

Alphamin Announces Interim FY2023 Dividend/ Q2 Operational And Financial Update

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Grand Baie, July 24, 2023 - [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 update for the quarter ended June 2023:

- Interim dividend for FY2023 of CAD\$0.03 per share declared
- Tin production of 3,151 tonnes for the quarter, in line with the previous period
- Q2 2023 EBITDA^{3,4} guidance of US\$35.4m at a tin price of US\$25,587/t (Current tin price: US\$28,500/t)
- Mine expansion project to increase annual tin production by 60% progressing well

Operational and Financial Summary for the Quarter ended June 2023²

Description	Units	Quarter ended June 2023	Quarter ended March 2023	Change
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Ore Processed	Tonnes	99,035	95,751	3%
Tin Grade Processed	% Sn	4.20	4.38	-4%
Overall Plant Recovery	%	76	76	0%
Contained Tin Produced	Tonnes	3,151	3,187	-1%
Contained Tin Sold	Tonnes	3,068	3,161	-3%
EBITDA ^{3,4} (Q2 2023 guidance)	US\$'000	35,400	41,391	-14%
AISC ^{3, 4} (Q2 2023 guidance)	US\$/t sold	13,897	13,915	0%
Average Tin Price Achieved	US\$/t	25,587	26,432	-3%

¹Data obtained from International Tin Association Tin Industry Review 2022 ²Information is disclosed on a 100% basis. Alphamin indirectly owns 84.14% of its operating subsidiary to which the information relates. ³Q2 2023 EBITDA 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

Alphamin achieved excellent tin production of 3,151 tonnes for the quarter ended June 2023. Year-to-date tin production of 6,338 tonnes exceeds the run-rate to achieve market guidance of 12,000 tonnes for the year ending December 2023. The run-of-mine and crushed ore stockpiles ahead of the processing plant were at record levels at quarter-end, being 27,439 tonnes at an average tin grade of 6,74% (Q1: 15,011 tonnes at 5,98%).

Sales volumes of 3,068 tonnes of tin, at an average tin price of US\$25,587/t, were from a timing difference less than production which impacted the quarter's EBITDA. Guidance for AISC per tonne of tin sold is US\$13,987, in line with the previous quarter albeit sales volumes were 3% lower. The expected EBITDA for the quarter ended June 2023 is US\$35.4 million, US\$6 million below the previous quarter's EBITDA of US\$41.4 million due to the lower tin price and delayed sales which should clear during the next quarter. The current 3-month LME tin price is trading at ~US\$28,500/t, 11% above the Q2 2023 price.

Alphamin's unaudited consolidated financial statements and accompanying Management's Discussion and Analysis for the quarter ended 30 June 2023 are expected to be released on or about August 17, 2023.

Mpama South development progress

A total of 1,460m of underground development at Mpama South has been completed to date, of which 603m was achieved in Q2 2023 (Q1: 418m). Development has accelerated during Q2 2023 as additional underground equipment has arrived on site. During July 2023, the underground development connecting Mpama North and Mpama South has reached the intersection point where the new Mpama South adit from surface will connect. The Mpama South adit has intersected a 6m wide area of extremely poor ground conditions which is delaying advancement. The adit is now expected to connect with the Mpama South underground workings during November 2023, in time for the tramming of ore to the new processing facility. The year-to-date development metres are in line with the Company's updated two-year underground mine plan to achieve the targeted tin production expansion from FY2024. This plan requires an additional ~2,000m of underground development at Mpama South during the six months ending December 2023, which should be achievable as additional development ends become available from Q3 2023.

The new processing facility is progressing well. Following completion of all procurement, design and engineering, fabrication, earthworks and substantially all civils, the focus has moved to plant erection and tracking of steel and equipment in transit. During the quarter, the fine tin plant structure, primary crusher structure and concentrate drying and storage building have been erected. The gravity plant is at first floor level and the secondary crushers on third floor level. The commissioning of the new processing plant is targeted for December 2023.

The Alphamin project team, together with the existing site team, remains focussed on operational readiness preparation. This primarily involves recruitment and training of personnel, expansion of the laboratory and accommodation facilities and infrastructure, and increasing the supply chain to meet the additional production.

The Mpama South project is expected to increase annual tin production from ~12,000 tonnes to ~20,000 tonnes.

Funding structure and capital allocation

Alphamin's vision is to become one of the world's largest sustainable tin producers. From a capital allocation perspective, the Board considers the combination of investment in growth, ongoing exploration, and a high dividend yield a robust value proposition. From a FY2023 capital allocation perspective, the funding of the Mpama South expansion project, DRC income tax payments and shareholder distributions remain the priority.

During the quarter ended June 2023, the Company's subsidiary paid US\$56 million in final FY2022 corporate taxes and US\$11 million as the first of four instalments towards provisional FY2023 taxes. At the current tin price, the Company does not expect a final FY2023 tax payment to be required, which would ordinarily be due in early 2024. A US\$40 million short-term facility was secured with the Company's banking institution in the DRC as bridging finance towards the unusually high tax payments in 2023 (US\$26 million utilised in Q2 2023).

By quarter-end, the Company had spent US\$75 million cash on the Mpama South project of which US\$30 million was in Q2 2023. The project is forecast to complete within the budget of US\$116 million.

The Alphamin consolidated Net Cash position decreased by US\$75 million during Q2 2023 mainly related to an aggregate of US\$97 million allocated to the Mpama South development and DRC taxes. Cash on hand amounted to US\$51.4 million as at 30 June 2023.

Interim FY2023 Dividend Declared

The Board has declared an interim FY2023 cash dividend of CAD\$0.03 per share on the common shares (approximately US\$29 million in the aggregate) (the "Dividend"). The Dividend will be payable on 25 August, 2023 to shareholders of record as of the close of business on 11 August, 2023.

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. He is a Principal Consultant and Director of Bara Consulting Pty Limited, an independent technical consultant to the Company.

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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 and AISC guidance for Q2 2023; annual production guidance for 2023; planned production expansion resulting from Mpama South; and the timing for commissioning of the processing plant;

timing and plans regarding underground development and the total development cost of the Mpama South project. 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 Mpama North and Mpama South estimates of the expected mined tin grades, processing plant performance and recoveries, uncertainties regarding the underground conditions for development, uncertainties regarding supply chain and logistics for purposes of Mpama South equipment deliveries and the impact on the timing thereof, uncertainties regarding global supply and demand for tin and market and sales prices, uncertainties with respect to social, community and environmental impacts, uninterrupted access to required infrastructure and third party service providers, adverse political and security 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 or other health crises 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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USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

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

EBITDA

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.

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 and corporate costs. 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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