the Group's exposure to interest rates risk is not deemed material.

(b) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors or counterparties to derivative contracts fail to settle their obligations owing to the Group. The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. All cash is held with financial institutions with a credit rating of -AA or above.

The maximum exposure to credit risk at reporting date is as follows:

	2020	**2019**
	$	**$**
Cash and cash equivalents (note 9)	1,846,553	8,772
Trade and other receivables (note 10)	52,426	77,349
Balance at the end of the year	**1,898,979**	**86,121**

(c) Foreign currency risk

The group is exposed to fluctuations in foreign currencies arising from exploration commitments in currencies other than the Group's presentational currency (Australian dollars).

The group operates internationally and is exposed to foreign currency exchange risk from currency exposure to the US Dollar (USD), Omani Rial (OMR) and Euro's (EUR). The Group has not yet formalized a foreign currency risk management policy, however it monitors its foreign currency expenditure in light of exchange rate movements and retains the right to withdraw from foreign currency commitments.

(d) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments that is, borrowing repayments. There is no bank borrowing at the reporting date, only a loan payable at 10% interest per annum (refer to Note 15). The Group manages liquidity risk continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of underlying businesses, the Group aims at ensuring flexibility in its liquidity profile by maintaining the ability to undertake capital raisings. The current trade and other payables are due and payable within 60 days.

Maturity Analysis of Financial Liabilities	**Carrying Amount**	**< 6 Months**	**6-12 Months**	**1-3 Years**	**Contractual Cash Flows**
	$	**$**	**$**	**$**	**$**
Balance at 31 December 2020					
Financial Liabilities					
Current					
Trade and other payables (note 14)	826,662	826,662	-	-	826,662
Accrued payable (note 14)	122,538	122,538	-	-	122,538
Loans payable (note 15)	301,562	301,562	-	-	301,562
Total financial liabilities	**1,250,762**	**1,250,762**	**-**	**-**	**1,250,762**
Balance at 31 December 2019					
Financial Liabilities					
Current					
Trade and other payables (note 14)	1,622,487	1,622,487	-	-	1,622,487
Accrued payable (note 14)	376,991	376,991	-	-	376,991
Loans payable (note 15)	250,000	250,000	-	-	250,000
Total financial liabilities	**2,249,478**	**2,249,478**	**-**	**-**	**2,249,478**

(e) Capital risk management

The Group considers its capital to comprise its ordinary share capital and reserves. In managing its capital, the Group's primary objectives are to pay dividends and maintain liquidity. These objectives dictate any adjustments to capital structure. Rather than set policies, advice is taken from professional advisors as to how to achieve these objectives. There has been no change in either these objectives, or what is considered capital in the year.

4. SEGMENT INFORMATION

The consolidated entity has identified its operating segments based on geographical location, with the consolidated entity having operated in four locations: Australia, the Sultanate of Oman, the Democratic Republic of Congo (DRC) and Malawi.

Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

Activity by segment

Exploration Australia
The Exploration Australia segment includes the following exploration projects:
- Mt Adrah Gold Project in New South Wales (disposed of during 2019)
- Halls Peak Base Metals Project in New South Wales
- Rocky River – Uralla Gold Project in New South Wales

Exploration Sultanate of Oman
The Exploration in The Sultanate of Oman segment includes the following exploration projects:
- Block 4
- Block 5

Exploration DRC
The Exploration DRC segment includes the following exploration projects:
- Kitotolo Lithium Project in DRC; and
- Kanuka Lithium Production Project in DRC

Exploration Malawi
The Exploration Malawi segment includes the following exploration projects:
Rights to exclusively explore for lead, silver and zinc on Exploration Licenses EPL479, EPL483 and EPL484 and has also secured the rights to develop and mine on Mining License AML 0029.

The following table presents the revenue, profit and selected Statement of Financial Position information for the Group's reportable segments for the year ended 31 December 2020.

2020	Exploration Australia $	Sultanate of Oman $	Exploration DRC $	Malawi $	Corporate $	Total $
Segment performance						
Segment income	-	-	-	117,919	90,798	208,717
Segment result	**-**	**-**	**(100,700)**	**117,919**	**(824,607)**	**(807,388)**
Segment assets						
Cash	-	198,920	-	-	1,647,633	1,846,553
Exploration and evaluation assets	-	1,398,797	-	-	-	1,398,797
Plant and equipment	-	-	-	-	11,066	11,066
Other assets	-	17,258	-	-	50,014	67,272
Total segment assets	**-**	**1,614,975**	**-**	**-**	**1,708,713**	**3,323,688**
Segment liabilities						
Trade payables	-	100,377	-	527,889	320,934	949,200
Other liabilities	-	29,435	-	-	301,562	330,997
Total segment liabilities	**-**	**129,812**	**-**	**527,889**	**622,496**	**1,280,197**

The following table presents the revenue, profit and selected Statement of Financial Position information for the Group's reportable segments for the year ended 31 December 2019.

2019	Exploration Australia $	Exploration DRC $	Malawi $	Corporate $	Total $
Segment performance					
Segment income	250,000	**-**	**-**	36,724	286,724
Segment result	**250,000**	**(445,414)**	**(3,050,997)**	**(1,291,075)**	**(4,537,486)**
Segment assets					
Cash	-	-	-	8,772	8,772
Other assets	-	109,448	-	221,742	331,190
Total segment assets	**-**	**109,448**	**-**	**230,514**	**339,962**
Segment liabilities					
Trade payables	-	30,072	743,735	1,225,671	1,999,478
Other liabilities	-	-	-	384,978	384,978
Total segment liabilities	**-**	**30,072**	**743,735**	**1,610,649**	**2,384,456**

5. OTHER INCOME

	2020 $	2019 $
Other income		
Interest income	3,299	1,582
Proceeds from sale of tenements	-	250,000
Rental income	-	30,000
Sundry income	205,418	5,142
Total other income	**208,717**	**286,724**

	2020	2019
	$	$

6. EXPENSES

Loss/(profit) before income tax includes the following specific expenses:		
a) Administration expenses		
Directors fees and related on-costs	136,000	201,402
Consulting and professional fees	85,545	133,592
Depreciation and amortisation	36,469	113,475
Share based payment	-	89,250
Other administrative expenses	489,102	745,257
Total Administration and exploration expenses	**747,116**	**1,282,976**
b) Finance expenses		
Interest	68,059	4,167
Other expenses[1]	100,230	90,501
Total finance expenses	**168,289**	**94,668**

[1] Other finance expenses for 2020 are for various fees payable on convertible loans to the Company during 2020. All fees were settled in shares. A total of 7,168,000 shares were issued to settle fees due.

Other finance expenses includes the following for 2019;

- $17,347, being the interest expense on the lease liability at 20 Kings Park Road, West Perth, and
- 2,500,000 shares in the Company, valued at $50,000, payable to Global Opportunities Pty Ltd, in relation to the loan provided to the Company during 2019.

7. REMUNERATION OF AUDITORS

Auditing or reviewing the financial statements:		
BDO Audit (WA) Pty Ltd	53,580	63,130
Non assurance services	-	-
Total auditor's remuneration	**53,580**	**63,130**

8. INCOME TAX

	2020 $	2019 $
a) The components of tax expense comprise:		
Current income tax:		
Income tax expense on adjustments in respect of current income tax of previous years	-	-
Deferred income tax:		
Relating to origination & reversal of temporary differences	-	-
Prior year tax losses no longer recognised	-	-
Adjustments in respect of deferred income tax of previous years	-	-
Income tax expense reported in the statement of comprehensive income	**-**	**-**
b) Numerical reconciliation between aggregate tax expense recognised in the income statement and the tax expense calculated in the statutory income tax return		
Accounting loss before tax	(807,388)	(4,537,486)
Total accounting loss before tax	**(807,388)**	**(4,537,486)**
Prima facie income tax expense @ 26% (2019: 27.5%)	(209,921)	(1,247,808)
Tax effect of:		
Permanent differences	(25,736)	(5,803)
Timing differences not brought to account	8,351,783	8,428,660
Other non-allowable items	-	-
Tax losses not brought to account	(8,116,126)	(7,175,049)
Aggregate income tax expense	**-**	**-**
c) Unrecognised deferred tax assets and liabilities		
Deferred tax assets and liabilities that have not been recognised in respect of the following items:		
Provisions and accruals	-	-
Capital raising costs recognised directly in equity	-	-
Deferred tax liability in respect of exploration activities not recognised to the extent of unrecognised deferred tax asset	-	-
Revenue loss	4,612,133	4,466,386
Capital loss	3,739,650	3,962,274
	8,351,783	**8,428,660**

The deferred tax asset on the unused cumulative 2020 tax loss of $17,738,972 (2019: $16,074,887) has not been recognised as a deferred tax asset as the future recovery of these losses is subject to the Group satisfying the requirements imposed by the regulatory authorities. The benefit of deferred tax assets not brought to account will only be brought to account if the conditions for deductibility imposed by tax legislation continue to be complied with and no changes in tax legislation adversely affect the Group in realising the benefit. The tax losses do not expire under current legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the company can utilise these benefits.

9. CASH AND CASH EQUIVALENTS

	2020 $	2019 $
Cash at bank and in hand	1,846,553	8,772
Cash and cash equivalents	**1,846,553**	**8,772**

(a) Cash at bank and in hand

Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.0% and 0.5% (2019: 0.0% and 0.5%). Refer to Note 3 for the Group's exposure to interest rate and credit risk.

10. TRADE AND OTHER RECEIVABLES

	2020 $	2019 $
CURRENT		
Receivables - other parties (a)	-	64,082
Receivables - GST	35,168	13,267
Prepayments	17,258	-
Total current trade and other receivables	**52,426**	**77,349**

(a) Impaired receivables and receivables past due

The Company made payments on behalf of entities that are controlled by Mr Jason Brewer. An Amount of $64,082 from Vector Resources Limited and $13,919 from Winmar Resources Limited are owed to the Company. These transactions are made on normal commercial terms. The Company has provided for the amounts receivable from Winmar Resources Limited as at 31 December 2019, and Vector Resources Limited as at 31 December 2020.

(b) Interest rate risk

Refer to Note 3 for information about the Group's exposure to interest rate risk in relation to trade and other receivables.

(c) Fair value and credit risk

Current trade and other receivables

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

Non-current trade and other receivables

There were no non-current trade and other receivables.

11. EXPLORATION & EVALUATION

(A) Exploration activities capitalised

	2020 $	2019 $
Balance as at 1 January	-	-
Capitalised exploration acquisition – Oman (Refer Note 12)	1,264,026	-
Capitalised exploration expenditure – Oman (Refer Note 12)	245,549	-
Capitalised exploration expenditure - Kitotolo	50,350	276,004
Capitalised exploration expenditure - Kanuka	50,350	169,410
Impairment expense [1]	(100,700)	(445,414)
Foreign exchange adjustment	(110,778)	-
Balance as at end of year	**1,398,797**	**-**

1) Impairment indicators in AASB 6 are considered on a project by project basis as at balance date. Due to the stage at which the Company's exploration projects are at and in the absence of any exploration plans and budget for its DRC projects (Kitotolo Lithium Project and Kanuka Lithium Production Project) it was necessary for the Company to undertake an impairment test.

In the absence of an offer to purchase from a third party and because the assets are not traded in an active market there is no basis for making a reliable estimate of the amount obtainable from the sale of any of the projects in an arm's length transaction between knowledgeable and willing parties, the fair value of the exploration projects under Australian Accounting Standards is deemed nil, as a consequence, an impairment expense of $100,700 has been recognised for 2020 in relation to the Company's projects in the DRC (2019: $445,414).

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the consolidated entity's rights to tenure of the areas of interest;
- the results of future exploration;
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale; and
- no significant changes in laws and regulations that greatly impact the company's ability to maintain tenure.

The Group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to indigenous people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

(B) Exploration activities expensed

	2020 $	2019 $
Balance as at 1 January	-	-
Exploration acquisition – Tshimpala Project	-	1,116,244
Exploration expenditure – Tshimpala Project	-	1,893,807
Total exploration expenditure expensed	**-**	**3,010,051**

12. ASSET ACQUISITION

2020

Acquisition of a 100% of Savannah BV

On 4 November 2020, The Company acquired 100% of Savannah's subsidiary, Savannah Resources B.V., which via its subsidiaries has a 51% interest in Block 4 (granted Exploration Licence), a 65% interest in Block 5 (granted Exploration Licence and 2 Mining Lease applications) and a 70% interest in two Exploration Licence applications near Block 10 to the west of Blocks 4 and 5.

	2020 $
Purchase consideration	
Equity consideration issued - First Tranche (50,000,000 shares at $0.01) – refer note 16	500,000
Equity consideration issued - Second Tranche (cash)[1]	312,141
	812,141
Net assets acquired	
Cash	277,407
Exploration expenditure	1,264,026
Other assets	8,928
Liabilities	(133,102)
Less: Non-controlling interest	(605,118)
	812,141

[1] A new cash settlement of $312,141 was made to Savannah Plc for working capital held by the entities acquired.

In addition to the purchase consideration paid, detailed above, a $3.5 million loan indirectly owing to Savannah Plc, is payable upon the achievement of mine development and production milestones on Block 5, and a 1.0% NSR royalty on Force's respective proportion of metal sales from Block 4 and Block 5.

13. PLANT & EQUIPMENT

	2020 $	2019 $
Plant & equipment at cost	22,901	119,763
Accumulated depreciation	(11,835)	(50,103)
Total plant & equipment	**11,066**	**69,660**

Reconciliation of carrying amounts		
Plant and equipment		
Balance at beginning of period	69,660	253,186
Additions	-	-
Disposals	(22,125)	(70,051)
Impairment	-	-
Depreciation	(36,469)	(113,475)
Balance at end of year	**11,066**	**69,660**

14. TRADE AND OTHER PAYABLES

	2020 $	2019 $
Trade payables	804,037	1,266,281
Employee related payables	22,625	10,553
Other payables and accruals [i]	122,538	722,644
Total trade and other payables	**949,200**	**1,999,478**

[i] Included within other payables and accruals as at 31 December 2019 is $50,000 in recognition of 2,500,000 shares in the Company payable to Global Opportunities Pty Ltd in relation to a loan provided to the Company during the year (refer to Note 15). This was settled during November 2020 by issue of shares.

15. FINANCIAL LIABILITIES

Current		
Loan payable	301,562	250,000
Total financial liabilities	**301,562**	**250,000**

On 8 October 2019, the Company took a convertible note with Global Opportunities Pty Ltd (GTT) for $250,000. On 12 February 2020, the $250,000 loan was repaid in full, plus interest and $10,000 of fees. Additional fees paid in relation to this loan included 3,000,000 options with an exercise price of $0.02 and an expiry date of 31 October 2021, issued in 2019. The balance of the fees was settled through the issue of 2,500,000 FPO listed shares, during the current year.

The 2,500,000 FPO listed shares are valued using the share price on the date the loan was drawn down, with the total fair value of the shares to be issued $25,000.

During February 2020, major shareholder and Non-Executive Director, Mr Jihad Malaeb, provided a loan for $300,000. Interest payable on the loan is 10% per annum. As at 31 December 2020, the loan was fully drawn down, and $10,823 of interest was paid, and a further $1,561 of interest accrued as at 31 December 2020.

16. ISSUED CAPITAL

	2020 $	2019 $
a) Issued and paid up capital		
Ordinary shares fully paid	45,277,303	41,020,252
	Number of Shares	**Number of Shares**
Ordinary shares fully paid	985,900,858	557,654,757

b) Movement in shares on issue

	Issue Date	Number of Shares	$
Balance at 1 January 2019		**423,915,868**	**39,262,831**
Performance shares issued	7/03/2019	600,000	-
Share issue - capital rising	20/05/2019	38,888,889	350,000
Capital raising costs		-	(81,000)
Share issue – acquisition consideration 51% interest in Tshimpala Project acquisition – First Tranche	23/7/2019	28,500,000	570,000
Share issue – staff and consultants – in lieu of cash for services provided [1]	23/7/2019	4,250,000	89,250
Share issue – acquisition consideration 51% interest in Tshimpala Project acquisition – Second Tranche	3/09/2019	11,500,000	230,000
Share issue - capital raising	13/11/2019	50,000,000	750,000
Capital raising costs		-	(49,500)
Capital raising costs – options issued[2]		-	(101,329)
Balance at 31 December 2019		**557,654,757**	**41,020,252**
Balance at 1 January 2020		**557,654,757**	**41,020,252**
Share issue – capital raise	14/9/2020	154,500,000	1,545,000
Share issue – capital raise	30/10/2020	145,500,000	1,455,000
Capital raising costs		-	(180,000)
Share issue – settlement of creditors	10/11/2020	31,578,101	448,371
Share issue – conversion of loans[3]	10/11/2020	37,000,000	392,000
Share issue – acquisition of Savannah BV – refer to note 12	10/11/2020	50,000,000	500,000
Share issue – convertible loan fees[3]	10/11/2020	9,668,000	96,680
Balance at 31 December 2020		**985,900,858**	**45,277,303**

[1] During the prior year, on the 23 July 2019 the Company issued 4,250,000 shares to staff and consultants under the Company's Employee Share Scheme in recognition of their past and future service, and in particular the role they will play in the advancement of the Tshimpala Project. The shares have been recorded at the share price on the date of issue. A total of $89,250 has been included within Share-based payments expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the prior year with respect to these share awards.

[2] During the prior year, 40,000,000 options were issued in relation to the capital raising completed during November 2019. Participants in the placement were issued one free attaching option for every two shares subscribed. The options have an exercise price of $0.02 and an expiry date of 31 October

2021. These options have a fair value of $101,329 and have been recognised as a cost of raising capital for the prior year.

[3] On 8 October 2019, the Company took a convertible note with Global Opportunities Pty Ltd (GTT) for $250,000. On 12 February 2020, the $250,000 loan was repaid in full, plus interest and $10,000 of fees. Additional fees paid in relation to this loan included 3,000,000 options with an exercise price of $0.02 and an expiry date of 31 October 2021. The balance of the fees was paid through the issue of 2,500,000 FPO listed shares.

On 6 July 2020, the Company secured a further $50,000 from three shareholders of the Company. The funds were used for general working capital. The loans were converted to convertible notes. Interest payable on the loan is 10% per annum. $1,699 of interest was paid in relation to these loans. The loans, and 16.67% fee on the amount invested ($7,000), was converted to Fully Paid Ordinary Shares in the Company, with 5,500,000 shares issued on 10 November 2020.

On 14 September 2020 the Company issued a Convertible Note to raise $200,000 against the issue of 20 million shares at $0.01. The maturity date was 20 November 2020. The interest rate was 10% per annum, and the note was unsecured. The Convertible Note, and 16.67% fee, was converted to Fully Paid Ordinary Shares in the Company, with 22,000,000 shares issued on 10 November 2020. $3,111 interest was repaid.

During February 2020, major shareholder Sufian Ahmad provided a loan for $100,000 on the same terms but with further security over the Company assets to the value of his loan. The loan was drawn down in full during the year. $7,231 of interest was paid in relation to this loan. The loan, and $16,670 fee payable, were converted to 11,667,000 Fully Paid Ordinary Shares in the Company on 10 November 2020.

A 16.67% fee associated with Mr Jihad Malaeb's $300,000 loan to the Company, was settled with the issue of 5,001,000 Fully Paid Ordinary Shares on 10 November 2020.

17. OPTIONS

2020 share option details as follows:

Issue Date	Expiry Date	Exercise Price	Balance at start of year	Granted during year	Exercised during year	Lapsed during year	Consolidation Adjustment	Balance at end of year
14/11/2017	1/07/2020	6.0 cents	2,000,000	-	-	(2,000,000)	-	-
14/11/2017	1/07/2020	8.0 cents	2,000,000	-	-	(2,000,000)	-	-
25/05/2018	30/06/2020	10.0 cents	2,500,000	-	-	(2,500,000)	-	-
20/05/2019	30/06/2021	2.0 cents	34,444,446	-	-	-	-	34,444,446
16/08/2019	31/10/2021	2.0 cents	43,000,000	-	-	-	-	43,000,000
10/11/2020	3/11/2022	2.5 cents	-	3,334,000	-	-	-	3,334,000
			83,944,446	**3,334,000**	**-**	**(6,500,000)**	**-**	**80,778,446**

During 2020;

- the Company issued 3,334,000 options in relation to convertible loans. The options have an exercise price of $0.025 cents and an expiry date of 3 November 2022.
- The following options expired;
  - 2,500,000 unlisted options, with an exercise price of $0.10, expired on 30 June 2020.
  - 2,000,000 unlisted options, with an exercise price of $0.06, expired on 1 July 2020.
  - 2,000,000 unlisted options, with an exercise price of $0.08, expired on 1 July 2020.

2019 share option details as follows:

Issue Date	Expiry Date	Exercise Price	Balance at start of year	Granted during year	Exercised during year	Lapsed during year	Consolidation Adjustment	Balance at end of year
12/10/2017	30/06/2019	3.2 cents	20,166,662	-	-	(20,166,662)	-	-
30/06/2016	30/06/2019	3.2 cents	6,250,000	-	-	(6,250,000)	-	-
12/10/2017	30/06/2019	3.5 cents	10,000,000	-	-	(10,000,000)	-	-
5/08/2016	5/08/2019	4.8 cents	937,500	-	-	(937,500)	-	-
14/11/2017	1/07/2020	6.0 cents	2,000,000	-	-	-	-	2,000,000
14/11/2017	1/07/2020	8.0 cents	2,000,000	-	-	-	-	2,000,000
25/05/2018	30/06/2020	10.0 cents	2,500,000	-	-	-	-	2,500,000
20/05/2019	30/06/2021	2.0 cents	-	34,444,446	-	-	-	34,444,446
16/08/2019	31/10/2021	2.0 cents	-	43,000,000	-	-	-	43,000,000
			43,854,162	**77,444,446**	**-**	**(37,354,162)**	**-**	**83,944,446**

During 2019;

- the Company issued 34,444,446 options in relation to the capital raising completed during May 2019. Participants in the placement were issued on free attaching option for every two shares subscribed. The options have an exercise price of $0.02 cents and an expiry date of 30 June 2021.
- 40,000,000 options were issued in relation to the capital raising completed during November 2019. Participants in the placement were issued one free attaching option for every two shares subscribed. The options have an exercise price of $0.02 and an expiry date of 31 October 2021.
- 3,000,000 options, on the same terms, were issued to Global Opportunities Pty Ltd as part of the fee for a loan provided to the Company (refer to Note 15).

18. RESERVES

	2020 $	2019 $
a) Equity payment reserve		
Balance at 1 January	2,004,827	1,823,232
Share based payment[1]	8,301	181,595
Balance at 31 December	**2,013,128**	**2,004,827**
b) Acquisition reserve		
Balance at 1 January	2,541,929	2,541,929
Balance at 31 December	**2,541,929**	**2,541,929**
c) Foreign currency translation reserve		
Balance at 1 January	14,304	-
Translation of foreign denominated subsidiaries	77,703	14,304
Balance at 31 December	**92,007**	**14,304**

2019

During 2019, 40,000,000 options were issued in relation to the capital raising completed during November 2019. Participants in the placement were issued one free attaching option for every two shares subscribed. The options have an exercise price of $0.02 and an expiry date of 31 October 2021. This resulted in a total of 25,000,000 free attaching options being issued for a fair value of nil. The remaining 15,000,000 options, issued to Sixty Two Capital Pty Ltd, for the services they provided in relation to the capital raising, have a fair value of $101,329 and have been recognised as a cost of raising capital for the prior year.

Also during 2019, a further, 3,000,000 options, on the same terms, were issued to Global Opportunities Pty Ltd as part of the fee for a loan provided to the Company (refer to Note 15). These options have a fair value of $20,266 and have been included within finance costs within the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the prior year.

Also during 2019, the Company issued 34,444,446 options in relation to the capital raising completed during May 2019. Participants in the placement were issued on free attaching option for every two shares subscribed. The options have an exercise price of $0.02 cents and an expiry date of 30 June 2021. This resulted in a total of 19,444,446 free attaching options being issued for a fair value of nil. The remaining 15,000,000 options, issued to Sixty Two Capital Pty Ltd, for the services they provided in relation to the capital raising, have a fair value of $60,000 and have been recognised as a cost of raising capital for the prior year.

2020

During 2020, 833,500 unlisted options, with an exercise price of $0.025 each, and an expiry date of 3 November 2022 were issued to Mr Sufian Ahmad in relation to his loan on 10 November 2020. $2,076 has been recognised as a finance cost within the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the current year.

Also during the current year, 2,500,500 unlisted options, with an exercise price of $0.025 each, and an expiry date of 3 November 2022 were issued to Mr Jihad Malaeb in relation to his loan on 10 November 2020. $6,225 has been recognised as a finance cost within the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the current year.

19. NON-CONTROLLING INTEREST

Balance as at 1 January	(60,521)	(21,153)
Asset Acquisition – Oman Exploration Project – refer note 12	605,118	-
Total comprehensive loss attributed to Non-Controlling Interests	(52,800)	(39,368)
Balance as at end of year	**491,797**	**(60,521)**

20. EARNINGS PER SHARE

Basic and diluted loss per share (cents per share)	**(0.12)**	**(0.94)**

a) Loss used in calculating loss per share

Net loss attributable to ordinary equity holders of the parent for basic earnings	**(729,685)**	**(4,470,181)**

b) Weighted average number of shares	**No.**	
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**623,222,368**	**474,634,086**
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	**623,222,368**	**474,634,086**

21. CASH FLOW INFORMATION

	2020 **$**	**2019** **$**
Net loss after tax	(807,388)	(4,537,486)
Non-cash items:		
Depreciation and amortisation	36,469	113,475
Change in investment fair value	-	(100,050)
Forgiveness of debt	(80,598)	-
Property, plant and equipment impairment	22,125	70,051
Exploration impairment	100,700	-
Provision for impairment of receivables	21,324	21,100
Share based payments	-	89,250
Shares issued to acquire Projects – classified as exploration expenditure	500,000	800,000
Finance costs	132,337	20,266
Change in operating assets and liabilities:		
Decrease in trade and other receivables	24,922	8,693
(Decrease)/Increase in trade and other creditors	(755,601)	2,598,416
Net cash flows used in operating activities	**(805,710)**	**(961,285)**

22. SUBSIDIARIES AND NON-CONTROLLING ENTITIES

(a) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in 1(b):

Name of Entity	Class of Shares	Equity Holding 2020 (%)	Equity Holding 2019 (%)	Country of Incorporation
SOC1 Pty Ltd	Ordinary	100	100	Australia
Biacil Holdings Pty Ltd	Ordinary	100	100	Australia
Hudson SPC Pty Ltd	Ordinary	100	100	Australia
SUGEC Resources Limited	Ordinary	59.5	59.5	Australia
Mount Adrah Gold Limited	Ordinary	99.5	99.5	Australia
Tasman Goldfields NSW Pty Ltd	Ordinary	99.5	99.5	Australia
Mount Adrah Gold Mining Limited	Ordinary	99.5	99.5	Australia
Nevlith Pty Ltd	Ordinary	100	100	Australia
Force Commodities DRC SAU	Ordinary	100	100	DRC
COMFORCE SA	Ordinary	70	70	DRC
MINFORCE SA	Ordinary	51	51	DRC
TerraCare AG[1]	Ordinary	-	64	Switzerland
Galena Mining Limited	Ordinary	-	80	Malawi
Savannah BV	Ordinary	100	-	Netherlands
Gentor Resources Ltd	Ordinary	100	-	British Virgin Islands
Al Fairuz Mining Co. LLC	Ordinary	65	-	Sultanate of Oman
Sohar Mining Co. LLC	Ordinary	70	-	Sultanate of Oman
Al Thuraya Mining Co LLC	Ordinary	51	-	Sultanate of Oman

As at 31 December 2019 the cash payments to Terra Care AG, per the terms of the project acquisition, had not been made. Under the terms of the share sale and purchase agreement, failure to meet these cash payments allowed the vendor the possibility to buy-back the project in its entirety for US$100.

On 6 May 2020, the vendor and 35% minority shareholder of Terra Care AG, put Terra Care AG into liquidation, without Force's knowledge.

As of 6 May 2020, the loss of effective control of Terra Care AG was recognised by the Group due to the Company having no power to govern the financial and operating policies of Terra Care AG. Accordingly, the Company has deconsolidated the Terra Care AG group effective as of 6 May 2020 and de-recognised all assets and liabilities held.

Force reserves its rights in relation to this project.

The financial position, results and cash flows of Terra Care AG and its consolidated subsidiaries is not material to the group.

23. RELATED PARTY INFORMATION

(a) Parent entity

The ultimate parent entity within the Group is Force Commodities Limited.

Force Commodities Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX).

The Company was incorporated as an unlisted public company on 10 August 2010 and successfully listed on the ASX on 3 December 2010.

(b) Subsidiaries

Interests in subsidiaries are disclosed in Note 22 (a).

(c) Key Management Personnel

Key management personnel compensation information is as follows:

	2020 $	2019 $
Summary remuneration		
Short term employee benefits	248,500	301,980
Post-employment benefits	2,850	1,301
Termination benefits	-	-
Share based payments (See Note 25)	-	26,250
Total remuneration	**251,350**	**329,531**

Details of remuneration disclosures are provided within the audited remuneration report.

(d) Other transactions with key management personnel

The following transactions occurred with Director related parties:

	2020 $	2019 $
Legal Fees – Bennett & Co[1]	-	11,835
Timdee Resources Pty Ltd[2]	48,000	43,286
Total	**48,000**	**55,121**

(1) A former director, Mr David Sanders, a partner in the firm Bennett & Co, Solicitors, Bennett & Co provided legal services to Force Commodities Limited and certain of its subsidiaries on normal commercial terms and conditions during the prior year. The total amount charged for 2019 was $11,835. There is no amount outstanding to be paid to Bennett & Co as at 31 December 2019. Mr David Sanders resigned as a Non-Executive Chairman on 5 February 2019.

(2) Timdee Resources Pty Ltd, a company controlled by Mr Jess Oram, was paid, or is owed, a total of $48,000 in relation to Mr Oram's services as a Director for the current year (2019: $43,286). No cash was paid to Mr Oram during the year for services provided (2019: $11,390). Timdee was issued 4,000,000 shares in the Company in relation to $56,000 of outstanding Director fees. As at 31 December 2020 there is $4,000 amount owed to Mr Jess Oram.

(e) Employee Share Option Plan

The company has adopted an Employee Share Option Plan (**ESOP**) for its employees. A person is an employee of the company if that person is an Executive Director, Non-Executive Director or considered by the Board to be employed by the company or a related party of the company.

The purpose of the ESOP is to provide an opportunity for all eligible employees of the company to participate in the growth and development of the company through participation in the equity of Force Commodities Ltd.

Force Commodities Ltd believes it is important to provide incentives to employees in the form of options which provide the opportunity to participate in the share capital of Force Commodities Ltd. The company expects to apply the proceeds of exercise of the Options to working capital needs, asset or business acquisitions and general corporate purposes. All options to be issued must be consistent with any applicable Listing Rules and having regard to regulatory constraints under the *Corporations Act 2001*, ASIC policy or any other law applicable to Force Commodities Ltd.

(f) Performance rights

The following performance rights were issued during the current year, to Mr Simon Pooley, the Company's Chief Executive Officer:

- 1,500,000 shares on achievement of a share price greater than 3.0 cents but less than 4.5 cents (this is between doubling and tripling of a re-listing share price, assuming share price on re-listing settles at 1.5 cents).
- 2,500,000 shares on achievement of a share price greater than 4.5 cents (this is more than a tripling of a re-listing share price, assuming share price on re-listing settles at 1.5 cents).

No amount has been recognised in respect of these performance rights for the current year.

Mr Pooley's performance rights were forfeited on resignation date, being 26 February 2021.

There were no performance rights, and no options issued to Directors during the prior year.

(g) Loans provided to the Company by related parties

During February 2020, major shareholder and Non-Executive Director, Mr Jihad Malaeb, provided a loan for $300,000. Interest payable on the loan is 10% per annum. As at 31 December 2020, the loan was fully drawn down, and $10,823 of interest was paid, and a further $1,561 of interest accrued as at 31 December 2020.

Also, during February 2020, major shareholder Mr Sufian Ahmad provided a loan for $100,000 on the same terms but with further security over the Company assets to the value of his loan. The loan was drawn down in full during the year. $7,231 of interest was paid in relation to this loan.

At the October 2020 AGM, Shareholders approved the above loans to be converted to a convertible note. The Convertible Notes have a face value of $1.00 per note and mature on 31 December 2020 or 11 February 2021. The notes can be converted at the election of the noteholder on or before the maturity date into Fully Paid Ordinary Shares in the Company at $0.01 per share, or will otherwise become repayable in cash by the Company at the maturity date. Upon issue of the convertible notes, the Company will pay a 16.67% fee on the amount invested by the Noteholder in equivalent shares and unlisted options.

Sufian Ahmad's loan to the Company of $100,000, including the fee payable of $16,670, was converted to 11,667,000 Fully Paid Ordinary Shares in the Company on 10 November 2020.

A 16.67% fee associated with Mr Jihad Malaeb's $300,000 loan to the Company, was settled with the issue of 5,001,000 Fully Paid Ordinary Shares on 10 November 2020. Jihad Malaeb's loan to the Company of $300,000 was converted to 30,000,000 Fully Paid Ordinary Shares in the Company on 2 March 2021.

833,500 unlisted options, with an exercise price of $0.025 each, and an expiry date of 3 November 2022 were issued to Sufian Ahmad in relation to his loan on 10 November 2020.

2,500,500 unlisted options, with an exercise price of $0.025 each, and an expiry date of 3 November 2022 were issued to Jihad Malaeb in relation to his loan on 10 November 2020.

24. COMMITMENTS

	2020 $	2019 $
COMMITMENTS		
a) Exploration expenditure commitments		
Minimum tenement exploration expenditure	1,167,707	180,000
Total exploration expenditure commitments	**1,167,707**	**180,000**

The minimum exploration expenditure commitments and lease payments on the Company's exploration tenements total $1,167,707 (31 December 2019: $180,000) over the remaining term of the tenements.

25. SHARE BASED PAYMENTS

a) Performance Rights and Shares

2020

The following performance rights were issued during the current year, to Mr Simon Pooley, the Company's Chief Executive Officer:

- 1,500,000 shares on achievement of a share price greater than 3.0 cents but less than 4.5 cents (this is between doubling and tripling of a re-listing share price, assuming share price on re-listing settles at 1.5 cents).
- 2,500,000 shares on achievement of a share price greater than 4.5 cents (this is more than a tripling of a re-listing share price, assuming share price on re-listing settles at 1.5 cents).

No amount has been recognised in respect of these performance rights for the current year.

Mr Pooley's performance rights were forfeited on resignation date, being 26 February 2021.

There were no performance rights, and no options issued to Directors during the prior year.

2019

On the 23 July 2019 the Company issued 4,250,000 shares to staff and consultants under the Company's Employee Share Scheme in recognition of their past and future service, and in particular the role they will play in the advancement of the Tshimpala Project. $89,250 has been recorded as Share Based Payments in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

	Number of Shares	Share Price ($)	Vesting Date	Fair Value
Staff and Consultants of the Company	4,250,000	0.021	23/07/2019	89,250

Of these performance shares issued during the year, 750,000 were issued to Mr Michael Fry, and 500,000 to Mr Michael Pitcher, both key management personnel of the Company at the time of issue.

On 14 January 2020, Mr Jason Brewer resigned as Managing Director. On resignation, 600,000 unvested performance rights with an expiry date of 19 February 2020, and a further 600,000 unvested performance rights with an expiry date of 19 February 2021, were forfeited.

26. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, apart from:

- Mr Robert Martin was appointed Non-Executive Chairman on 4 February 2021, following Mr Jess Oram's resignation on the same date.
- Mr Michael Leu was appointed Non-Executive Director on 4 February 2021.
- Mr David Sproule resigned as Non-Executive Director on 21 February 2021.
- Mr Jihad Malaeb's loan to the Company of $300,000 was converted to 30,000,000 Fully Paid Ordinary Shares in the Company on 2 March 2021.
- Mr Jeremy Whybrow was appointed Non-Executive director of the Company on 1 March 2021.

To date, COVID-19 has not had a material impact on the business, however in this environment the Group acknowledge it does have the potential to impact the business, particularly if it impacts the ability to raise capital.

27. CONTINGENT ASSETS AND LIABILITIES

From time to time the Company may be party to claims from suppliers and service providers arising from operations in the ordinary course of business.

As at the date of this report there are no claims or contingent liabilities that are expected to materially impact, either individually or in aggregate the company's financial position or results from operations, other than as set out below.

Mr Alistair Stephens Matter

On the 22 May 2019 the Company announced to the ASX that it had lodged interlocutory applications in the District Court of Western Australia in respect of a claim against the Company by Fletcher Taileur Associates limited (FTA), a Seychelles incorporated company associated with former director, Mr Alistair Stephens.

Mr Stephens was appointed by the previous Board of Directors on 28 February 2017, as an Executive Director of the Company. At the Company's annual general meeting of shareholders held on 31 May 2017, shareholders overwhelmingly voted against Mr Stephens re-election as a director with 51,249,541 votes against his re-election and 6,461,255 votes in favour of his re-election.

The Company defended the claim by FTA for an amount of $489,867.

Since the ASX announcement, on defending proceedings in the District Court, the Company has consented to Mr Stephens being named as a party and amending the statement of claim, and the Company has been successful in the proceedings in obtaining:

1. an order for security for costs requiring Mr Stephens to pay monies into court;
2. orders striking out of paragraphs of the FTA statement of claim and requiring further and better particulars be given;
3. orders the defendant pay the Company's costs thrown away arising from FTA's amended statement of claim.

The matter proceeded to mediation on 26 October 2020. As a result, the claim was settled by mutual agreement with FTA and Mr Stephens.

Without any admission of liability or wrongdoing, the Parties have agreed to resolve all matters arising out of or in connection with the Services Agreement, Mr Stephens' engagement and termination, the District Court proceeding and the Company's defence to that proceeding on confidential terms and with no order as to costs.

Oman Copper Project

$3.5 million loan indirectly owing to Savannah Plc, to be paid upon the achievement of mine development and production milestones on Block 5, and a 1.0% NSR royalty on Force's respective proportion of metal sales from Block 4 and Block 5.

28. PARENT ENTITY DISCLOSURES

	2020 $	2019 $
Assets		
Current assets	1,708,713	33,066
Non-current assets	-	184,181
Total assets	1,708,713	217,247
Liabilities		
Current liabilities	578,035	1,581,286
Non-current liabilities	-	-
Total liabilities	578,035	1,581,286
Net assets	1,130,678	(1,364,039)
Equity		
Issued capital	41,201,803	36,944,752
Option reserve	1,729,561	1,721,260
Accumulated loss	(41,800,686)	(40,030,051)
Total equity	**1,130,678**	**(1,364,039)**
Loss of parent entity	(1,770,635)	(3,442,440)
Total comprehensive loss of the parent entity	**(1,770,635)**	**(3,442,440)**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

Force Commodities Limited has not entered into any deed of cross guarantee with its wholly-owned subsidiaries during the year ended 31 December 2020 (2019: Nil).

FORCE COMMODITIES LIMITED AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors of the Company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes, are in accordance with the *Corporations Act 2001* and other mandatory professional reporting requirements:

   (a) comply with Accounting Standards which as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS) and;

   (b) give a true and fair view of the consolidated statement of financial position as at 31 December 2020 and of the performance for the year ended on that date of the consolidated entity.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. The remuneration disclosures included in the Directors' Report (as part of the audited Remuneration Report), for the year ended 31 December 2020, comply with section 300A of the *Corporations Act 2001.*

4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporation Act 2001.*

5. This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

This declaration is made in accordance with a resolution of directors.

Mr Robert Martin
Non-Executive Chair
Perth, Western Australia
26 March 2021

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INDEPENDENT AUDITOR'S REPORT

To the members of Force Commodities Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Force Commodities Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

BDO

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Acquisition Accounting

Key audit matter	*How the matter was addressed in our audit*
The Group acquired an interest in the Oman Copper Project during the year ended 31 December 2020 through the purchase of 100% of Savannah Resources B.V. which held a 51% interest in Block 4 and a 65% interest in Block 5 of the Oman Copper Project as disclosed in Note 12. The Group treated the transaction as an asset acquisition, rather than as a business combination. Accounting for these transaction is complex and requires management to exercise judgement to determine the appropriate accounting treatment, including whether the acquisition should be classed as an asset or business acquisition, estimating the fair value of net assets acquired and estimating the fair value of the purchase consideration. As a result, this is considered a key audit matter.	Our procedures in respect of this area included, but were not limited to, the following: • Obtaining an understanding of the transaction, including an assessment of whether the transaction constituted an asset or business acquisition; • Reviewing the sale and purchase agreement to understand key terms and conditions; • Assessing management's determination of the fair value of consideration paid including share-based consideration, considering the appropriateness of the valuation methodology used and agreeing the consideration to supporting documentation; • Assessing the accounting treatment of the non-controlling interest on acquisition and as at reporting date; • Agreeing the net assets acquired, that no goodwill was recognised and that costs associated with the acquisition were accounted for in line with the Group's accounting policy for the Oman Copper Project area of interest; and • Assessing the adequacy of the related disclosures in Note 12 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2020, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 21 of the directors' report for the year ended 31 December 2020.

In our opinion, the Remuneration Report of Force Commodities Limited, for the year ended 31 December 2020, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 26 March 2021

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Additional information required by the ASX and not shown elsewhere in this report is as follows:

A. Shareholding as at 10 March 2021

Total fully paid ordinary shares on issue **1,018,900,858**

B. Substantial Holders as at 10 March 2021

- Mr Jihad Malaeb 72,708,769 being 7.14%

There are no other shareholders who have lodged notice advising substantial shareholding under the Corporations Act 2001.

C. Distribution of Equity Securities as at 10 March 2021

Range	Total Holders	Units	% of Issued Capital
1 - 1,000	84	11,720	0.00
1,001 - 5,000	240	619,473	0.06
5,001 - 10,000	266	2,140,710	0.21
10,001 - 100,000	1,279	54,769,390	5.38
100,001 – and above	757	961,359,565	94.35
Total	**2,626**	**1,018,900,858**	**100.00**

D. Unmarketable Parcels as at 10 March 2021

	Minimum Parcel size	Holders	Units
Minimum $ 500.00 parcel at $ 0.019 per unit	**23,316**	**1,081**	**11,603,974**

E. Twenty Largest Shareholders as at 10 March 2021

The names of the twenty largest holders of quotes equity securities aggregated are listed below:

Rank	Name	Units	% of Issued Capital
1	MS CHUNYAN NIU	45,500,000	4.47
2	DDPEVCIC (WA) PTY LTD <DOMINIC FAMILY A/C>	40,106,318	3.94
3	MR BILAL AHMAD	34,500,000	3.39
4	JGM PROPERTY INVESTMENTS PTY LTD	33,696,667	3.31
5	MR JIHAD MALAEB	31,072,428	3.05
6	MR JIHAD MALAEB	22,969,673	2.25
7	MR JIHAD MALAEB	18,666,668	1.83
8	MR SUFIAN AHMAD	18,150,000	1.78
9	SAVANNAH RESOURCES PLC	15,000,000	1.47
10	CLEANWEST PROPERTY SERVICES PTY LTD	14,278,883	1.40
11	RIMOYNE PTY LTD	13,000,000	1.28
12	MARKOVIC FAMILY NO 2 PTY LTD	12,135,000	1.19
13	MR SUFIAN AHMAD	11,667,000	1.15
14	KALCON INVESTMENTS PTY LTD	11,500,000	1.13
15	MR DEAN BRETT BLANKFIELD	10,850,000	1.06
16	ALTOR CAPITAL MANAGEMENT PTY LTD <ALTOR ALPHA FUND A/C>	10,000,000	0.98
17	ATTOLLO INVESTMENTS PTY LTD <ATTOLLO INVESTMENT A/C>	9,900,035	0.97

18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,172,458	0.90
19	THREEBEE INVESTMENT GROUP PTY LTD	8,556,855	0.84
20	MEDEK INVESTMENTS PTY LTD <MEDEK SUPER FUND A/C>	8,543,951	0.84
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**379,265,936**	**37.22**
Total Remaining Holders Balance		**639,634,922**	**62.78**

F. Unquoted Securities as at 10 March 2021

Class	Exercise Price	Expiry Date	No. of Securities	No. of Holders	Name (where holder holds more than 20%)	% held
Unlisted Options	$0.02	30/06/2021	34,444,446	7	Sixty Two Capital Pty Ltd JGM Property Investments Pty Ltd	44% 33%
Unlisted Options	$0.02	31/10/2021	40,000,000	24	Sixty Two Capital Pty Ltd	35%
Unlisted Options	$0.025	3/11/2022	3,334,000	1	Jihad Malaeb	100%

G. Voting Rights

There are no restrictions on voting rights. On a show of hands every member present or by proxy shall have one vote and upon a poll each share shall have one vote. Where a member holds shares which are not fully paid, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof. Option holders have no voting rights until the options are exercised.

H. Tenement Schedule

Through its subsidiaries, Force Commodities disposed of, acquired and holds the tenement interests as described:

Licence No.	Project / Location	Acquired Interest during Year	Disposed interest during year	Interest at end of Year
EL 4474	Halls Peak, NSW	-	-	100%
EL 7679	Halls Peak, NSW	-	-	59.5%
PE 13247 (1)	Kitotolo, DRC	-	-	70%
PR 12453 (1)	Kitotolo, DRC	-	-	70%
PE 13082 (2)	Kanuka, DRC	-	-	51%
PR 4100 (2)	Kanuka, DRC	-	-	51%
EPL 479	Tshimpala, Malawi	51%	-	51% (3)
EPL 483	Tshimpala, Malawi	51%	-	51% (3)
EPL 484	Tshimpala, Malawi	51%	-	51% (3)
			-	
AML 0029	Tshimpala, Malawi	51%	-	51% (3)
Block 5	Oman	65%	-	65%
Block 4	Oman	51%	-	51%

(1) legal transfer of the tenements has been affected; official recording of tenements in DRC Mines Department system has not yet occurred.

(2) tenements are held by joint venture partner, with Force having a 51% joint venture interest in the Lithium rights only.

(3) Under the terms of the share sale and purchase agreement, there is the possibility of the vendor to buy-back the project. Force is currently seeking legal advice on the current status.