

Alphamin's Q3 Tin Production And Sales Exceed Guidance/ Mpama South Project Progressing To Plan/ Accelerated Exploration Drilling On The Bisie Ridge

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Grand Baie, Oct. 05, 2022 - [Alphamin Resources Corp.](#) (AFM:TSXV, APH:JSE AltX) ("Alphamin" or the "Company"), a producer of 4% of the world's mined tin¹ from its high grade operation in the Democratic Republic of Congo, is pleased to provide the following operational update for the quarter ended September 2022:

- Q3 tin production of 3,139 tonnes exceeds market guidance of 3,000 tonnes
- Q3 EBITDA⁴ estimate of US\$30.1m represents a 44% EBITDA margin^{3,4} at a tin price of US\$22,011/t
- AISC⁴ per tonne of tin sold reduced by 10% compared to the prior quarter
- Mpama South development project progressing according to plan
- Exploration activities in search of a third tin deposit accelerated

Operational and Financial Summary for the Quarter ended September 2022²

Description	Units	Actual		
		Quarter ended September 2022	Quarter ended June 2022	Change
Ore Processed	Tonnes	112,179	112,569	0%
Tin Grade Processed	% Sn	3.90	3.65	7%
Overall Plant Recovery	%	72	77	-7%
Contained Tin Produced	Tonnes	3,139	3,180	-1%
Contained Tin Sold	Tonnes	3,080	3,229	-5%
EBITDA ^{3,4} (Q3 2022 guidance)	US\$'000	30,100	67,004	-55%
AISC ^{3, 4} (Q3 2022 guidance)	US\$/t sold	13,200	14,677	-10%
Net Cash ⁴ (Cash less debt)	US\$'000	112,077	138,146	-19%
Dividends paid, including minorities	US\$'000	35,840	0	+ve
Tin Price Achieved	US\$/t	22,011	35,345	-38%

¹Data obtained from International Tin Association Tin Industry Review Update 2021 ²Production information is disclosed on a 100% basis. Alphamin indirectly owns 84.14% of its operating subsidiary to which the information relates. Totals may not add due to rounding effects. ³Q3 2022 EBITDA, EBITDA margin and AISC represent management's guidance. ⁴This is not a standardized financial measure and may not be comparable to similar financial measures of other issuers. See "Use of Non-IFRS Financial Measures" below for the composition and calculation of this financial measure.

Operational and Financial Performance - Q3 2022

Contained tin production of 3,139 tonnes was in line with the previous quarter and above market guidance of 3,000 tonnes. A highly mineralised area underground, not previously included in the mineral resource or mine plan due to its structurally complex nature, was successfully mined and processed during the quarter. This area delivered ore at good tin grades but contained high levels of sulphides which impacted processing recoveries.

Sales volumes were in line with production at an average achieved tin price of US\$22 011/t and weighted towards the back end of the quarter. Year-to-date contained tin production of 9,380 tonnes has exceeded the forecast rate to achieve market guidance of 12,000 tonnes for the year ending December 2022. We expect contained tin production and sales of approximately 3,000 tonnes for the quarter ending December 2022.

AISC per tonne of tin sold is expected to decrease by 10% to US\$13 200 due to the impact of the lower tin prices on the off-mine costs particularly to product marketing fees, royalties, export duties and smelter payables.

EBITDA for Q3 2022 is estimated at US\$30.1 million (Q2: US\$67 million) following a 38% reduction in the tin price quarter on quarter. This represents a healthy EBITDA margin of 44% in a low tin price environment. Tin currently trades at between US\$20,000/t and US\$21,000/t with demand having been impacted by worsening global macroeconomics. The Company remains of the opinion that global tin supply is likely to be constrained during the next five years while demand for tin is expected to increase. The anticipated production expansion from the development of the Mpama South deposit remains a priority and is progressing well.

The Alphamin consolidated Net Cash position of US\$112 million at quarter-end is after dividend payments of US\$36 million to Alphamin shareholders and minority shareholders of the operating mine.

Alphamin's unaudited consolidated financial statements and accompanying Management's Discussion and Analysis for the quarter ended 30 September 2022 are expected to be released on or about 8 November 2022.

Mpama South development project

The Mpama South project, which is adjacent to the producing Mpama North mine, is expected to produce approximately 7,200 tonnes of contained tin per year effective FY2024 thereby increasing Alphamin's annual tin production to ~20,000 tonnes. The project is progressing on schedule for targeted commissioning in December 2023. Overall project completion is at 18.6%, and 84.3% of the procurement requirements have been finalised and ordered. The project is not expected to exceed its total cost estimate of US\$116 million.

Exploration activities

Alphamin's vision is to become one of the world's largest sustainable tin producers. In addition to drilling for resource extensions at Mpama North and Mpama South, the Company is actively exploring for more tin deposits on its license areas.

Resource expansion drilling, resource confidence drilling and new deposit discovery drilling progressed well during the third quarter with 9,094 metres drilled.

The Bisie Ridge Phase 1 new discovery drilling campaign saw 2,355 metres drilled completing 17 holes in the quarter. Minor visual cassiterite was intersected in two drillholes while prospective associated chlorite alteration was intercepted in multiple other drillholes, assays are awaited. The Phase 1 campaign has been accelerated with ~90 drillholes planned in fences across the Bisie Ridge on six highly anomalous targets, following which a Phase 2 campaign will delineate any discoveries or else in-fill the most prospective targets.

The Mpama South Phase 6 drilling campaign is the largest single campaign to date on the licence and aims to both in-fill and extend the Mineral Resource announced on 30 May 2022. An update to that Mineral Resource is expected in December 2022. Based on the success of Phase 6 and the still open-ended mineralization showing visual cassiterite and good grades from already received assays, a Phase 7 resource extension campaign will continue upon completion of Phase 6.

The Mpama North Phase 2 drilling campaign progressed well during the quarter. Visual intercepts of cassiterite were intersected on the southern and eastern extensions of the orebody - many on current mining

levels. These intercepts contain the visual mineralization style characteristic of the Mpama North mine and, although less intensely mineralized than elsewhere, should provide valuable blending material for the deeper high-grade zones of Mpama North, thus potentially extending the life of mine and maintaining current production levels for longer.

Qualified Person

Mr. Clive Brown, Pr. Eng., B.Sc. Engineering (Mining), is a qualified person (QP) as defined in National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in this news release excluding information relating to exploration activities. He is a Principal Consultant and Director of Bara Consulting Pty Limited, an independent technical consultant to the Company. Mr. Richard Tayelor, BSc Hons, MSc (Eng.), is a qualified person (QP) as defined in National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in this news release relating to exploration activities. He is a full-time employee of Pangea Pty Ltd and through a management services agreement provides geological consulting services to Alphamin.

FOR MORE INFORMATION, PLEASE CONTACT:

Maritz Smith
CEO
[Alphamin Resources Corp.](http://AlphaminResourcesCorp)
Tel: +230 269 4166
E-mail: msmith@alphaminresources.com

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Information in this news release that is not a statement of historical fact constitutes forward-looking information. Forward-looking statements contained herein include, without limitation, statements relating to expected EBITDA, EBITDA margin and AISC for Q3 2022, production guidance for Q4 2022, the expectation of tin production from Mpama South and first tin production targeted date and costs to complete the project, expected global tin supply constraints and a widening global tin market deficit during the next five years, planned exploration programmes and the timing thereof, the expectation of updating the mineral resource estimate for Mpama South and the timing thereof, as well as the intention to discover more tin deposits on its license areas with a view to deliver additional mine developments and incrementally increase tin supply. Forward-looking statements are based on assumptions management believes to be reasonable at the time such statements are made. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Although Alphamin has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to: uncertainties regarding estimates of the expected mined tin grades, processing plant performance and recoveries, uncertainties regarding global supply and demand for tin and market and sales prices, effects of inflation, global supply chain and other possible disruptions and delays which may impact the Mpama South development schedule and time to completion as well as the cost to complete development, uncertainties regarding exploration outcomes on the Company's license areas and the timing thereof, uncertainties with respect to social, community and environmental impacts, uninterrupted access to required infrastructure and third party service providers, adverse political and geopolitical events, uncertainties regarding the legislative requirements in the Democratic Republic of the Congo which may result in unexpected fines and penalties, impacts of the global Covid-19 pandemic on mining operations and commodity prices as well as those risk factors set out in the Company's Management Discussion and Analysis and other disclosure documents available under the Company's profile at www.sedar.com. Forward-looking statements contained herein are made as of the date of this news release and Alphamin disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

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of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

This announcement refers to the following non-IFRS financial performance measures:

EBITDA and EBITDA margin

EBITDA is profit before net finance expense, income taxes and depreciation, depletion, and amortization. EBITDA provides insight into our overall business performance (a combination of cost management and growth) and is the corresponding flow driver towards the objective of achieving industry-leading returns. This measure assists readers in understanding the ongoing cash generating potential of the business including liquidity to fund working capital, servicing debt, and funding capital expenditures and investment opportunities.

This measure is not recognized under IFRS as it does not have any standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers. EBITDA data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

EBITDA margin is EBITDA divided by gross revenue.

NET CASH

Net cash is defined as cash and cash equivalents less total current and non-current portions of interest-bearing debt and lease liabilities.

AISC

This measures the costs to produce and sell a tonne of contained tin plus the capital sustaining costs to maintain the mine, processing plant and infrastructure. AISC includes mine operating production expenses such as mining, processing, administration, indirect charges (including surface maintenance and camp and tailings dam construction costs), smelting costs and deductions, refining and freight, distribution, royalties and product marketing fees. AISC does not include depreciation, depletion, and amortization, reclamation expenses, borrowing costs and exploration expenses.

Sustaining capital expenditures are defined as those expenditures which do not increase contained tin production at a mine site and excludes all expenditures at the Company's projects and certain expenditures at the Company's operating sites which are deemed expansionary in nature.

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