Alphamin RESOURCES CORP.

CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

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STATEMENT BY THE CEO AND CFO

Pursuant to the Company's ALT.X listing on the Johannesburg Stock Exchange (JSE) and in compliance with paragraph 3.84(k) of the JSE Listings Requirements the directors, whose names are stated below, hereby confirm that:

a) the annual financial statements set out on pages 11 to 52, fairly present in all material respects the financial position, financial performance and cash flows of Alphamin in terms of International Financial Reporting Standards (IFRS);
b) no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading.
c) internal financial controls have been put in place to ensure that material information relating to Alphamin and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer; and
d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the Audit and Risk Committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors and have taken the necessary remedial action.

Signed by the CEO and the CFO

(signed)
Maritz Smith
Chief Executive Officer

(signed)
Eoin O'Driscoll
Chief Financial Officer

March 5, 2021

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The following statement, which should be read in conjunction with the auditors' responsibility stated in the auditors' report set out in the Independent Auditor's Report, is made with a view to distinguishing the respective responsibilities of management and those of the auditors in relation to the consolidated financial statements of the Company.

The accompanying consolidated financial statements of Alphamin Resources Corp. (the "Company") were prepared by management in accordance with International Financial Reporting Standards. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances, including the going concern assessment.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors of the Company is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the consolidated financial statements together with other financial information. An Audit and Risk Committee, whose members are not officers of the Company, assists the Board of Directors in fulfilling this responsibility. The Audit and Risk Committee, on behalf of the Board of Directors, meets with management to review the internal controls over the financial reporting process, the consolidated financial statements together with other financial information of the Company, and the auditor's report. The Audit and Risk Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to the shareholders. Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed)	(signed)
Maritz Smith	Eoin O'Driscoll
Chief Executive Officer	Chief Financial Officer

March 5, 2021

Independent auditor's report

To the Shareholders of Alphamin Resources Corp.

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Alphamin Resources Corp. (the Company) and its subsidiaries (together the Group) as at 31 December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

Alphamin Resources Corp.'s consolidated financial statements set out on pages 11 to 52 comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated statement of profit/(loss) and comprehensive profit/(loss) for the year then ended;
- the consolidated statement of changes in stockholders' equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

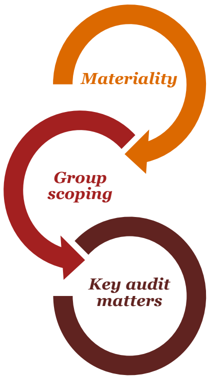
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

Our audit approach

Overview



Overall group materiality

- Overall group materiality: $1.9 million, which represents 1% of total consolidated revenue.

Group audit scope

- The Group consists of 5 components, 2 of which are operating components. Full scope audits were performed on the 2 operating components due to their financial significance to the Group. Analytical procedures were performed on the remaining non-financially significant components.

Key audit matters

- Impairment assessment of the Bisie tin mine.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	$ 1.9 million.
How we determined it	1% of total consolidated revenue.
Rationale for the materiality benchmark applied	We chose total consolidated revenue as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, while the Group transitions out of the development phase into the early stages of the production phase. We chose 1% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply when using revenue as a benchmark in calculating materiality.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group consists of 5 components, 2 of which are operating components. These 2 operating components are the corporate head office in Mauritius and the Bisie tin mine in the Democratic Republic of the Congo. Full scope audits were performed on the 2 operating components due to their financial significance to the Group. Analytical procedures were performed on the remaining non-financially significant components in order to obtain sufficient appropriate audit evidence on which to base our opinion on the consolidated financial statements.

In establishing the overall audit approach to the group audit, we determined the type of work that needed to be performed by ourselves, as the group engagement team, and the component auditor from another PwC network firm. We communicated group instructions to the component auditor, and comprehensive audit approach and strategy planning meetings were held with them before commencing their audit work. We examined the reporting received from the component auditor and assessed the impact thereof on the consolidated financial statements. We also examined the working papers of the component auditor relating to areas of significant risks in the consolidated financial statements.

Further audit procedures were performed by the group engagement team, including substantive procedures over the consolidation process. The work carried out at the component levels, together with these additional procedures performed at the group level, provided us with sufficient evidence to express an opinion on the consolidated financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Impairment assessment of the Bisie tin mine *Refer to note 7 (Plant and equipment) and note 2.C (Summary of significant accounting policies, Measurement uncertainty and critical judgements, Impairment) to the consolidated financial statements.* Internal Accounting Standard 36, *Impairment of Assets* ("IAS 36") requires the Group to assess plant and equipment for impairment when impairment indicators are identified. As at the reporting date, management identified the following indicators of impairment for the Bisie tin mine cash	Utilising our valuation expertise we performed the following procedures: • Through discussions with management, we obtained an understanding of the valuation model used by management in their impairment assessment. We compared management's model to industry best practice and the requirements of IAS 36 and did not identify any matters requiring further consideration; • We benchmarked management's assumption of the average long-term tin price forecasts used in the valuation model against external market and third-party data. We found management's assumptions to be consistent with our independently determined forecasted average long term tin price with reference to the external market and third-party data obtained; and • We independently calculated the discount rate, taking into account data such as the risk-free

generating unit ("CGU"): • Various tin price scenarios in a volatile market; • Impact of COVID-19 on the volatile tin price; and • The related impact on the Group's financial performance for the current period as a result of the above. In performing the impairment assessment of the carrying value of the Group's Bisie tin mine CGU, management compares the carrying amount of the CGU to its recoverable amount. The recoverable amount is determined based on the fair value which is the present value of the estimated future cash flows arising from the use of the asset. Management applied the following key assumptions in their discounted cash flow model: • Life of mine; • Average long-term real tin price; and • Discount rate. Based on management's assessment performed, no impairment provision was required to be recognised. We considered the impairment assessment of the Bisie Tin Mine to be a matter of most significance to the current year audit due to the significant key assumptions applied by management in determining the recoverable amount.	rate, debt-equity ratio, market risk premium and beta of comparable companies which we obtained from third-party sources, as well as the cost of debt of the Group. We compared our independently calculated range of discount rates to the discount rate used by management. We found that management's discount rate fell outside our range of rates. We reperformed the calculation of the recoverable amount in the valuation model by using the average discount rate from the range of our independently determined rates and compared the resulting recoverable amount to the carrying value, in order to ascertain the impact on the available headroom and whether an impairment should be recognised in the current year. Based on the outcome of our procedures, we did not identify any impairment of the Bisie tin mine. We agreed the life of mine used in management's model to the life of mine certificate signed off by the Group's competent person. We tested the mathematical accuracy of the impairment calculation performed by management. No differences were noted. We recalculated the recoverable amount using management's assumptions and compared our results to management's calculations. No material differences were noted. We performed independent sensitivity calculations on the impairment assessments in order to ascertain the impact of changes to the key assumptions on the available headroom and whether an impairment should be recognised in the current year. Based on the outcome of our procedures, we accepted management's assessment.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled *"Alphamin Resources Corp. Consolidated Financial Statements (expressed in US Dollars) for the years ended December 31, 2020 and 2019"*, and the document titled "Alphamin Resources Corp. Management's Discussion and Analysis (All figures expressed in US Dollars unless otherwise indicated) for the years ended December 31, 2020 and 2019". The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements 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 consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability 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 have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs 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 these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(signed)

PricewaterhouseCoopers Inc.

Director: NBT Mtetwa

Registered Auditor

4 Lisbon Lane, Waterfall City,

Jukskei View, 2090

5 March 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ALPHAMIN RESOURCE CORP. Consolidated Statements of Financial Position As at (Expressed in US dollars)	Notes	December 31 2020 $	December 31, 2019 $
ASSETS			
Current assets			
Inventory	3	21,865,697	27,754,774
Accounts receivable	4	7,601,489	1,485,687
Prepaids and other receivables	5	6,710,271	17,633,472
Cash and cash equivalents	6	6,558,518	5,941,243
Total current assets		42,735,975	52,815,176
Non-current assets			
Plant and equipment	7	239,103,371	255,125,453
Prepaids and other receivables	5	10,514,209	264,066
Mine under construction	8	-	-
Deferred tax	10	2,313,124	8,056,626
Exploration and evaluation assets	11	3,054,704	2,310,934
Total non-current assets		254,985,408	265,757,079
Total assets		297,721,383	318,572,255
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	12	16,988,160	22,815,128
Lease agreements due within one year	13	1,315,694	531,149
Trader advances	14	-	12,600,000
Accounts payable and accrued liabilities - related parties	15	48,716	671,588
Debt - due within one year to related parties	15 & 16	5,011,310	5,119,982
Debt - due within one year	16	20,799,179	11,219,318
Warrants	17	11,934,734	3,159,082
Total current liabilities		56,097,793	56,116,247
Non-current liabilities			
Provision for closure and reclamation	18	6,786,933	6,720,861
Lease agreements due in greater than one year	13	2,085,447	1,444,887
Accounts payable and accrued liabilities greater than one yea	12	-	1,475,280
Debt - related parties	15 & 16	6,485,416	24,516,389
Debt	16	28,335,524	53,712,843
Total non-current liabilities		43,693,320	87,870,260
Stockholders' Equity			
Capital stock	19	211,505,428	180,772,545
Reserves	19	10,373,522	9,902,849
Foreign Currency Translation Reserve		(1,505,906)	(1,513,181)
Accumulated deficit		(48,638,422)	(43,947,259)
Stockholders' equity		171,734,622	145,214,954
Non-controlling interest	20	26,195,648	29,370,794
Total equity		197,930,270	174,585,748
Total liabilities and equity		297,721,383	318,572,255

Approved and authorised by the Board of Directors on March 5, 2021.

(Signed) **(Signed)**

MARITZ SMITH, DIRECTOR **EOIN O'DRISCOLL, DIRECTOR**

CONSOLIDATED STATEMENT OF PROFIT/(LOSS) AND COMPREHENSIVE PROFIT/(LOSS)

For the periods ended (Expressed in US dollars)	Notes	For the year ended December 31, 2020 US$	For the year ended December 31, 2019 US$
REVENUE	21	187,445,447	27,221,062
COST OF SALES	22	(144,580,097)	(15,658,909)
GROSS PROFIT		42,865,350	11,562,153
General and administrative	23	(17,682,857)	(14,709,310)
Operating Profit/(Loss)		25,182,493	(3,147,157)
OTHER			
Warrants	17	(8,775,652)	6,849,732
Loss on foreign exchange	24	(1,517,684)	(4,215)
Finance cost	25	(15,615,978)	(6,332,143)
Interest income		1,511	1,945
(Loss) before taxes		(725,310)	(2,631,838)
Current income tax expense	9	(1,397,497)	(301,411)
Deferred tax movement	10	(5,743,502)	8,056,626
NET (LOSS)/INCOME		(7,866,309)	5,123,377
Other Comprehensive (loss)/income (net of tax)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		7,275	(1,444)
Total comprehensive (loss)/profit for the period		(7,859,034)	5,121,933
Profit/(loss) and attributable to ;			
Equityholders		(8,835,284)	4,979,419
Non-controlling interests	20	968,975	143,958
		(7,866,309)	5,123,377
Total comprehensive profit/(loss) attributable to ;			
Equityholders		(8,828,009)	4,977,975
Non-controlling interests	20	968,975	143,958
		(7,859,034)	5,121,933
Losses/Earnings per share for profit attributable to the ordinary equity holders of the company (Note 28)		(0.83)	0.59
** Weighted average number of shares used in the calculation of net loss per share		1,065,829,738	844,608,240
Diluted Losses/Earnings per share for profit attributable to the ordinary equity holders of the company (Note 28)		(0.83)	0.48
** Weighted average number of shares used in the calculation of net loss per share		1,065,829,738	1,048,254,247

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

ALPHAMIN RESOURCES CORP. Consolidated Statements of Cash Flows For the period ended (Expressed in US dollars)	For the year ended December 31, 2020	For the year ended December 31, 2019
Cash Flows From Operating Activities		
Net (loss) for the year before tax	(725,310)	(2,631,838)
Adjustments for items not involving cash;		
Share-based payments	470,673	402,698
Warrants	8,775,652	(6,849,732)
Interest expense	15,615,978	5,456,228
Depreciation	25,470,790	7,927,324
Amortisation of debt fees	1,032,732	-
Unwind of environmental discount	66,072	-
Income tax paid	(843,444)	-
Interest paid	(11,377,536)	(3,092,038)
Change in working capital items:		
Accounts receivable	(7,588,785)	(1,485,687)
Trader advances	(12,600,000)	12,600,000
Prepaids and other receivables - current	498,377	(1,586,583)
Change in inventory	5,889,077	(24,519,694)
Accounts payable and accrued liabilities	(5,856,300)	7,905,141
Due to related parties	(622,872)	375,755
Net Cash generated/used in Operating Activities	18,205,104	(5,498,426)
Cash Flows From Investing Activities		
Purchase of equipment	(6,704,606)	(955,309)
Investing in exploration and evaluation assets	(743,770)	(109,484)
Investing in mine under construction	-	(20,179,824)
Prepaids and other receivables - non current	(95,612)	(45,950)
Net Cash Used in Investing Activities	(7,543,988)	(21,290,567)
Cash Flows From Financing Activities		
Issue of shares by subsidiary company (Note 19 F)	-	4,588,235
Lease payments - capital (Note 13)	(1,318,998)	(898,827)
Debt repayments - capital (Note 16)	(18,735,294)	-
Proceeds from issue of common stock (Note 19)	10,010,451	11,935,707
Net Cash Consumed by/Provided by Financing Activities	(10,043,841)	15,625,115
Increase/(decrease) in cash and cash equivalents	617,275	(11,163,878)
Cash and cash equivalents at beginning of year	5,941,243	17,105,121
Cash and cash equivalents at end of year	6,558,518	5,941,243

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

ALPHAMIN RESOURCES CORP.	Capital Stock		Reserves					
Condensed Consolidated Interim Statement of Changes in Stockholders' Equity	Shares	Amount	Share-based Payment Reserve	Foreign Currency Translation Reserve	(Loss)/Profit	Total Stockholders' Equity (Deficiency)	Non-Controlling Interests	Total Equity
(Expressed in US dollars)	#	$	$	$	$	$		
Balance, January 1, 2019	786,233,993	173,134,433	9,500,151	(1,511,737)	(49,209,135)	131,913,712	24,921,058	156,834,770
Loss for the year	-	-	-	(1,444)	4,979,419	4,977,975	143,958	5,121,933
Issue of shares in private placement on April 7, 2019	79,800,000	7,638,112	-	-	-	7,638,112	-	7,638,112
Issue of shares by subsidiary company	-	-	-	-	282,457	282,457	4,305,778	4,588,235
Share based payments	-	-	402,698	-	-	402,698	-	402,698
Balance, December 31, 2019	866,033,993	180,772,545	9,902,849	(1,513,181)	(43,947,259)	145,214,954	29,370,794	174,585,748
Balance, January 1, 2020	866,033,993	180,772,545	9,902,849	(1,513,181)	(43,947,259)	145,214,954	29,370,794	174,585,748
Loss for the year	-	-	-	7,275	(8,835,284)	(8,828,009)	968,975	(7,859,034)
Issue of shares in private placement on May 13, 2020	314,333,823	30,732,883	-	-	-	30,732,883	-	30,732,883
Transaction with non controlling interest					4,144,121	4,144,121	(4,144,121)	-
Share based payments	-	-	470,673	-	-	470,673	-	470,673
Balance, December 31, 2020	1,180,367,816	211,505,428	10,373,522	(1,505,906)	(48,638,422)	171,734,622	26,195,648	197,930,270

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. NATURE AND CONTINUANCE OF OPERATIONS

Alphamin Resources Corp. (the "Company") is governed by the laws of Mauritius. The Company's primary business is the production and sale of tin concentrate from the Bisie Tin mine in the Democratic Republic of the Congo ("DRC"). The registered office is located at C/o ADANSONIA MANAGEMENT SERVICES LIMITED, Suite 1, PERRIERI OFFICE SUITES, C2-302, Level 3, Office Block C, La Croisette, Grand Baie 30517, Mauritius. The Company was previously incorporated under the laws of British Colombia, Canada, however it was continued in Mauritius effective on September 30, 2014. The Company's shares are listed on the Toronto Stock Exchange's TSX Venture Exchange (primary listing) and the Johannesburg Stock Exchange's Alternative Exchange (Alt.X) (secondary listing). In these financial statements, unless the context otherwise dictates, a reference to the Company refers to Alphamin Resources Corp. and its subsidiaries. These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the realisation of assets and satisfaction of liabilities in the normal course of business.

A. DEVELOPMENTS IN THE CURRENT YEAR

The 2020 financial year was the Company's first full year of tin concentrate production and sales. Despite the challenges presented by the outbreak of the Coronavirus, the Company exceeded guidance production. The mine reached commercial production on 1 September 2019. Up until that point, costs directly related to the development of the Bisie tin mine, including pre-commercial production revenue and costs of sales, were capitalised to the mine under construction asset. These costs were reclassified from mine work-in-progress to the different classes of assets and depreciation commenced in accordance with IAS 16. Accordingly, the company commenced accounting for revenue and associated costs.

In May 2020, the Company entered into a debt restructuring and capital raise in order to strengthen the balance sheet, allowing the Company to pay down $31.2m of debt in exchange for a debt holiday and improved terms. In the second half of the year the Company commenced expansion initiatives, namely a Fine Tin Project, which is expected to improve recoveries through the process plant in Q3, 2021 and an exploration program aimed at extending the life of mine.

COVID-19 update

The Company continued uninterrupted throughout the Covid-19 pandemic. In the unlikely event that operations cease at the Bisie tin mine due to a COVID related stoppage, it could have a material impact on the Company's ability to service its debt and accounts payable.

B. GOING CONCERN

As at December 31, 2020, the Company had accumulated losses of $48,638,422, stockholders' equity of $171,734,622 and net current liabilities of $13,361,818. (December 31, 2019: accumulated losses of $43,947,259, stockholders' equity of $145,214,954 and net current liabilities of $3,301,071.)

As at 31 December 2020 management is of the opinion that the application of the going concern basis of accounting is appropriate. This is on the basis that there is a positive outlook for the Company as a result of having completed the first full year of steady state production in the current period. The company's production remained stable during 2020 with no production interruptions as a result of the COVID-19 pandemic with actual production output exceeding production targets for the year. It is also not expected that there will be any production interruptions as a result of COVID-19 related events in the next 12 months. Even though tin prices were impacted by COVID-19 in the first half of 2020 the tin price has subsequently recovered, consistently exceeding break-even levels. It is also expected that the commodity price will remain above breakeven levels for the next 12-month period. Management has taken the necessary steps to mitigate risks identified that may have an impact on the going concern of the Company which includes stockpiling of consumables to ensure continued mining operations and fixing the commodity prices on the sale of concentrate on invoicing to eliminate any fluctuations caused by changing tin prices.

Management has identified certain key risks which may potentially have an impact on the going concern of the company. These risks include having to maintain commercial levels of production, successfully exporting tin concentrate to the customer without incurring any prolonged logistical delays and reducing debt levels. Management closely monitors its cash flows and its ability to service its debt. Based on cash flow forecasts, forward looking commodity prices, production levels and the steps taken by management to manage its risks, the Company will be in a position to service the debt and remain a going concern for the foreseeable future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

These financial statements, including comparatives, have been prepared using accounting policies consistent with *International Financial Reporting Standards (IFRS)* as issued by the *International Accounting Standards Board (IASB)* and Interpretations issued by the *International Financial Reporting Interpretations Committee (IFRIC).*These financial statements have been prepared on a historical cost basis except for share-based payments and certain financial assets, which have been measured at fair value. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Consolidated statements of profit/(loss) and comprehensive profit/(loss) presentation

During the 2019 financial year, the Company amended its presentation of the Consolidated statements of profit/(loss) and comprehensive profit/(loss). This is due to the entity reaching commercial production in the current period and has opted to specifically update the presentation of its statements to reflect this change. This is to enhance the readability of the financial statements of the users.

Application of new and revised standards

The following standards became effective for annual periods beginning on or after January 1, 2020. The Company adopted these standards in the current year and they did not have a material impact on its financial statements unless specifically mentioned below.

International Financial Reporting Standards and amendments effective for the first time for *December* 2020 year-end		
Number	**Effective date**	**Executive summary**
Amendment to IFRS 3, 'Business combinations' Definition of a business	Annual periods on or after 1 January 2020 (Published October 2018)	This amendment revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations. More acquisitions are likely to be accounted for as asset acquisitions. To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present (including for early-stage companies that have not generated outputs). To be a business without outputs, there will now need to be an organised workforce.

Amendment to IAS 1, 'Presentation of financial statements' and IAS 8, 'Accounting policies, changes in accounting estimates and errors' on the definition of material.	Annual periods beginning on or after 1 January 2020 (Published October 2018)	These amendments to IAS 1 and IAS 8 and consequential amendments to other IFRSs: • use a consistent definition of materiality through IFRSs and the Conceptual Framework for Financial Reporting; • clarify the explanation of the definition of material; and • incorporate some of the guidance in IAS 1 about immaterial information. The amended definition is: *"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."*
Amendments to IFRS 9, 'Financial Instruments', IAS 39, 'Financial Instruments: Recognition and Measurement' and IFRS 7, 'Financial Instruments: Disclosure' – Interest rate benchmark reform (Phase 1)	Annual periods beginning on or after 1 January 2020 (early adoption is permitted) (Published September 2019)	These amendments provide certain reliefs in connection with interest rate benchmark reform (IBOR). The reliefs relate to hedge accounting and have the effect that IBOR should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement.

Future accounting changes

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended December 31, 2020. The Company has not yet adopted these new and amended standards. The Company has considered the amendments and assessed that they will have no material impact on adoption.

International Financial Reporting Standards, interpretations and amendments issued but not effective		
Number	**Effective date**	**Executive summary**
IFRS 16, 'Leases' COVID-19-Related Rent Concessions Amendment	Annual periods beginning on or after 1 June 2020 (early adoption is permitted) (Published June 2020)	The IASB has provided lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification, provided that the concession meets certain conditions. Lessees can elect to account for qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as a variable lease payment.

Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 7 'Financial Instruments: Disclosures', IFRS 4 'Insurance Contracts' and IFRS 16 'Leases' – interest rate benchmark (IBOR) reform (Phase 2)	Annual periods beginning on or after 1 January 2021 (Published August 2020)	The Phase 2 amendments address issues that arise from the implementation of the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one.
Amendment to IAS 1 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current	Annual periods beginning on or after 1 January 2023 (Published January 2020)	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).
Amendment to IFRS 3, 'Business combinations'	Annual periods beginning on or after 1 January 2022 (Published May 2020)	The Board has updated IFRS 3, 'Business combinations', to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, the Board added a new exception in IFRS 3 for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or IFRIC 21, 'Levies', rather than the 2018 Conceptual Framework. The Board has also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.
Amendments to IAS 16 'Property, Plant and Equipment' on Proceeds before Intended Use	Annual periods beginning on or after 1 January 2022 (Published May 2020)	The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts—Cost of Fulfilling a Contract	Annual periods beginning on or after 1 January 2022	The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment

	(Published May 2020)	clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.
Annual improvements cycle 2018 -2020	Annual periods beginning on or after 1 January 2022 (Published May 2020)	These amendments include minor changes to: • IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS. • IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation. • IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives. • IAS 41, 'Agriculture' has been amended to align the requirements for measuring fair value with those of IFRS 13. The amendment removes the requirement for entities to exclude cash flows for taxation when measuring fair value.
IFRS 17, 'Insurance contracts'	Annual periods beginning on or after 1 January 2023 Early application is permitted for entities that apply IFRS	The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators. Under IFRS 17, the general model requires entities to measure an insurance contract at initial

	9, 'Financial Instruments', and IFRS 15, 'Revenue from Contracts with Customers', at or before the date of initial application of IFRS 17. (Published May 2017)	recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period. Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less. For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. Consequently, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.
IFRS 17, 'Insurance contracts' Amendments	Annual periods beginning on or after 1 January 2023 (Published June 2020)	In response to some of the concerns and challenges raised, the Board developed targeted amendments and several proposed clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and ease transition. The amendments are not intended to change the fundamental principles of the standard or unduly disrupt implementation already underway.

B. BASIS OF CONSOLIDATION

These financial statements incorporate the financial statements of the Company and its controlled subsidiaries. Control exists when an investor (the Company) has power over an investee (the Subsidiaries) that give it the current ability to direct the relevant activities.

These financial statements include the accounts of the Company and its controlled subsidiaries, as follows:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITY
Alphamin Bisie Mining SA (formerly called Mining and Processing, Congo, SARL)	Democratic Republic of the Congo	Mineral exploration (84.14% owned by Alphamin Resources (BVI) Ltd at period end)

Alphamin South Africa (Pty) Limited	South Africa	Holding Company (100% wholly owned by Parent)
Alphamin Holdings (BVI) Ltd	British Virgin Islands	Holding Company (100% wholly owned by Parent)
Alphamin Resources (BVI) Ltd	British Virgin Islands	Holding Company (100% wholly owned by Alphamin Holdings (BVI) Ltd)

All intercompany transactions and balances have been eliminated.

Following the receipt of mining license number PE13155 and in line with Article 71 of the Mining Code 2002, 5% of the shares of Alphamin Bisie Mining SA (''ABM)), were issued to the Government of the Democratic Republic of the Congo. The Industrial Development Corporation of South Africa Limited (IDC) has direct ownership of 10.86% of ABM at period end. The Government of the Democratic Republic of the Congo owns a non-diluting 5% resulting in a Company ownership of AMB of 84.14%.

C. MEASUREMENT UNCERTAINTY AND CRITICAL JUDGEMENTS

The preparation of financial statements in accordance with IFRS as issued by the *International Accounting Standards Board (IASB)* and interpretations of the *International Financial Reporting Interpretations Committee (IFRIC)* requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions, which by their nature are uncertain, affect the carrying value of assets. Other significant estimates made by the Company, include factors affecting valuations of share-based compensation and income tax accounts. The Company regularly reviews its estimates and assumptions, however actual results could differ from these estimates and these differences could be material and would not be considered an error. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Provision for closure and reclamation

The Company's operations are subject to environmental regulations in the Democratic Republic of Congo. Upon establishment of commercial viability of the Bisie Tin Mine and subsequent commencement of development activity, the Company estimated the cost to restore the site following the completion of commercial activities and depletion of reserves.

These future obligations are estimated by taking into consideration closure plans, known environmental impacts, and internal and external studies, which estimate the activities and costs that will be carried out to meet the decommissioning and environmental rehabilitation obligations. The Company records a liability and a corresponding asset for the present value of the estimated costs of legal and constructive obligations for mine rehabilitation, based on environmental disturbances incurred up to the end of each reporting period. During the mine rehabilitation process, there will be a probable outflow of resources required to settle the obligation and a reliable estimate can be made of those obligations. The present value is determined based on current market assessments using the risk-free rate of borrowing which is approximated by the yield of government bonds with a maturity similar to that of the mine life. The discounted liability is adjusted at the end of each reporting period with the passage of time and for the estimated rehabilitation cost related to any new environmental disturbances incurred during that period. The provision represents management's best estimate of the present value of the future mine rehabilitation costs, which may not be incurred for several years or decades, and, as such, actual expenditures may vary from the amount currently estimated. The decommissioning and environmental rehabilitation cost estimates could change due to amendments in laws and regulations in the Democratic Republic of Congo. Additionally, actual estimated costs may differ from those projected as a result of a change over time of actual remediation costs, a change in the timing for utilization of reserves and the potential for increasingly stringent environmental regulatory requirements.

Exploration and Evaluation Assets and Mine under construction
During December 2017, the Company assessed the technical feasibility and commercial viability of its Bisie Tin Mine Project, together with the availability of project funding and formally approved the commencement of full-scale development activities, resulting in the reclassification of the Exploration and Evaluation Asset to Mine under construction. New exploration following commercial production at Bisie is recorded as a new Exploration and Evaluation asset at cost and refers to the search for other mineral orebodies within the mining and exploration licenses that the Company owns the mineral rights for. Such exploration cost is carried at cost until such time as management determine that the area is economically viable, in which case it will be transferred into mine under construction or written off if not pursued further.

Assumptions are used in estimating the Company's reserves and resources that might be extracted from the Company's properties. Judgement is applied in determining when an Exploration and Evaluation Asset demonstrates technical feasibility and commercial viability and transitions to the development stage, requiring reclassification to mine under construction within non-current assets.

Reclassification of mine under construction to property, plant and equipment

In order to determine whether a project is ready to operate as intended by management, judgement is applied taking into account commercial production indicators such as the level of expenditure incurred compared to the total capital cost to completion, pre-production output having reached a nominated percentage, the majority of the assets necessary for the mining project having been substantially completed and ready for use and the project's ability to sustain commercial levels of production. These indicators provide guidance to recognise when the mine development phase will cease, and the production phase will commence.
In 2019 the mine reached commercial production. Refer to note 7 for further details.

Share-based payments
The share-based payments expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options, which requires inputs in calculating the fair value for share-based payments expense, included in profit or loss. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares and the expected life of the options. The value of the share-based payment expense for the period along with the assumptions and model used for estimating fair value for share-based compensation are disclosed in Note 19.

Impairment
Non-financial assets

An impairment review of property, plant and equipment is carried out by comparing the carrying amount thereof to its recoverable amount when there is an indication that these assets may be impaired. The recoverable amount of property, plant and equipment is determined as the higher of the fair value less cost to sell and its value in use. For mining assets this is determined based on the fair value which is the present value of the estimated future cash flows arising from the use of the asset. Where the recoverable amount is less than the carrying amount, the impairment charge will reduce the carrying amount of property, plant and equipment to its recoverable amount. The adjusted carrying amount is depreciated over the remaining useful life of property, plant and equipment. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised directly in profit or loss.

Estimates are made in determining the recoverable amount of assets which includes the estimation of cash flows and discount rates used. In estimating the cash flows, management bases cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the assets. The discount rates used reflect the current market assessment of the time value of money and the risks specific to the assets for which the future cash flow estimates have not been adjusted. Changes in such estimates could impact the recoverable amount of these assets.

Estimates are reviewed regularly by management.

Useful lives of mineral properties, plant and equipment

The depreciable amounts of assets are allocated on a systematic basis over their useful lives. In determining the depreciable amount, management makes assumptions in respect to the residual value of assets based on the expected estimated amount that the entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal. If an asset is expected to be abandoned the residual value is estimated at zero. Due to the remote location of the mine as well as the specialised nature of the property, plant and equipment, management has estimated the residual value of property, plant and equipment to be zero.

In determining the useful life of assets, management considers the expected usage of assets, expected physical wear and tear, legal or similar limits of assets such as mineral rights as well as obsolescence.

Estimated mineral resources are used in determining the depreciation of certain assets. This results in a depreciation expense proportional to the depletion of the anticipated remaining life-of-mine production. The estimate of the remaining life of the Company's mineral producing properties is based on a combination of quantitative and qualitative factors including historical production and financial results, mineral resources reported under National Instrument 43-101 reports, and management's intent to operate the property. The estimated remaining life of mineral producing properties are used to calculate amortization and depletion expenses, assess impairment charges and the carrying value of assets, and for forecasting the timing of the payments of reclamation and remediation costs.

D. CASH AND CASH EQUIVALENTS

Cash consists of cash on hand and of deposits in banks.

E. REVENUE

The Company sells its product on Free-On-Truck (FOT) Incoterms. This means that the Company is not responsible for freight or insurance once control of the goods has passed. The FOT Incoterm consists of one performance obligation, being for the provision of tin concentrate at contractually agreed specifications. The table below illustrates at what point control passes for this performance obligation.

Revenue type	Tin Concentrate
Inco terms	FOT
Performance obligation	Supply of tin concentrate at contractually agreed specifications at delivery point.
Timing of when performance obligation is satisfied	On delivery of the tin concentrate to the customer.
Payment terms	80% upon delivery, 15% upon the concentrate crossing the DRC border and the balance between 30 and 150 days upon final smelter assay finalisation.

During the year the Company commenced selling under a revised offtake contract whereby product can be delivered at the Company's mine site. The revised offtake agreement came into effect on 11 February 2020. Control passes to the customer when product is delivered FOT. Delivery can take place at any of three agreed delivery points, being (1) Logu (mine site), (2) Goma, North Kivu, DRC or (3) Kampala, Uganda. The delivery point is agreed between the customer and the Company from time to time.

Contractually, revenue was recorded based on the three-month LME spot price on the day prior to invoice date and provisional mine assays. For the first four months of 2020, the final price was based on the average three-month LME price in the month following delivery, with final invoices being raised upon receipt of final assays at the point of smelting. Commodity price adjustments during this period are separately disclosed in the revenue note as other revenue (note 21). Invoices are raised on FOT delivery date.

As a result of COVID-19 related price volatility the Company commenced final pricing of tin concentrate prior to delivery. From May 2020 the price of tin concentrate is fixed just prior to delivery based on the 4 month tin price. The date of invoice is the date when control passes to the customer. Final pricing has eliminated price risk and will be implemented for the foreseeable future.

Final assay adjustments are recorded against revenue.

During the year management noted discrepancies between provisional mine assays and final assays. During this period revenue was recognised to the extent that a significant reversal was highly improbable The Company in laision with the independent assayor on site, subsequently improved the assay method and the problem is now resolved. Mine assays are believed to be highly accurate.

F. INVENTORIES

Inventory consists of tin concentrate which has been produced to contracted specifications. Concentrate inventories are carried at the lower of cost (determined on the weighted average basis) or net realizable value. The Company does not currently value run of mine ore produced from underground due to the low levels and values of such stockpiles.

Net realizable value is the estimated selling price net of any estimated selling costs in the ordinary course of business. Write-downs of mineralized concentrate, resulting from net realizable value impairments, are reported as an expense within cost of sales in the period of write down.

Consumables stores are valued at the lower of cost (determined on the weighted average basis) and net realizable value. Replacement cost is used as the best available measure of net realizable value.

G. FOREIGN CURRENCY TRANSLATION AND TRANSACTIONS

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. Following the change in functional currency of the Company from the Canadian dollar to United States dollar on January 1, 2015, the functional currency of the Company is the United States dollar. The change in functional currency resulted in a permanent foreign currency translation reserve amount of $1,511,737.

Transactions and balances in currencies other than the United States dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period-end exchange rate, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of profit/(loss) and comprehensive profit/(loss).

The financial results and position of foreign operations, whose functional currency is different from the reporting currency are translated as follows:

I. assets and liabilities are translated at period-end exchange rates prevailing at that reporting date;
II. income and expenses are translated at average exchange rates for the period; and
III. equity items are translated at historical rates.

Exchange gains and losses are included as part of the foreign currency translation reserve on the statement of financial position.

H. LEASES LIABILITIES AND RIGHT-OF USE ASSETS

The group leases various mining machines and a fuel farm at its operation in DRC. Rental contracts are typically made for fixed periods of 3 to 5 years. The Company's lease Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Leased assets may not be used as security for borrowing purposes. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Assets and liabilities arising from a lease are initially measured on a present value basis, using the incremental borrowing rate as the discount rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liabilities are initially measured at the present value of the lease payments payable over the term of the lease and are discounted at the incremental borrowing rate. Lease payments are determined in accordance with contracts.

I. EXPLORATION AND EVALUATION ASSETS

Recognition and measurement
Exploration and Evaluation Costs are those costs required to find a mineral property and determine technical feasibility and commercial viability. Exploration and Evaluation costs include costs to establish an initial mineral resource and determine whether inferred mineral resources can be upgraded to measured and indicated mineral resources and whether measured and indicated mineral resources are commercially viable. Costs incurred before the Company has obtained the legal right to explore an area are recognised in the consolidated statement of profit/(loss) and comprehensive profit/(loss).

Exploration and Evaluation Costs relating to the acquisition of, exploration for and development of mineral properties are capitalised and include, but are not restricted to: drilling, trenching, sampling, surveying and gathering exploration data; tunnelling and development, calculation and definition of mineral resource; test work on geology, metallurgy, mining, geotechnical and geophysical; and conducting geological, geophysical, engineering, environmental, marketing and financial studies.

Administration costs that do not relate directly to specific exploration and evaluation activity for capitalised projects are expensed as incurred.

Impairment
All capitalised Exploration and Evaluation Expenditures are monitored for indications of impairment. Indicators of impairment include, but are not limited to:

I. the period for which the right to explore is less than one year;

II. further exploration expenditures are not anticipated;
III. a decision to discontinue activities in a specific area; and
IV. the existence of enough data indicating that the carrying amount of an Exploration and Evaluation Asset is unlikely to be recovered from the development or sale of the asset.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that Exploration and Evaluation Assets are not expected to be recovered, they are charged to the consolidated statement of profit/(loss) and comprehensive profit/(loss).

Reclassification to Mine under construction
Capitalised Exploration and Evaluation Costs for a project are classified as such until the project demonstrates technical feasibility and commercial viability. Upon demonstrating technical feasibility and commercial viability, and subject to an impairment analysis, capitalised exploration costs are transferred/reclassified to Mine under construction within non-current assets. Demonstration of technical feasibility and commercial viability generally coincide with a board decision and approval to commence development and construction of a mine. This assessment also includes an assessment of initial development funding required, as well as the availability of such funds. In addition, the assessment includes the estimation of projected future operating cash flows based on a detailed mine design plan supporting the extraction and production of established proven and probable reserves and an estimate of mineral resources expected to be converted into reserves in the future and includes initial construction and sustaining capital expenditures. However, this determination may also be impacted by management's assessment of certain modifying factors including legal, environmental, social and governmental factors. All subsequent expenditures on the development, construction, installation or completion of infrastructure facilities are capitalised as part of Mine under construction within non-current assets.

J. PLANT AND EQUIPMENT
Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
Land and assets under construction are stated at cost and are not depreciated. Buildings, including certain non-mining residential buildings, and all other items of property, plant and equipment are reflected at cost less accumulated depreciation and accumulated impairment losses.

Capitalised mine development and infrastructure costs (shown as mining property) are depreciated on a unit-of-production basis. Depreciation is charged on mining assets from the date on which the assets are available for use as intended by management.

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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is charged on a systematic basis over the estimated useful lives of the assets after taking into account the estimated residual values of the assets. Useful life is either the period of time over which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of the asset.
The estimated useful lives of items of property, plant and equipment are:

Mining property	Units of production
Plant and equipment	2 - 12.5 years
Land	Not depreciated
Buildings	12.5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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 profit or loss.

K. SHARE-BASED PAYMENTS

The stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognised as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to capital stock.

The fair value is measured at grant date and each tranche is recognised over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted.

At each financial position reporting date, the amount recognised as an expense is adjusted to reflect the number of stock options that are expected to vest. Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognised in the statement of profit/(loss) over the vesting period, described as the period during which all the vesting conditions are to be satisfied. Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of profit/(loss). Amounts related to the issuance of shares are recorded as a reduction of capital stock. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value of the shares or equity instruments issued is used.

L. INCOME TAXES

<u>Current tax</u>

Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company reconciles the tax charge for the year to the parent Company's tax rate, which in Mauritius is an effective rate of 3%.

<u>Deferred tax</u>

The estimation of income taxes, includes evaluating the recognition of deferred tax assets based on an assessment of the Company's ability to utilise the underlying future tax deductions against future taxable income, prior to expiry of those deductions. Management assesses whether it is probable that some, or all of the recognised or unrecognised deferred income tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialisation of mineral reserves. To the extent that management's assessment of the Company's ability to utilise future tax deductions changes, the Company would be required to recognise more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected. Management believes that future profits will allow realization of the deferred tax asset. Please see note 10.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will

not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.
Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

M. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE

The basic earnings/(loss) per share is computed by dividing the net earnings/(loss) attributable to ordinary shareholders of the parent company by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. For this purpose, the "treasury stock method" is used for the assumed proceeds upon the exercise of stock options and warrants that are used to purchase common shares at the average market price during the period.

N. PROVISION FOR ENVIRONMENTAL REHABILITATION

The Company recognises liabilities for legal or constructive obligations associated with the retirement of Exploration and Evaluation Assets and plant and equipment. The net present value of future rehabilitation costs is capitalised to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflects the time value of money, are used to calculate the net present value. The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. Changes in the rehabilitation liability will be added to or deducted from the cost of the related asset and in the event the amount to be deducted exceeds the carrying amount of the asset the excess shall be recognised immediately in profit or loss.

O. CAPITAL STOCK

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and stock options are recognised as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The Company first values the warrants at their fair value using option pricing methodologies. The balance is allocated to the common shares.

P. MINE UNDER CONSTRUCTION

Upon completion of a technical feasibility study determining the commercial viability of extracting a mineral resource, as well as a board decision to mine and project finance being substantially in place, exploration and development expenditures are transferred to Mine under construction. All subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized to mine under construction until the commencement of commercial production.

Development expenditures are net of proceeds from sale of ore extracted during the development phase. After commercial production starts, all assets included in Mine under construction are transferred to Property, Plant and Equipment. Capitalized development expenditures are not depreciated until the assets are ready for their intended use. Upon completion of construction, mining assets are depreciated either over the period of time over which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of the asset

The Company assesses the stage of each mine under construction to determine when a mine has moved into the commercial production phase. Capitalization of costs, including certain mine development and construction costs, ceases when the related mining property has reached a pre-determined level of operating capacity intended by management. Costs incurred prior to this point, including depreciation of related plant and equipment, are capitalized and proceeds from sale of ore extracted during this period are offset against capitalized costs.

Q. FINANCIAL INSTRUMENTS

Financial assets
Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Company'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 be recorded in profit or loss.

Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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

Amortized 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 amortized 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 recognized directly in profit or loss. Impairment losses are presented as separate line item in the statements of comprehensive profit/(loss).

FVTPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss.

Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For accounts receivable up until May 2020, with a provisional tin pricing arrangement, was accounted for as fair value through profit or loss.

From May 2020 the Company started fixing tin prices prior to delivery, resulting in recognition of trade receivables at amortized cost as laid out above.

The designation determined the method by which the financial assets were measured on the statement of financial position subsequent to inception and how changes in value were recorded.

Financial liabilities

The Company classifies its financial liabilities into one of the following categories:

Fair value through profit or loss – this category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognised in profit or loss.

Other financial liabilities – this category consists of liabilities carried at amortised cost using the effective interest method.

R. DEBT AND BORROWING COSTS

Debt is initially recorded at fair value, less transaction costs and is subsequently measured at amortized cost, calculated using the effective interest rate method.

Borrowing costs are expensed as incurred except where they relate to the financing of construction or development of qualifying assets in which case they are capitalized up to the date when the qualifying asset is ready for its intended use.

S. IMPAIRMENT OF NON-FINANCIAL ASSETS

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Fair value less costs to sell (FVLCS) is the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.
Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. INVENTORY

	December 31 2020 USD	December 31 2019 USD
Tin concentrate	9,666,378	23,989,399
Consumable stores	12,199,319	3,765,375
	21,865,697	27,754,774

Tin concentrate consists of final product at the Company's premises. There were no write downs of tin concentrate during the year. An amount of $14,323,021 (2019: $15,215,174) was debited to the cost of sales during the year relating to tin concentrate inventory movement. This was as a result of reducing stockpiles early in the year following the reopening of logistics routes out of the mine.

Consumable stores consist of items such as inventories of diesel, explosives, cement, mine construction materials, fleet maintenance materials, personal protective equipment and other mining and process plant consumables and spares. An amount of $15,129,951 (2019: $3,198,309) was debited to cost of sales from consumable stores during the year. No inventory is carried at net realisable value.

Consumable stores are pledged as security under the Company's credit facility.

4. ACCOUNTS RECEIVABLE

	December 31 2020 USD	December 31 2019 USD
Trade receivables	7,601,489	1,485,687

Accounts receivable are amounts due from the customer for tin concentrate sold in the ordinary course of business. They are generally due for settlement within 30 – 150 days and are therefore classified as current. Up until May 2020, accounts receivable were measured at fair value through profit or loss from the date of recognition up to date of settlement, as it failed the IFRS 9 amortised cost requirement of cash flows representing solely payments of principal and interest.

In May 2020, the Company moved to final tin price invoicing just prior to delivery. Since then accounts receivable are valued at amortised cost. In determining a loss allowance, the Company applied a simplified lifetime expected credit loss approach which considered the financial health and payment history of the customer. Based on the low probability of default and expectation that any potential loss would be limited, the calculated loss allowance at year-end was immaterial.

The fair value changes due to non-market variability (that is changes based on quantity and quality of the tin concentrate) is considered to be variable consideration within the scope of IFRS 15 as Alphamin's right to consideration is contingent upon the physical attributes of the tin concentrate.

The fair value changes due to market variability (that is changes in the commodity prices and exchange rates) are not in the scope of IFRS 15 and are therefore not presented as revenue from contracts with customers. The changes in commodity prices are accounted for as other revenue and disclosed separately from revenue from contracts with customers in note 21.

5. PREPAIDS AND OTHER RECEIVABLES

Item	December 31 2020 USD	December 31 2019 USD
Current		
Supplier prepayments[1]	2,285,345	2,645,957
VAT receivable[2]	3,384,844	12,262,589
Tax prepayment[3]	469,205	469,205
Deferred expenses	570,877	2,255,721
	6,710,271	17,633,472

Non-current		
Environmental deposit in DRC[4]	359,678	264,066
VAT receivable[2]	10,154,531	-
	10,514,209	264,066

[1] *Supplier prepayments primarily relate to consumables and equipment ordered for the mine.*

[2] *VAT receivable was reclassified from mine under construction in 2019 due to increased confidence in recovery resulting from VAT refunds being received in 2019 and the option to off-set against future taxes subject to regulatory approval. Due to slow repayment of the VAT receivable, 75% of the outstanding balance at December 31, 2020 has been assessed as receivable in greater than one year.*

[3] *The tax prepayment relates to costs incurred by the Company's subsidiary in the DRC on upgrading a public road in the DRC. It has been agreed that this expenditure can be offset against future provincial taxes due by the Company's subsidiary in the DRC.*

[4] *The environmental deposit in the DRC relates to funds deposited with the central bank in the DRC. These funds will be utilised toward any future environmental rehabilitation activities. The deposit will be returned to the Company in the event that the funds are not utilised.*

6. CASH AND CASH EQUIVALENTS

	December 31 2020 USD	December 31 2019 USD
Cash at bank	6,551,813	5,936,518
Cash on hand	6,705	4,725
	6,558,518	5,941,243

Under the terms of the credit facility (See note 16) all bank accounts of the Company are pledged as security.

7. PLANT AND EQUIPMENT

Description	Mining Property costs $	Right of use assets	Land & buildings	Buildings plant & Equipment	Total $
Cost					
Opening balance January 1, 2019	-	-	775,104	4,504,212	5,279,316
Additions during the year	-	1,770,500	259,089	1,099,102	3,128,691
Transfers during the year	160,381,967	2,470,775	-	93,751,023	256,603,765
Closing balance December 31, 2019	160,381,967	4,241,275	1,034,193	99,354,337	265,011,772
Additions during the year	-	3,795,891	-	5,652,817	9,448,708
Closing balance December 31, 2020	160,381,967	8,037,166	1,034,193	105,007,154	274,460,480
Accumulated Depreciation					
Opening balance January 1, 2019	-	-	-	(1,341,413)	(1,341,413)
Transfers during the year	-	(379,165)	-	379,165	
Depreciation capitalised during the year	-	(329,437)	(27,578)	(260,567)	(617,582)
Depreciation expense during the year	(4,668,080)	(184,035)	-	(3,075,209)	(7,927,324)
Closing balance December 31, 2019	(4,668,080)	(892,637)	(27,578)	(4,298,024)	(9,886,319)
Depreciation expense during the year	(14,014,980)	(973,360)	(82,735)	(10,399,715)	(25,470,790)
Closing balance December 31, 2020	(18,683,060)	(1,865,997)	(110,313)	(14,697,739)	(35,357,109)
Net closing value					
December 31, 2019	155,713,887	3,348,638	1,006,615	95,056,313	255,125,453
December 31, 2020	141,698,907	6,171,169	923,880	90,309,415	239,103,371

All of the Company's assets are secured by the lenders of the Company's credit facility. From 2015, the Company focussed exclusively on the development of the Bisie Tin Mine, its principal project in the Democratic Republic of Congo (DRC). Construction was completed at Bisie in H1 2019.

The mine reached commercial production on 1 September 2019. Up to this date, costs directly related to the development of the Bisie tin mine, including pre commercial production revenue and costs of sales, were capitalised to the mine under construction asset. These costs were reclassified from mine work-in-progress to the different classes of assets and depreciation commenced in accordance with IAS 16.

By the second half of 2019 the required life of mine infrastructure had been commissioned and proven to be operationally robust with sufficient ore reserves developed to confidently transition the operation to commercial status as of 1 September 2019. At this point, the total expenditure expected to be incurred to complete the project versus the total capital expenditure on the project was in excess of 90%, the project progress against schedule was in excess of 90%.

On 1 September 2019 costs related to acquisition, exploration, evaluation and development of the Bisie project amounting to USD 256 million were transferred from Mine under construction to Property and equipment.

A. IMPAIRMENT ASSESSMENT

International Financial Reporting Standards (IFRS) require long-lived assets to be assessed for impairment when there is an indication of impairment. The Company considered a combination of factors such as the marginal headroom between the Company's net asset value and its market capitalization, various tin price scenarios in a volatile market and the impact of COVID-19.

An impairment test of the carrying value of the property, plant and equipment was performed. The recoverable amount of the assets were determined under the 'Income Approach' using a Discounted Cash Flow (DCF) model based on the latest feasibility studies and most up to date management information available supported by geological studies and input from independent mining engineers and competent persons.

The following are the key assumptions to the impairment testing:

- Life of mine of 12.5 years
- Average long-term real tin price of US$ 18,000 per ton
- Real post-tax discount rate of 10%.

Based on the above base case assumptions there is a headroom of $76,237,374 and no impairment provision was required. In addition, the following sensitivity analyses were considered:

- A 15% reduction in the assumed average long-term real tin price
- Real post-tax discount rates ranging up to 15%

Based on the above sensitivity analyses, no impairment provision was required in any of the above scenarios, individually and in aggregate.

8. MINE UNDER CONSTRUCTION

	December 31, 2020 USD	December 31, 2019 USD
Opening balance	-	226,687,700
Capital additions	-	46,686,998
Capitalised pre commercial production net revenue	-	(17,053,960)
Capitalised depreciation	-	617,582
Capitalised interest and amortised finance fees	-	10,017,326
Rehabilitation and closure asset	-	14,855
Reallocation of vat receivable	-	(10,366,736)
Transfer to Plant and equipment	-	(256,603,765
Closing Balance	-	-

Mine under construction related to the construction phase of the Company's Bisie Tin Mine in the DRC. This asset was reclassified from Exploration and Evaluation assets during December 2017. Upon declaring commercial production on September 1, 2019, the Company transferred the balance in mine under construction to plant and equipment and started depreciating the asset.

Mines under construction are not depreciated until construction is completed. This is signified when the mining project has reached a pre-determined level of operating capacity as intended by management. Revenues realized before commencement of commercial production ("pre-commercial production revenue") are recorded as a reduction of the respective mining asset.

9. INCOME TAX

The income tax expense differs from the amount that would result from applying the Mauritian income tax rates to earnings before income taxes. These differences result from the following items;

	December 31, 2020 USD	**December 31, 2019 USD**
(Loss) before income tax	(725,310)	(2,631,838)
Mauritian statutory rate	3%	3%
Expected income tax credit	21,759	78,955
Increase/(decrease) due to:		
Non-deductible expenses	(2,006,493)	(1,982,137)
Taxation rate differential	(3,746,224)	1,872,017
Deferred tax not previously recognized	-	8,090,890
Deferred tax not recognized	(47,189)	(32,300)
Turnover tax in the Democratic Republic of Congo	(1,362,852)	(272,210)
Tax (expense)/credit	(7,141,000)	7,755,215
Income tax (expense)/credit consists of the following:		
Current income tax	(1,397,498)	(301,411)
Deferred income tax	(5,743,502)	8,056,626

Turnover tax in the Democratic Republic of Congo is applied at a rate of 1% of a Company's revenue where a Company is in a loss-making position in terms of DRC tax and accounting law.

Non-deductible expenses relate to various Income statement expenses which are not allowable for income tax purposes in the various jurisdictions in which Alphamin operates and include warrant expenses (at parent company level) and various operating expenditures which are not allowable in terms of DRC tax law such as transport of concentrate.

10. DEFERRED TAX

The deferred tax assets as at December 31, 2020 and December 31, 2019 are presented as follows;

Movement in deferred tax	Balance as at 1 January 2019	Recognised in profit or loss	Balance as at December 31 2019	Recognised in profit or loss	Balance as at December 31 2020
Plant and equipment	-	(5,289,797)	(5,289,797)	(10,221,837)	(15,511,634)
Assessed losses	-	13,346,423	13,346,423	8,031,744	21,378,167
Inventory	-	-	-	3,186,718	3,186,718
Accounts receivable	-	-	-	(6,046,358)	(6,046,358)
Accounts payable and accrued liabilities	-	-	-	(693,769)	(693,769)
Net deferred tax assets/liabilities	-	8,056,626	8,056,626	(5,743,502)	2,313,124
			-		
Offsetting of assets and liabilities					
Deferred tax assets	-	-	13,346,423	-	24,564,885
Deffered tax liabilities	-	-	(5,289,797)	-	(22,251,761)
Net deferred tax asset	-	-	8,056,626	-	2,313,124
Deferred tax asset					
To be recovered within 12 months					24,564,885
To be recovered in greater than 12 months					-
					24,564,885
Deferred tax liability					
To be recovered within 12 months					(8,291,290)
To be recovered in greater than 12 months					(13,960,471)
					(22,251,761)

Deferred tax is expected to be fully recovered in 2021.

Deferred tax assets and liabilities are only offset when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. Deferred tax assets are expected to realise through profits. Deferred tax is recognised only in respect of the DRC operating subsidiary which made a tax loss under OHADA due to accelerated depreciation allowed under DRC mining code but a profit under IFRS in 2020. It is expected that the DRC operating subsidiary will make a profit in 2021.

11. EXPLORATION AND EVALUATION ASSETS

	December 31 2020 USD	December 31 2019 USD
Mpama South exploration project	3,054,704	2,310,934

The Mpama South deposit lies approximately 1 kilometre south of the Company's flagship Mpama North asset. The deposit lies in mining permit PE13155 which is valid until 2045. A new drilling campaign commenced at Mpama South in Q4, 2020.

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Current	December 31, 2020 USD	December 31, 2019 USD
Accounts payable	11,013,369	17,933,696
Accrued liabilities	3,452,844	2,554,024
Payroll accruals	66,369	177,897
Payroll tax liabilities	1,453,004	1,146,762
Other tax liabilities	1,002,574	942,749
	16,988,160	22,815,128

Non-current	**USD**	**USD**
Accounts payable	-	1,475,280

Accounts payable and accrued liabilities are mainly comprised of amounts payable for mine consumables and other operating expenses, as well as mining machinery acquired from the Company's former mining contractor at the end of the development phase. The credit term for purchases typically ranges from 30 to 60 days, with the exception of the mining machinery which will be paid off over FY2021.

Other tax liabilities include government royalties, turnover tax (minimum corporate tax due in DRC while the DRC subsidiary is loss making) and withholding taxes.

Non-current accounts payable in 2019 related to mining assets purchased from the Company's former mining contractor. These amounts will continue to be paid in 2021 and have now all been classified as due within one year.

13. LEASE LIABILITIES

	December 31, 2020 USD	**December 31, 2019 USD**
Current	1,315,694	531,149
Non-current	2,085,447	1,444,887
	3,401,141	1,976,036
Summary of lease liabilities by period of redemption		
Less than one year	1,315,694	531,149
Between one and two years	1,195,175	1,444,887
Between two and three years	890,272	-
Total lease liabilities	3,401,141	1,976,036

Analysis of movement in lease liabilities		
At the beginning of the year	1,976,036	1,242,241
New leases	2,744,102	1,504,924
Capital repayments	(1,318,997)	(771,129)
- Lease payments	(1,594,350)	(898,827)
- Interest charged	275,353	127,698
At the end of the period/year	3,401,141	1,976,036

The lease liabilities relate to the right-of-use assets disclosed in note 7. Interest is based on incremental borrowing rates between 8.95%. and 10%

During the year the Company entered into three new leases. Two related to the acquisition of underground mine trucks from Epiroc Financial Solutions and will be repaid over a period of three years. A third lease was entered into as part of the Company's fuel supply agreement whereby the supplier has constructed a fuel farm for the Company's exclusive use at the Company's premises with capacity for approximately 1.3m litres of diesel. Under the terms of the contract the fuel supplier also operates the fuel farm but the construction cost, which was incurred by the lessor, will be repaid by the Company over the term of the contract, at which point ownership will pass to the Company.

14. TRADER ADVANCES

	December 31, 2020 USD	December 31, 2019 USD
Trader advances	-	12,600,000

On December 9, 2019, following disruption to the Company's supply chain caused by the collapse of the Maiko bridge on the outbound provincial road, the Company entered into a spot contract for the sale of $20m of tin concentrate.

Under the terms of the sale the full $20m was received pre year end and the Company returned $7.4m to the customer as a deposit return. The Company was obliged to ensure that the tin concentrate had entered into Uganda within 30 days of the repair of the bridge or the trader (Gerald group) could demand a refund.

The transaction was accounted for as trader financing, was secured against 2,964 tons of tin concentrate and carried an interest rate of 15% plus libor while the lots remained in the DRC. The 2019 advance was extinguished in the first quarter of 2020 through the delivery of these lots to the designated delivery point in Uganda.

15. RELATED PARTY TRANSACTIONS

KEY MANAGEMENT PERSONNEL

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that the key management personnel consist of executive and non-executive members of the Company's board of directors and corporate officers. Remuneration attributed to key management personnel can be summarized as follows:

Item	Relationship	December 31 2020 USD	December 31 2019 USD
Director and Officer fees	Directors, officers	1,670,683	1,665,985
Secretarial and administrative fees	Corporate Secretary	36,000	36,000
Management fees	Directors	138,900	138,900
Share based payments	Directors, officers	288,704	159,889

Debt due to related parties of $12,257,520 (December 31, 2019 – $29,636,371) are due to Tremont Master Holdings. Tremont Master Holdings is the majority shareholder of the Company. See Note 16 for further details relating to the related party debt owed to Tremont Master Holdings.

Accounts payable due to related parties of $48,716 (December 31, 2019: $671,588) relates primarily to management fees due to Pangea Exploration PTY Ltd, a management Company of which directors Maritz Smith and Boris Kamstra are also directors.

In line with the DRC mining code, the Company's subsidiary Alphamin Bisie Mining SA (ABM) granted 5% of its share capital to the Government of the DRC during the 2015 financial year. To facilitate this, ABM divided their share capital into two classes, "A" shares and "B" shares. The "B" shares are intended to be held solely by the Government of the DRC and are non-dilutable at 5% of total share capital ("A" plus "B") in issue. "B" class shares have normal voting rights on a pro rata basis and the DRC Government has a right to appoint one director to the ABM board. The 5% is a free carry under the terms of the DRC mining code, hence the DRC Government is not required to contribute on granting of their initial holding or further issues to maintain their stake at 5%.

In November 2015, the Company entered into an agreement with the Industrial Development Corporation of South Africa Limited (IDC) pursuant to which the IDC could invest up to $10,000,000 directly into ABM, in three tranches, subject to the completion of certain milestones. As at the 2016 financial year end the Company had received all tranches, resulting in an ownership in ABM of 14.25% by the IDC. Under the terms of the shareholders' agreement the IDC were granted an "offtake option". Under the offtake option the IDC is entitled, as long as it owns 11% or more of ABM's "A" class shares, to an option to purchase from ABM a portion of its tin concentrate production. The percentage of production that the IDC may acquire under this option, cannot exceed their percentage holding in the "A" class shares of ABM at the date of exercise. The IDC shall only be able to benefit from the "offtake option" if the relevant percentage of the Company's production is not already committed to other buyers in respect to the relevant period. The offtake acquired can only be for a minimum of six months and a maximum of twelve months and must be purchased at the same average price and other terms as ABM is able to, and would otherwise intend to, sell its product to other third-party purchasers. The "offtake option" is not transferrable. The IDC waived this right to allow ABM to enter into an arm's-length offtake agreement with the Gerald Metals group in Q1 2018.

Under the terms of the IDC shareholders' agreement, a qualifying "seller", defined as a shareholder, or two or more shareholders acting together, holding more than 50% of the "A" class shares of ABM, has drag along and tag along rights that are normal in transactions of this nature. The IDC has also granted pre-emption rights to the other "A" class shareholders, entitling them to a right of first refusal on any partial or full sale of their shares. The IDC may propose (but is not obliged) at any time during the "Exit Period" that Alphamin Resources acquire all, but not less than all of its shares in exchange for shares in Alphamin Resources (the Share Swap), which shall be based on the then fair market value of the "A" class shares, and on terms to be mutually agreed to by Alphamin Resources and the IDC. The "Exit Period" originally referred to the earlier of five years from the date of signature, or one year from the date the Bisie Tin Mine Project reached 90% of its intended maximum production, having been fully funded and fully implemented. This was amended to expire on February 12, 2023.
The debt reduction in May 2020 resulted in a new intercompany loan being created between Alphamin Resources Corp. and ABM. This was due to parent Company settling the subsidary's debt in exchange for an intercompany loan. In Q4, 2020 the parent Company indirectly converted into equity its shareholder loan resulting in an increase in its ownership of ABM from 80.75% to 84.14% (and a consequential dilution in the IDC's proportional shareholding).

16. DEBT

Debt	Related party debt	Non-related party debt	Total
	USD	USD	USD
Balance, December 31, 2018	25,352,945	55,543,156	80,896,101
Interest charged	4,778,104	10,492,079	15,280,183
Interest payments made	(827,406)	(1,813,078)	(2,640,484)
Amortisation of capitalised fees	322,728	710,004	1,032,732
Balance, December 31, 2019	29,636,371	64,932,161	94,568,532
Capital repayment – paid in shares	(19,000,000)	-	(19,000,000)
Capital repayment – paid in cash	(270,755)	(18,464,539)	(18,735,294)
Interest accrued	2,417,215	8,022,692	10,439,907
Interest repaid	(1,608,833)	(6,065,615)	(7,674,448)
Amortisation of capitalised fees	322,728	710,004	1,032,732
Balance, December 31, 2020	**11,496,726**	**49,134,703**	**60,631,429**
Due within one year	5,011,310	20,799,179	25,810,480
Due in greater than one year	6,485,416	28,335,524	34,820,940
	11,496,726	**49,134,703**	**60,631,429**

Initial Principal	25,000,000	55,000,000	80,000,000
Interest oustanding	6,528,275	14,272,983	20,801,258
Capital repayments	(19,270,755)	(18,464,539)	(37,735,294)
Principal oustanding	12,257,520	50,808,444	63,065,964
Unamortised fees	(760,794)	(1,673,742)	(2,434,535)
Balance as at December 31, 2020	11,496,726	49,134,702	60,631,429

On November 9, 2017 the Company entered into a credit facility of up to $80 million from a syndicate of lenders for the construction of the Bisie Tin Mine. As at December 31, 2020 the Company owed $63,065,964 to the lenders.

On May 15, 2020 the Company concluded a private placement of $31m which was applied to reduce the debt balance. Concurrently with the debt reduction the Company signed an amended and restated credit agreement with improved terms. The restructure was accounted for as a modification on the basis that there was not a substantial modification of the loan in terms of IFRS.

The key terms of the credit facility (after completion of the debt restructure) are:

- Senior secured, non-revolving term credit facility.
- Capital repayments commence on July 31, 2020 for an amount of $845k, going to $2.1m per month from January 2021. The debt contractually matures on June 30, 2023 but is expected to be settle significantly sooner due to the 50% cash sweep of free cash flow per quarter.
- Effective Coupon of 10.56% (down from 14%) plus the greater of US dollar 3-month LIBOR and 1 percent per annum until December 31, 2021, reverting back to the original 14% plus LIBOR thereafter.
- Partial interest holiday from May 2020 to December 2020.
- Cash sweep of 50 percent of excess cash flow with effect from July 31, 2020.
- A security package typical for a transaction of this nature including a mortgage over the Company's shares in each subsidiary, cash balances, moveable assets and the mining license PE1355 covering the Mpama North Tin Project.
- Material adverse change clauses typical of transactions of this nature.
- Covenants including but not limited to the below effective from commencement of capital repayments:
  - (i) From January 2021, net working capital excluding credit facility amounts due and warrant liabilities, is in excess of $10,000,000 and the amount of its Unrestricted Cash is greater than $5,000,000:
  - (iii) the Debt Service Cover Ratio is greater than or equal to 1:5 to 1.00 from July 2021:
  - (iv) the Total Debt to Equity Ratio is less than 60 to 40:
  - (v) Loan Life Cover Ratio is greater than 2.00 to 1.00; and
  - (vi) the Reserve Tail Ratio is greater than 30%.

NET DEBT RECONCILIATION	**December 31, 2020 USD**	**December 31, 2019 USD**
The group's net debt position has been calculated as follows;		
Current portion of lease liabilities	1,315,694	531,149
Current portion of debt	25,810,489	16,339,300
Non-current portion of lease liabilities	2,085,447	1,444,887
Non-current portion of debt	37,255,475	77,196,500
Total debt	66,467,105	95,511,836

Less: cash and cash equivalents	6,558,518	5,941,243
Net debt	59,908,587	89,570,593

17. WARRANTS

The Company issues warrants from time to time as part of Units offered in private placements. In line with IAS 32, as a result of the currency of the warrants (CAD$) being different to that of the Company's functional and presentation currency (USD), coupled with the fact that warrants have been issued as part of private placements, rather than rights issues, the warrants are accounted for as a financial liability with fair value through profit and loss.

The Company valued the warrants using the Black-Scholes pricing model with the assumptions below:

As at December 31, 2020	**April 8, 2019**	**January 22, 2018**
Strike price	CAD$0.30	CAD$0.40
Risk free interest rate	1.593%	1.24%
Expected life of options in years	3.00	3.00
Annualised volatility	75%	75%
Dividend rate	0.00%	0.00%

As at 31 December 2019:	**April 8, 2019**	**January 22, 2018**	**December 15, 2017**	**July 19, 2017**
Strike price	CAD$0.30	CAD$0.40	CAD$0.40	CAD$0.4375
Risk free interest rate	1.593%	1.24%	1.24%	1.24%
Expected life of options in years	3.00	3.00	3.00	3.00
Annualised volatility	70%	70%	70%	70%
Dividend rate	0.00%	0.00%	0.00%	0.00%

All warrants in issue are revalued on a quarterly basis using the same valuation methodology as described above. The fair value of the warrants in issue at December 31, 2020 was calculated at $11,934,734 (December 31, 2019: $3,159,082). The movement in the warrant liability of $8,775,652 for the year was taken to the statement of Profit/(loss) and comprehensive profit/(loss). The use of an option pricing model to determine the fair value of these warrants falls within Level 3 of IFRS 13's fair value hierarchy: Level 3 – Inputs that are not based on observable market data.

A 5% increase in the volatility rate applied would increase the warrant liability by approximately $535,000.

The table below sets out the movement in warrants during the year:

	December 31, 2020 USD	**December 31, 2019 USD**
Opening balance	3,159,082	5,711,219
Warrants issued during the year	-	4,297,595
Warrant revaluation during the period	8,775,652	(6,849,732)
Closing balance	11,934,734	3,519,082

18. PROVISION FOR CLOSURE AND RECLAMATION

The Company recognizes a provision related to its constructive and legal obligations in the Democratic Republic of Congo to restore its properties. The cost of this obligation is determined based on the expected future level of activity and costs related to decommissioning the mines and restoring the properties.

A long-term inflation rate of 2% and a discount rate of 3% has been applied in calculating the present value of the future obligation. The period applied aligns to the estimated life of mine of 12.5 years, with most rehabilitation activities scheduled within the 3 years post completion of mining activities.

	BISIE
Balance, December 31, 2018	6,698,579
Unwind of provision during the year	65,673
Reassessment of provision value 2019	(43,391)
Balance, December 31, 2019	6,720,861
Unwind of provision during the year	66,072
Balance, December 31, 2020	6,786,933

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A sensitivity analysis was carried out on the discount rate applied, compared to the three 3% above which would have the following effect on the valuation of the liability at year end;

		Asset retirement obligation	**Sensitivity**
Discount rate applied	5%	5,985,913	(801,020)
Discount rate applied	4%	5,286,105	(1,500,828)
Discount rate applied	2%	7,705,065	918,132
Discount rate applied	1%	8,758,907	1,053,842

19. CAPITAL STOCK AND RESERVES

A. CAPITAL STOCK

The authorised capital stock of the Company consists of an unlimited number of common shares without par value, of which 1,180,367,816 common shares were issued and outstanding at December 31, 2020.

B. CHANGES IN ISSUED CAPITAL STOCK AND RESERVES DURING THE YEAR ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019

The table below sets out the movement in capital stock during the years ended December 31, 2020 and December 31, 2019

	Shares	Price per share	CAD	USD	Warrants	Share issue costs	Equity
Balance as at January 1, 2019	786,233,993			183,171,283	(9,010,401)	(1,026,449)	173,134,433
Private placement on April 7, 2019	79,800,000	0.20	15,960,000	12,000,000	(4,297,595)	(64,293)	7,638,112
Balance as at December 31, 2019	866,033,993			195,171,283	(13,307,996)	(1,090,742)	180,772,545
Privte placement completed on May 13, 2020;						(277,568)	(277,568)
Issue of shares settle related party debt	191,357,143	0.14	26,790,000	19,000,000	-	-	19,000,000
Issue of shares to settle accounts payable	20,142,856	0.14	2,820,000	2,000,000	-	-	2,000,000
Issue of shares to raise new cash	100,819,540	0.14	14,114,736	10,010,451	-	-	10,010,451
Issue of shares in lieue of fees	2,014,284	0.14	282,000	200,000	-	(200,000)	-
Balance as at December 31, 2020	1,180,367,816			226,381,734	(13,307,996)	(1,568,310)	211,505,428

On May 13, 2020 the Company issued for cash on a non-brokered private placement basis 100,819,541 common shares at a price of CAD$0.14 for gross proceeds of approximately CAD$14,114,736 (approximately US$10.01 million). The Company also completed concurrent shares for debt transactions of CAD$29,610,000 (approximately US$21 million) that resulted in the issuance of 211,499,998 additional common shares at a deemed price of CAD$0.14 per share. Of this amount, 191,357,143 common shares were issued to Tremont for the assignment and transfer by Tremont to Alphamin of US$19 million of the amount owning to Tremont under the senior secured credit facility made to Alphamin's subsidiary, Alphamin Bisie Mining S.A. A further 20,142,856 common shares were issued to arm's length third-party creditors of theCompany under similar debt settlements. An aggregate of 312,319,539 common shares were issued in the Offering (approximately US$31.01 million).

As partial consideration for the amendments to the Credit Facility, Alphamin issued to two arm's length lenders, Sprott Private Resource Lending (Collector), L.P. and Barak Fund SPC Limited, an aggregate of 2,014,284 common shares at a deemed price of CAD$0.14 per share

Share issue costs of $277,568 were incurred and offset against Capital stock in connection with the placement.

On August 5, 2020 the Company granted stock options to acquire an aggregate of 2,277,115 common shares to senior officers of Alphamin under its stock option plan. Each option is exercisable for a 7-year period to acquire one common share at a price of CAD$0.20 per share. The options granted vest over a period of 4 years from the date of grant.

On June 11, 2020 the Company granted stock options to acquire an aggregate of 10,050,000 common shares to employees and senior officers of Alphamin. Each option is exercisable for a 7-year period to acquire one common share at a price of CAD$0.20 per share. The options granted vest over a period of 4 years from the date of grant.

On April 8, 2019 the Company raised gross proceeds of US$12 million by issuing 79,800,000 equity units (the "Units").

Each Unit was priced at CAD$0.20 and consists of one common share in the capital of the Company (each a "Share") and one common share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder to purchase one additional Share (a "Warrant Share") at a price of CAD$0.30 per Warrant Share for a period of 36 months from the closing.

Share issue costs of $64,293 were incurred and offset against Capital Stock in connection with the placement.

C. STOCK OPTIONS

A summary of the stock option plan and principal terms is set out below.

The Plan provides that the number of common shares that may be purchased under the Plan is a rolling maximum which shall not exceed 10% of the issued and outstanding shares of the Company at any time, with appropriate substitutions and/or adjustments in accordance with regulatory policies.

If there is a change in the number of issued and outstanding shares resulting from a share split, consolidation, or other capital or corporate reorganization, the options in issue are adjusted accordingly. Per TSX Venture Exchange (TSX-V) policies, the total amount of shares reserved for issuance to any one optionee within a period of 12 months shall not exceed 5% of the outstanding common shares at the time of grant, the total amount of shares reserved for issuance to any one Consultant (as defined by the Plan) within a period of 12 months shall not exceed 2% of the outstanding common shares at the time of grant, and the total amount of shares reserved for all persons conducting Investor Relations Activities (as defined by the Plan) within a period of 12 months shall not exceed 2% of the outstanding common shares at the time of the grant.

The Plan provides that it is solely within the discretion of the Board of Directors (the "Board") to determine which directors, employees and other service providers may be awarded options under the Plan, and under what terms they will be granted, as well as any amendments or variations to these terms in the event of an Accelerated Vesting Event (as defined by the Plan). Options granted under the Plan will be for a term not exceeding ten years from the day the option is granted, as in line with TSX-V policies. Subject to such other terms or conditions that may be attached to the particular option granted, an option shall only be exercisable so long as the optionee shall continue to hold office or provide services to the Company and shall, unless terminated earlier, or extended by the Board, terminate immediately if said optionee is terminated for cause, terminate at the close of business on the date which is no later than 90 calendar days after cessation of office or employment, or in the case of the optionee's death, terminate at the close of business on the date which is no later than one year after the date of death, as the case may be. Subject to a minimum price of CAD$0.10, the options will be exercisable at a price which is not less than the Market Price (as defined in the policies of the TSX-V) of the Company's shares at the time the options are granted.

The options are non-assignable. Shares will not be issued pursuant to options granted under the Plan until they have been fully paid for. The Company will not provide financial assistance to option holders to assist them in exercising their options. A summary of stock option activity and information concerning currently outstanding and exercisable options as at December 31, 2020 are as follows:

	Options outstanding	
	Number of options **#**	**Weighted average exercise price** **CAD$**
Balance, December 31, 2018 and December 31, 2019	14,142,415	0.29
Options forfeited during the year	(1,887,699)	0.27
Options issued during the year	12,327,115	0.20
Options expired during the year	(2,277,115)	0.20
Balance, December 31, 2020	22,304,716	0.24

The following table summarises information concerning outstanding and exercisable options at December 31, 2020:

Options outstanding and exercisable				
Number outstanding #	**Number exercisable #**	**Expiry date**	**Weighted average exercise price CAD$**	**Remaining life (years)**
293,101	293,101	October 15, 2021	0.300	0.79
2,762,600	2,762,600	July 25, 2022	0.350	1.56
6,921,900	2,284,228	December 3, 2025	0.260	4.93
10,050,000	-	June 11, 2027	0.200	6.45
2,277,115	-	August 4, 2027	0.200	6.59
22,304,716	5,339,929		0.239	

All options issued prior to the 2018 financial year vest over a three-year period (15% after one year, 35% after two years and 50% after three years). These options expire five years after the date of issue. Options issued since the 2018 financial year vest over a four-year period (33% after two years, 33% after three years and 33% after four years). These options expire seven years after the date of issue.

The Company recorded a share-based payment expense to the statement of profit/(loss) and comprehensive profit/(loss) of $470,673 for the year ended December 31, 2020 ($402,698 for the year ended December 31, 2019). The share-based payments expense related to options granted was determined using the Black-Scholes option pricing model and the following weighted average assumptions:

	August 2020	June 2020	December 2018	July 2017	October 2016	Apri 2016
Forfeiture rate	-	-	-	-	-	-
Risk free interest rate	0.32%	0.32%	2.07%	1.38%	0.67%	0.58%
Expected life of options in years	2 – 4	3 – 4	4.00	3.00	3.00	3.00
Volatility	70%	70%	70%	114.20%*	137.61%*	138.50%*
Dividend rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Calculated as standard deviation of the Company's historical share price. From June 2020 the Company applied a cap of 70% on volatility. As the Company enters a more stable phase of its life cycle being that of an operating producer rather than an explorer or developer management believe that historic volatility is a less suitable indicator for likely volatility going forward.*

E. SHARE PURCHASE WARRANTS

A summary of warrants activity and information concerning outstanding warrants as at December 31, 2020 are as follows:

	Number of warrants #	**Weighted average exercise price CAD$**
Balance, December 31, 2018	131,129,346	0.4117
Warrants issued on April 8, 2019	79,800,000	0.3000
Balance, December 31, 2019	210,929,346	0.37
Warrants expired during the year	(46,232,654)	0.43
Balance, December 31, 2020	164,969,692	0.35

All warrants issued in private placements were accounted for as a financial liability. See Note 17 for further details. 41,257,065 warrants expired in July 2020. An additional 4,975,589 warrants expired in December 2020.

F. TRANSACTIONS WITH NON-CONTROLLING INTEREST

On December 12, 2020 Alphamin increased its ownership of ABM from 80.75% to 84.14% through a capital raise in ABM in which the minority shareholders did not participate. The transaction was accounted for as a shareholder transaction resulting in a decrease of the non-controlling interest in an amount of $4,144,121. The full amount was taken to equity in line with IFRS 10. Following the transaction, the IDC and the DRC government own 10.86% (2019: 14.25%) and 5% (2019: 5%) of ABM respectively.

During the year ended December 31, 2019 the IDC contributed an additional $4,588,235 to maintain their pro-rata shareholding pursuant to the Company equity raised in June 2018 and April 2019 which were injected into ABM as equity financing. The transaction was accounted for as a shareholder transaction resulting in an increase in the non-controlling interest of $4,305,778. The balancing $282,457 was taken to equity.

20. SIGNIFICANT OPERATING SUBSIDIARIES WITH NON-CONTROLLING INTEREST

The table below shows details of the non-wholly owned subsidiary of the Company that had material non-controlling interests:

	Proportion of ownership and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
Company	**December 31, 2020**	**December 31, 2019**	**December 31, 2020 USD**	**December 31, 2019 USD**	**December 31, 2020 USD**	**December 31, 2019 USD**
Alphamin Bisie Mining SA	15.86%	19.25%	968,975	143,958	26,195,648	29,370,794

Summarised financial information in respect of the above subsidiaries is set out below. The summarised financial information below presents amounts before intra-group elimination.

	December 31, 2020	**December 31, 2019**
Current assets	52,852,213	40,104,585
Non-current assets	202,106,726	218,974,012
Total assets	**254,958,939**	**258,898,597**
Current liabilities	43,805,767	40,580,213
Non-current liabilities	46,127,855	91,337,527
Equity	165,025,317	126,980,857
Total liabilities and equity	**254,958,939**	**258,898,597**
Revenue	187,445,447	27,221,062
Operating expenses	(173,687,296)	(34,257,646)
Income tax (expense)/credit	(7,106,354)	7,784,416
Net profit for the year	**6,651,796**	**747,832**
Attributable to owners of the Company	5,682,821	603,874
Attributable to non-controlling interest	968,975	143,958

21. REVENUE

REVENUE	December 31, 2020 US$	December 31, 2019 US$
Revenue from contracts with customers	187,423,559	27,073,231
Other income	21,888	147,831
Total Revenue	187,445,447	27,221,062

Other income refers to price movements between provisional and final invoices which applied up until May 2020.

22. COST OF SALES

COST OF SALES	Year ended December 31, 2020	Year ended December31, 2019
Treatment costs	(19,214,605)	(1,845,319)
Transport and selling costs	(27,339,758)	(3,612,057)
Mine operating costs	(53,013,632)	(16,791,404)
Inventory movement	(14,323,021)	15,215,174
Royalties	(5,662,803)	(881,132)
Depreciation, depletion and amortization	(25,026,278)	(7,744,171)
Cost of Sales total	(144,580,097)	(15,658,909)

The Company achieved commercial production on September 1, 2019. As a result, the corresponding cost of sales in 2019 relates to four months of production only. Mine operating costs include the costs of mining and processing material from underground, maintaining the mining fleet and process plant in good order, labour incurred directly related to the production process and storing of tailings from the mine.

Royalties are payable to various branches of the DRC government in line with the DRC mining code and calculated on 3.5% of revenue, as determined by the DRC government agencies assays results and tin price tables which are published on a weekly basis.

23. GENERAL & ADMINISTRATIVE

GENERAL AND ADMINISTRATIVE	Year Ended December 31, 2020 USD	Year Ended December 31, 2019 USD
Accounting, audit and legal	601,243	735,375
Political risk insurance	2,132,017	950,000
Administrative	1,113,825	1,422,846
Bank charges	1,057,203	731,518
Consulting fees	1,024,266	1,581,480
Directors fees	282,856	302,306
Depreciation (Note 7)	444,512	183,153
Management fees and salaries	1,839,605	4,762,258
Share-based payments (Note 19)	470,673	402,698
Telecommunication costs	439,205	308,013
Insurance	994,663	108,411
Investor relations	219,768	148,163
Safety & security	1,153,510	296,701

Medical expenses	1,511,632	384,595
Community development	2,503,768	806,926
Travel and accommodation	1,894,111	1,584,867
Total General & Administrative costs	17,682,857	14,709,310

General and administrative expenses consist of costs that do not relate directly to production activities such as head office costs, community development expenditures, security and travel costs. Finance cost of $ 875,915 which primarily related to amortisation of historic debt fees ($658,183), and trader finance costs ($217,732) were previously included in general and administrative expenses are now disclosed as finance cost in note 25 due to the items being incorrectly disclosed as general and administrative expenses in the prior period.

24. FOREIGN EXCHANGE LOSS

	Decembr 31, 2020 USD	December 31, 2019 USD
Foreign exchange loss	(1,517,684)	(4,215)

Foreign exchange gains for the year comprise a write a loss on revaluation of VAT receivable due from the DRC government as a result of the weakening of the Conoglese Franc during the year of $2m offset by gains on account payable balances due to mine construction related creditors, payable in South African Rand which were paid during a time of weakened rand resulting from the outbreak of the Coronavirus.

25. FINANCE COST

	Decembr 31, 2020 USD	December 31, 2019 USD
Debt interest payable in cash	10,839,906	5,262,855
Amortization of historic senior debt fees	1,032,732	658,183
Trader finance	2,453,878	217,732
Lease interest	275,353	127,698
Debt restructure costs	639,724	-
Unwind of environmental discount	66,072	64,810
Other interest	308,313	865
Total Finance cost	15,615,978	6,332,143

Finance cost of $ 875,915 which primarily related to amortisation of historic debt fees ($658,183), and trader finance costs ($217,732) were previously included in note 23 general and administrative expenses are now disclosed as finance cost.

26. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, and to maintain a flexible capital structure which optimises the costs of capital at an acceptable risk. The capital structure of the Company currently consists of common shares, stock options, share purchase warrants and debt. Changes in the equity accounts of the Company are disclosed in Note 19 and changes in debt is disclosed in Note 16. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, obtain additional 3rd party loan financing or renegotiate/refinance existing debt. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets, which are approved by the Board of Directors and updated as necessary depending on various factors, including operating conditions and production and general industry conditions. In addition, the Group maintains monthly cashflow forecasts and carries out detailed reviews of management information.

27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity and foreign exchange risks. The Company has established active policies to manage these risks, as detailed below. The Company places its cash with high credit quality financial institutions.

A. CREDIT RISK

EXPOSURE TO CREDIT RISK

The risk that counterparties or customers will not perform as expected, resulting in a loss to the Group, is defined as credit risk. The Group evaluates customers prior to the granting of credit. Exposure is evaluated by granting credit limits and constant evaluation of credit behaviour and considering credit ratings (where available), financial position and past experience.

The Company currently sells all of its product to one major customer, which increases the exposure of concentration risk resulting from credit risk.

This customer has an excellent payment history with no overdue balances requiring specific impairment provisions.The Group does not hold any security against trade or other receivables and the maximum exposure to credit risk is the carrying value of the financial assets.

In determining a loss allowance, the Group applied a simplified lifetime expected credit loss approach which considered the financial health and payment history of the customer. Based on the low probability of default and expectation that any potential loss would be limited, the calculated loss allowance at year-end was immaterial.

Credit risk is the risk that a counterparty to a financial instrument will not discharge its obligations, resulting in a financial loss to the Company. Company management evaluates credit risk on an ongoing basis, including evaluation of counterparty credit rating. The primary source of credit risk for the Company arises from the following financial assets: (1) cash and cash equivalents and (2) trade debtors. The Company has not had any credit losses in the past, nor does it expect to have any credit losses in the future. At December 31, 2020, the Company has no financial assets that are past due or impaired due to credit risk defaults.

100% of the Company's revenue is derived from a contract with one customer. The credit risk from concentration of revenue is mitigated by receipt of between 80% (FOT Logu) and 95% of revenue within 2-5 days of delivery of product to delivery points as agreed with the customer.

The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

The expected loss rate is based on the payment profile for sales over the past 12 months as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst others is considered indicators of no reasonable expectation of recovery. To date, the Company has never experienced any overdue nor unrecoverable trade receivables.

On the above basis the expected credit loss for trade receivables was immaterial. The expected credit loss on environmental deposits was also assessed as immaterial. At year end substantially all of the cash and cash equivalents balance was concentrated with Standard Bank group. Standard Bank's average credit rating is Ba1. The Company's maximum exposure to credit risk at the reporting date is as follows:

Item	December 31, 2020 USD	December 31, 2019 USD
Cash and cash equivalents	6,558,518	5,941,243
Accounts receivable	7,601,489	1,485,687
Environmental deposits	359,678	264,066
Total	14,519,685	7,690,996

B. LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities are comprised of debt, accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. There is no guarantee that the Company generate enough revenue to meet these obligations.

The Company manages its liquidity risk by maintaining a sufficient cash balance to meet its anticipated operational needs. When there are not sufficient funds, the Company has the ability to reduce or delay its working capital position through increasing accounts payable and reducing revenue cycle time. The Company's debt was obtained to facilitate the development of the mining properties (refer to Note 7). Refer to Note 16 for additional information on repayment terms. The Company's accounts payable and accrued liabilities arose as a result of development, mine operating expenses and corporate expenses. Payment terms on these liabilities are typically 30 to 60 days from receipt of invoice. The following table summarises the remaining contractual maturities of the Company's financial liabilities:

	Within 1 Year December 31, 2020 USD	Between 1 and 2 Years December 31, 2020 USD	Between 2 and 5 Years December 31, 2020 USD	Greater than 5 Years December 31, 2020 USD
Long term debt	25,804,771	23,279,264	9,502,506	-
Long term debt – related parties	5,919,229	5,461,947	2,288,631	-
Lease payments	1,578,093	1,336,350	944,094	-
Accounts payable and accrued liabilities	16,998,160	-	-	-
Accounts payable and accrued liabilities – related parties	48,716	-	-	-

C. MARKET RISK

Market risk is the risk that the fair value for assets or future cash flows will fluctuate, because of changes in market conditions. The Company evaluates market risk on an ongoing basis and has established policies and procedures for mitigating its exposure to foreign exchange fluctuations.

The fair value movements accounted for warrants (refer Note 17) are non-cash in nature.
The Company was previously exposed to tin price risk on the time of provisional pricing on delivery of cargo and the final invoice price which was based on the average of the calendar month post delivery. During the year the Company eliminated provisional pricing and is currently final pricing product prior to delivery to the customer.

The Company requires tin prices to be at or above break-even levels to continue as a going concern.

Foreign Exchange Risk

The Company operates on an international basis and therefore, foreign exchange risk exposures arise from transactions denominated in foreign currencies. The Company is exposed to foreign currency risk on fluctuations related to financial instruments that are denominated in Canadian dollars (CAD$) and South African Rand (ZAR). A 10% fluctuation in the USD against the Canadian dollar or ZAR would affect the net result by insignificant amounts.

Interest Rate Risk

As at December 31, 2020 the Company owed US$ 63,065,963 towards its credit facility (refer Note 16). These loans are exposed to variable interest rates. A 1% increase in the absolute variable interest rates would increase 2021 forecasted interest payments from $5.9m to $6.5m. As the Company pays debt on a fixed interest rate plus the lower of Libor or 1%, Libor would have to increase by approximately 1.75% before a 1% absolute interest rate increase would apply. The Company does not earn significant interest on cash balances.

D. FAIR VALUE MEASUREMENT

At December 31, 2020 and December 31, 2019, the carrying values and the fair values of the Company's financial instruments are shown in the following table.

	Fair value Hierarchy Level	December 31, 2020	December 31, 2020	December 31, 2019	December 31, 2019
		Carrying value USD	Fair value USD	Carrying value USD	Fair value USD
Financial assets					
Cash and cash equivalents	1	6,558,518	6,558,518	5,941,243	5,941,243
Environmental deposits in DRC	1	359,678	359,678	264,066	264,066
Accounts receivable	2	7,601,489	7,601,489	1,485,687	1,485,687
Financial liabilities					
Debt – related parties	2	11,496,726	11,496,726	29,636,371	29,636,371
Debt	2	49,134,703	49,134,703	64,932,161	64,932,161
Accounts payable and accrued liabilities	2	14,532,582	14,532,582	20,547,720	20,547,720
Accounts payable and accrued liabilities – related parties	2	48,716	48,716	671,588	671,588
Warrants	3	11,934,734	11,934,734	3,159,082	3,159,082

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.
- Level 3 – inputs that are not based on observable market data.

The fair value of the Company's financial assets and financial liabilities approximate their carrying values (all within Level 3 of the fair value hierarchy).

28. BASIC AND DILUTED (LOSS)/PROFIT PER SHARE AS WELL AS HEADLINE AND DILUTED HEADLINE (LOSS)/PROFIT PER SHARE

Profit/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of common shares issued during the year. Diluted profit/(loss) per share is determined by adjusting the weighted average number of shares for all potential dilutive effects. The following table summarises the components of the calculation of the basic and diluted loss per share:

	December 31, 2020 USD	December 31, 2019 USD
(Loss)/Profit attributable to equity shareholders	(8,835,824)	4,979,419
Weighted average number of shares issued and outstanding	1,065,829,738	844,608,240
(Loss)/Profit in cents per share	(0.83)	0.59
	December 31, 2020 USD	**December 31, 2019 USD**
Diluted (Loss)/Profit attributable to equity shareholders	(8,835,824)	4,979,419
Weighted average number of shares issued and outstanding	1,065,829,738	1,048,254,247
(Loss)/Profit in cents per share	(0.83)	0.48

The Company's shares are also listed on the Johannesburg Stock Exchange Alt.X which requires the Company to present headline and diluted headline profit/(loss) per share. Headline loss per share is calculated by dividing headline loss attributable to equity holders of the Company by the weighted average number of common shares issued and outstanding during the year. Diluted headline profit/(loss) per share is determined by adjusting the weighted average number of shares for all potential dilutive effects. Warrants and options in issue have not been taken into consideration in the 2020 diluted EPS calculation as the effect would be anti-dilutive due to the Company's loss position.

There were no adjustments to loss attributable to equity shareholders for the purposes of calculating headline loss attributable to equity shareholders and hence the loss/profit per share is the same as the headline loss/profit per share.

29. COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	December 31, 2020	December 31, 2019
Property, plant and equipment	3,026,653	2,213,654

30. SEGMENTED INFORMATION

The Company considers its business to consist of one reportable operating segment, being the extraction and sale of tin from its Bisie tin mine. As at reporting date, substantially all of the Company's operations and assets are located in the Democratic Republic of the Congo. In assessing potential operating segments, the Company has considered the information reviewed by the Chief Operating Decision Maker (CODM). The Company has identified the Board of Directors as the CODM and is satisfied that the information as presented in the financial statements is the same as that assessed by the CODM for management reporting purposes. The Company has one asset, in one commodity in one country. The Company sells its product to one customer, Gerald Metals SA.

31. CONTINGENT LIABILITIES

	December 31, 2020	**December 31, 2019**
Fines and penalties	375,000	-

Contingent liabilities refer to possible future payments relating to an administrative assessment of the Company’s compliance with respect to expatriate employee’s paperwork in the DRC. The Company is disputing the assessment but considers a future payment in respect of the claim a possibility.

32. SUBSEQUENT EVENTS

There were no subsequent events that require disclosure.