



UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

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Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with standards established for a review of condensed interim financial statements by an entity's auditor.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| ALPHAMIN RESOURCES CORP. | | June 30, | December 31, |
|--|--------------|--------------------|---------------------|
| Consolidated Statements of Financial Position | | 2024 | 2023 |
| As at | | | |
| (Expressed in US dollars) | | \$ | \$ |
| | Notes | | |
| ASSETS | | | |
| Current assets | | | |
| Inventory | 3 | 47,007,124 | 41,808,883 |
| Accounts receivable | 4 | 16,543,732 | 42,933,374 |
| Prepays and other receivables | 5 | 28,358,500 | 37,608,516 |
| Cash and cash equivalents | 6 | 37,711,940 | 7,158,566 |
| Total current assets | | 129,621,296 | 129,509,339 |
| Non-current assets | | | |
| Plant and equipment | 7 | 374,488,634 | 349,518,024 |
| Prepays and other receivables | 5 | 24,714,403 | 22,024,632 |
| Exploration and evaluation assets | 10 | 16,021,196 | 15,708,055 |
| Total non-current assets | | 415,224,233 | 387,250,711 |
| Total assets | | 544,845,529 | 516,760,050 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| Current liabilities | | | |
| Bank overdraft | 6 | 53,110,671 | 51,703,872 |
| Accounts payable and accrued liabilities | 11 | 50,908,896 | 38,430,866 |
| Lease agreements due within one year | 12 | 4,372,894 | 4,620,448 |
| Share based payment liability | 13 | 732,362 | 538,498 |
| Debt due to related parties | 13 & 14 | 1,444,793 | 1,459,231 |
| Debt - external | 14 | 11,282,651 | 12,731,394 |
| Total current liabilities | | 121,852,267 | 109,484,309 |
| Non-current liabilities | | | |
| Provision for closure and reclamation | 15 | 12,719,714 | 12,661,612 |
| Lease agreements due in greater than one year | 12 | 3,625,750 | 3,564,250 |
| Debt due to related parties | 13 & 14 | 1,536,726 | 1,459,232 |
| Debt - external | 14 | 5,390,206 | 5,115,327 |
| Deferred tax liability | 9 | 19,917,470 | 18,963,335 |
| Total non-current liabilities | | 43,189,866 | 41,763,756 |
| Stockholders' Equity | | | |
| Capital stock | 16 | 273,880,351 | 273,548,795 |
| Reserves | | 11,267,960 | 10,813,992 |
| Foreign Currency Translation Reserve | | (1,569,762) | (1,574,617) |
| Retained earnings | | 40,822,255 | 29,998,031 |
| Stockholders' equity | | 324,400,804 | 312,786,201 |
| Non-controlling interest | 17 | 55,402,592 | 52,725,784 |
| Total equity | | 379,803,396 | 365,511,985 |
| Total liabilities and equity | | 544,845,529 | 516,760,050 |

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

Approved and authorised by the Board of Directors on August 22, 2024.

(Signed)

(Signed)

MARITZ SMITH, DIRECTOR

EOIN O'DRISCOLL, DIRECTOR

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

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

| ALPHAMIN RESOURCES CORP. Consolidated Statements of Profit/(Loss) For the periods ended (Expressed in US dollars) | | For the six months ended June 30, 2024 US\$ | For the six months ended June 30, 2023 US\$ | For the three months ended June 30, 2024 US\$ | For the three months ended June 30, 2023 US\$ |
|--|-------|---|---|---|---|
| | Notes | | | | |
| REVENUE | 18 | 213,170,968 | 158,713,181 | 103,860,882 | 75,742,307 |
| COST OF SALES | 19 | (114,694,373) | (87,055,071) | (52,802,788) | (42,725,525) |
| GROSS PROFIT | | 98,476,595 | 71,658,110 | 51,058,094 | 33,016,782 |
| General and administrative | 20 | (12,885,254) | (11,662,107) | (7,240,850) | (6,101,241) |
| Operating Profit | | 85,591,341 | 59,996,003 | 43,817,244 | 26,915,541 |
| OTHER | | | | | |
| Profit/(Loss) on foreign exchange | 21 | (475,447) | 1,814,434 | (139,245) | 2,168,870 |
| (Loss) on disposal of assets | | - | - | - | - |
| Finance cost | 22 | (7,149,757) | (2,841,099) | (3,655,921) | (1,299,842) |
| Interest income | | 10,133 | 338,225 | 4,488 | 1,948 |
| Profit before taxes | | 77,976,270 | 59,307,563 | 40,026,566 | 27,786,517 |
| Current income tax expense | 8 | (29,608,776) | (21,620,471) | (19,913,278) | (10,189,775) |
| Deferred tax movement | 9 | (954,135) | (30,401) | 2,395,022 | 167,804 |
| NET INCOME | | 47,413,359 | 37,656,691 | 22,508,310 | 17,764,546 |
| Other Comprehensive income (net of tax) | | | | | |
| <i>Items that may be reclassified to profit or loss</i> | | | | | |
| Exchange differences on translation of foreign operations | | 4,855 | (37,322) | 18,367 | (21,081) |
| Total comprehensive profit for the period | | 47,418,214 | 37,619,369 | 22,526,677 | 17,743,465 |
| Profit attributable to : | | | | | |
| Equity holders | | 38,789,515 | 31,073,652 | 18,082,637 | 14,667,029 |
| Non-controlling interests | 17 | 8,623,844 | 6,583,039 | 4,425,673 | 3,097,517 |
| | | 47,413,359 | 37,656,691 | 22,508,310 | 17,764,546 |
| Total comprehensive profit attributable to : | | | | | |
| Equity holders | | 38,794,370 | 31,036,330 | 18,101,004 | 14,645,948 |
| Non-controlling interests | 17 | 8,623,844 | 6,583,039 | 4,425,673 | 3,097,517 |
| | | 47,418,214 | 37,619,369 | 22,526,677 | 17,743,465 |
| Earnings per share for profit attributable to the ordinary equity holders of the company (Note 26) (expressed in US cents per share) | | 3.04 | 2.44 | 1.42 | 1.15 |
| Diluted Earnings per share for profit attributable to the ordinary equity holders of the company (Note 26) (expressed in US cents per share) | | 3.01 | 2.42 | 1.40 | 1.14 |

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

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

CONSOLIDATED STATEMENTS OF CASH FLOWS

ALPHAMIN RESOURCES CORP.

Consolidated Statements of Cash Flows
 For the period ended
 (Expressed in US dollars)

| | For the six months ended June 30, 2024 | For the six months ended June 30, 2023 | For the three months ended June 30, 2024 | For the three months ended June 30, 2023 |
|--|---|---|---|---|
| Cash Flows From Operating Activities | | | | |
| Net profit/(loss) for the period before tax | 77,976,270 | 59,307,563 | 40,026,578 | 27,786,517 |
| <i>Adjustments for items not involving cash:</i> | | | | |
| Share-based payments | 840,332 | 1,001,353 | 716,256 | 644,381 |
| Warrants | - | - | - | - |
| Depreciation | 19,402,803 | 15,846,564 | 10,993,696 | 7,922,153 |
| Interest expense | 7,149,757 | 2,841,099 | 3,655,921 | 1,299,842 |
| Unwind of environmental discount | 58,102 | 114,160 | 29,052 | 57,080 |
| Cash generated from operations | 105,427,264 | 79,110,739 | 55,421,503 | 37,709,973 |
| Income tax paid | (3,155,296) | (67,279,840) | (3,155,296) | (67,279,840) |
| Interest paid | (4,747,646) | (1,377,791) | (1,843,765) | (1,037,322) |
| Change in working capital items: | | | | |
| Accounts receivable | 24,900,432 | (703,932) | (422,508) | 954,260 |
| Prepays and other receivables - current | (8,309,899) | (10,204,097) | (5,188,289) | (5,974,845) |
| Change in inventory | (5,198,241) | (2,321,447) | (8,957,497) | (1,561,518) |
| Accounts payable and accrued liabilities | (3,695,810) | (3,044,325) | 285,790 | 4,008,893 |
| Due to related parties | (192,500) | (952,744) | - | (954,521) |
| Net Cash generated in Operating Activities | 105,028,304 | (6,773,437) | 36,139,938 | (34,134,920) |
| Cash Flows From Investing Activities | | | | |
| Purchase of equipment | (33,889,243) | (51,809,728) | (15,679,150) | (56,433,233) |
| Prepays and other receivables - current | - | - | - | - |
| Investing in exploration and evaluation assets | (313,141) | (4,046,009) | (100,423) | 19,588,442 |
| Prepays and other receivables - non current | (2,689,771) | (2,576,779) | (1,393,692) | (1,275,790) |
| Net Cash Used in Investing Activities | (36,892,155) | (58,432,516) | (17,173,265) | (38,120,581) |
| Cash Flows From Financing Activities | | | | |
| Exercise of stock options and warrants | 331,556 | 243,563 | 331,556 | 243,563 |
| Capital reduction proceeds paid to non controlling interests (Note 13) | - | - | - | - |
| Bank overdraft | 1,406,799 | 26,123,377 | 910,688 | 26,123,377 |
| Dividends paid | (27,965,291) | (27,744,603) | (27,965,291) | - |
| Dividends paid by subsidiary company to 3rd parties | (5,947,036) | - | (5,947,036) | - |
| Lease payments - capital (Note 12) | (3,411,555) | (1,443,115) | (1,445,666) | (864,080) |
| Debt Drawdowns/ repayments - capital (Note 14) | (1,997,248) | - | (611,170) | - |
| Net Cash Consumed by Financing Activities | (37,582,775) | (2,820,778) | (34,726,919) | 25,502,860 |
| (Decrease)/Increase in cash and cash equivalents | 30,553,374 | (68,026,731) | (15,760,246) | (46,752,641) |
| Cash and cash equivalents at beginning of the year/period | 7,158,566 | 119,388,687 | 53,472,186 | 98,114,597 |
| Cash and cash equivalents at end of the period | 37,711,940 | 51,361,956 | 37,711,940 | 51,361,956 |

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

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

| ALPHAMIN RESOURCES CORP. Consolidated Statements of Changes in Stockholders' Equity (Expressed in US dollars) | Capital Stock | | Reserves | Foreign Currency Translation Reserve | Retained earnings/ Accumulated deficit | Total Stockholders' Equity (Deficit) | Non-Controlling Interests | Total Equity |
|---|---------------|--------------|---|---|--|--|------------------------------|--------------|
| | Shares # | Amount \$ | Share-based Payment Reserve \$ | | | | | |
| Balance, December 31, 2022 | 1,273,797,231 | 273,206,050 | 9,962,217 | (1,549,982) | 38,806,657 | 320,424,942 | 46,979,975 | 367,404,917 |
| Profit for the period | | | | (16,241) | 16,406,623 | 16,390,382 | 3,485,522 | 19,875,904 |
| Dividends declared | | | | | (27,744,603) | (27,744,603) | | (27,744,603) |
| Share based payment | | | 356,972 | | | 356,972 | | 356,972 |
| Balance, March 31, 2023 | 1,273,797,231 | 273,206,050 | 10,319,189 | (1,566,223) | 27,468,677 | 309,427,693 | 50,465,497 | 359,893,190 |
| Profit for the period | | | | (21,081) | 14,667,029 | 14,645,948 | 3,097,517 | 17,743,465 |
| Exercise of options during the period | 1,546,582 | 243,563 | | | | 243,563 | | 243,563 |
| Dividends declared | | | | | - | - | | - |
| Share based payment | | | 202,105 | | | 202,105 | | 202,105 |
| Balance, June 30, 2023 | 1,275,343,813 | 273,449,613 | 10,521,294 | (1,587,304) | 42,135,706 | 324,519,309 | 53,563,014 | 378,082,323 |
| Profit for the period | | | | (2,030) | 14,733,518 | 14,731,488 | 3,116,793 | 17,848,281 |
| Dividends declared by subsidiary company | | | | | (53,942) | (53,942) | (4,995,510) | (5,049,452) |
| Dividends declared | | | | | (28,232,917) | (28,232,917) | | (28,232,917) |
| Share based payment | | | 171,589 | | | 171,589 | | 171,589 |
| Balance, September 30, 2023 | 1,275,343,813 | 273,449,613 | 10,692,883 | (1,589,334) | 28,582,365 | 311,135,527 | 51,684,297 | 362,819,824 |
| Profit for the period | | | | 14,717 | 1,415,666 | 1,430,383 | 1,041,487 | 2,471,870 |
| Exercise of options during the period | 200,000 | 99,182 | | | | 99,182 | | 99,182 |
| Share based payment | | | 121,109 | | | 121,109 | | 121,109 |
| Balance, December 31, 2023 | 1,275,543,813 | 273,548,795 | 10,813,992 | (1,574,617) | 29,998,031 | 312,786,201 | 52,725,784 | 365,511,985 |
| Profit for the period | | | | (13,512) | 20,706,878 | 20,693,366 | 4,198,171 | 24,891,537 |
| Exercise of options during the period | | | | | | - | | - |
| Share based payment | | | 100,790 | | | 100,790 | | 100,790 |
| Balance, March 31, 2024 | 1,275,543,813 | 273,548,795 | 10,914,782 | (1,588,129) | 50,704,909 | 333,580,357 | 56,923,955 | 390,504,312 |
| Profit/(loss) for the period | | | | 18,367 | 18,082,637 | 18,101,004 | 4,425,673 | 22,526,677 |
| Exercise of options during the period | 666,666 | 331,556 | | | | 331,556 | | 331,556 |
| Share based payment | | | 353,178 | | | 353,178 | | 353,178 |
| Dividends declared | | | | | (27,965,291) | (27,965,291) | | (27,965,291) |
| Dividends declared by subsidiary company | | | | | | | (5,947,036) | (5,947,036) |
| Balance, June 30, 2024 | 1,276,210,479 | 273,880,351 | 11,267,960 | (1,569,762) | 40,822,255 | 324,400,804 | 55,402,592 | 379,803,396 |

The accompanying notes are an integral part of these unaudited condensed consolidated interim 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 Columbia, 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). The Company prepares consolidated financial statements to comply with the respective exchanges’ listing requirements and also prepares consolidated and company financial statements to comply with the Mauritian statutory requirements. In these unaudited condensed consolidated interim financial statements, unless the context otherwise dictates, a reference to the Company refers to Alphamin Resources Corp. and its subsidiaries. These unaudited condensed consolidated interim 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 PERIOD (TO UPDATE)

The Mpama South processing facility has been producing tin concentrate to sales specification since 14 May 2024 and achieved commercial production on 17 May 2024 (refer to note 7 for further detail on the Mpama South project).

B. GOING CONCERN

As at June 30, 2024, the Company had retained earnings of \$40,822,255, stockholders’ equity of \$324,400,804 and net current assets of \$8,702,578 (December 31, 2023: retained earnings of \$29,998,031, stockholders’ equity of \$312,786,201 and net current assets of \$20,025,030).

Management have reviewed the working capital position and cash flow forecasts and are comfortable that the going concern is appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with *International Financial Reporting Standards* as issued by the *International Accounting Standards Board (IFRS® Accounting Standards)* and Interpretations issued by the *International Financial Reporting Interpretations Committee (IFRIC®)*. These consolidated 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 consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Application of new and revised standards

The following standards became effective for annual periods beginning on or after January 1, 2024. The Company adopted these standards in the current period, and they did not have a material impact on its unaudited condensed consolidated interim financial statements unless specifically mentioned below.

| International Financial Reporting Standards and amendments effective for the first time for <i>December</i> 2024 year-end | | |
|--|--|---|
| Number | Effective date | Executive summary |
| Amendment to IAS 1, 'Presentation of Financial Statements' on Non-current Liabilities with Covenants | Annual periods beginning on or after 1 January 2024 (Published Nov 22) | The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. |
| Amendment to IFRS 16, Lease Liability in a Sale and Leaseback | Annual periods beginning on or after 1 January 2024 (Published Sept 2022) | The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. |
| Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7) | Annual periods beginning on or after 1 January 2024 (Published Jan 2020) | These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. |

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, 2024. 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 |
| Amendments to IAS 21 Lack of Exchangeability (Amendments to IAS 21) | Annual periods beginning on or after 1 January 2025 (Published Aug 2023) | An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. |

B. BASIS OF CONSOLIDATION

These unaudited condensed consolidated interim 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 unaudited condensed consolidated interim 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 | Mining (84.14% owned by Alphamin Resources (BVI) Ltd) |
| 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. The Government of the Democratic Republic of the Congo owns a non-diluting 5% resulting in a Company ownership of ABM of 84.14%.

C. MEASUREMENT UNCERTAINTY AND CRITICAL JUDGEMENTS

The preparation of financial statements in accordance with IFRS Accounting Standards as issued by the *International Accounting Standards Board (IFRS Accounting Standards)* and interpretations of the *International Financial Reporting Interpretations Committee (IFRS IC)* 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 utilisation 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. The judgement is based on information collated by appropriately qualified persons relating to the geological data on the size, depth,

shape and grade of the ore body and technical data on suitable production techniques and recovery rates. This analysis requires complex geological judgements to interpret the data, and the approximation of recoverable reserves takes other factors into consideration, inclusive of commodity prices, future capital requirements, estimated production and transport costs, discount rates, associated decommissioning and environmental rehabilitation costs along with the above geological assumptions.

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).

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 16.

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 amortisation 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

Effective January 2024, the Company sells its product on Free Carrier (FCA) Incoterms. This means that the Company is not responsible for freight or insurance once control of the goods has passed. The FCA 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 | FCA |
| 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 | <p>The payment terms are different depending on the delivery point chosen as below:</p> <ul style="list-style-type: none"> • Delivery point Logu: In January 2024 the Company signed an amendment to the offtake agreement. For an initial period of 12 months (subject to renewal), 95% payment is made within three days of receipt of the necessary export documentation confirming the availability of goods for departure at Logu. A 15% arrangement deposit is returned to the Buyer until the goods cross the DRC border. The 15% arrangement deposit is returned to the Company on presentation of a holding certificate at Kampala, Uganda. The final 5% is payable following receipt of final smelter assays 90-150 days |

| | |
|--|---|
| | <p>following delivery. The Company can elect pricing of either the 4-month price agreed prior to departure from Logu, or the 3-month price just prior to crossing the DRC border. The payment for goods net of the arrangement deposit in DRC at any given time, inclusive of the advanced payment referred to below, is limited to \$50m. If the goods do not cross the DRC border within 55 days of the provisional payment, the Buyer has the right to request return of the associated provisional payment until such time as the goods cross the border.</p> <ul style="list-style-type: none"> ● Delivery point Kampala: 95% within three days of a holding certificate confirming the arrival of the goods at Kampala, Uganda and 5% following receipt of final smelter assays 60-120 days following delivery. ● Delivery point Goma: 95% within three business days of the goods crossing the DRC border and 5% following receipt of final smelter assays 90-150 days following delivery. |
|--|---|

Control passes to the customer when product is delivered at the delivery point as the customer takes risk of ownership of the product. 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. In the case of the Logu and Goma delivery points title passes upon the lot leaving the DRC and entering into Uganda. For the Kampala delivery point title passes when the lot is delivered at the Kampala delivery point.

For the Logu delivery point, pricing can be either the four-month price as agreed prior to departure from Logu, or the three-month price just prior to crossing the DRC border, at the election of the Company. A first provisional invoice is raised when the goods leave Logu. A second provisional invoice is raised on arrival at Kampala when the final price is known and title passes to the customer.

Commodity price adjustments during this period are separately disclosed in the revenue note as other revenue (note 17). Invoices are raised on FCA delivery date.

Final assay adjustments are recorded against revenue. The Company currently fixes the pricing on departure from Logu.

Since January 2024, the offtake contract provides for an advanced payment of up to \$10m to be made towards concentrate stockpiles at Bisie subject to provision of a mine holding certificate. If the goods do not leave Logu within 30 days of payment, the associated advanced payment needs to be returned to the Buyer.

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 realisable value. The Company does not currently value run of mine ore produced from underground due to the low levels and values of such stockpiles.

The weighted average cost of concentrate inventories is determined by dividing the cost of the concentrate available for sale with the concentrate tons available for sale. The cost of concentrate available for sale is calculated as opening inventory plus net purchases, the cost of conversion plus other costs incurred to get

the tin inventory from run of mine ore to concentrate. The costs of conversion are calculated based on costs directly related to the production and an allocation of fixed and variable overheads. Net realisable value is the estimated selling price net of any estimated selling costs in the ordinary course of business. Write-downs of mineralised concentrate, resulting from net realisable 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 realisable value. Replacement cost is used as the best available measure of net realisable 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 Company 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 Company 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 Company. 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;
- Directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Directly attributable costs include the cost of inspection, transport, import duties and clearance 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 Company 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).

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 Company 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 AND SHARE APPRECIATION RIGHTS EQUIVALENT SHARES

The Company's omnibus incentive plan allows for issue of stock options which in turn 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.

Under the Company's Omnibus Incentive Plan, the Company can award various other types of long term incentive including Share Appreciation Rights Equivalent Shares. Such shares are a subclass of shares with no voting rights that entitles the holder to be paid dividends on dates determined by the board, based on certain share price criteria to the extent that the 5 day VWAP share price prior to the dividend date is higher than the "Reference price", or share price on date of issue.

The Company accounts for SARES as a share based payment under IFRS 2. A share based payment liability is raised for the cash settlement expected to fall due at each period end.

L. INCOME TAXES

Current tax

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 Company 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%. The Companies earnings are derived from the DRC where the corporate tax rate under the mining code is 30%. An additional "superprofit tax" could raise the effective tax rate depending on a number of factors including the average tin price achieved during any given year.

Deferred tax

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 realisation of the deferred tax asset. Please see note 9.

Deferred tax liabilities are recognised 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 recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise 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 nor 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. 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 amortised 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:

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

FVTPL: Assets that do not meet the criteria for amortised cost or fair value through Other Comprehensive Income (FVOCI) are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss.

Impairment

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

Accounts receivable since June 2021, with a provisional tin pricing arrangement, were accounted for as fair value through profit or loss.

From January to May 2021 the Company was fixing tin prices prior to delivery, resulting in recognition of trade receivables at amortised cost as laid out above, when material. From June 2021 provisional pricing was applied and therefore accounted for as fair value through profit or loss. Provisional pricing receivable is recognised when the Company has satisfied its performance obligation relating to delivery of the product and has unconditional right to consideration that is due. All fair value adjustment relating to the movements in this balance are recognised within revenue from fair value adjustments.

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.

Q. DEBT AND BORROWING COSTS

Debt is initially recorded at fair value, less transaction costs and is subsequently measured at amortised 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 capitalised up to the date when the qualifying asset is ready for its intended use.

R. 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.

S. EMPLOYEE SHORT-TERM BENEFITS

The cost of short-term employee benefits is recognised during the period in which the employees render the related service. The accrual for employee entitlements to salaries, bonuses and annual leave represents the amount which the Company has a present legal or constructive obligation to pay as a result of the employees' services provided up to the reporting date.

3. INVENTORY

| | June 30 2024 USD | December 31 2023 USD |
|-------------------|------------------------|----------------------------|
| Tin concentrate | 9,309,716 | 11,694,576 |
| Consumable stores | 37,697,408 | 30,114,307 |
| | 47,007,124 | 41,808,883 |

Tin concentrate consists of final product at the Company's premises. There were no write downs of tin concentrate during the period. An amount of \$2,384,860 (Q2 2023: \$265,572) was debited to the cost of sales during the six months relating to tin concentrate inventory movement. No inventory is carried at net realisable value.

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 \$17,768,054 (Q2 2023: \$15,488,289) was debited to cost of sales from consumable stores during the six month period. Consumable stores have increased during the period due to a mixture of higher capacity requirements for the addition of Mpama South and an increase in deliveries following poor road conditions experienced in H2, 2023.

Inventory is pledged as security under the Company's credit facility.

4. ACCOUNTS RECEIVABLE

| | June 30 2024 USD | December 31 2023 USD |
|---|------------------------|----------------------------|
| Trade receivables – amortised cost ¹ | 16,543,732 | 42,933,374 |

¹Accounts 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, the calculated loss allowance at June 30, 2024 and December 31, 2023 was immaterial.

Trade receivables are amounts due from the customer for tin concentrate sold in the ordinary course of business. They are generally due for settlement within 30 – 180 days and are therefore classified as current.

For the period ended June 30, 2024, the price was finalised basis the prevailing LME 3-4 month price on departure from Logu.

5. PREPAIDS AND OTHER RECEIVABLES

| Item | June 30 2024 USD | December 31 2023 USD |
|--|------------------------|----------------------------|
| Current | | |
| Supplier prepayments ¹ | 8,770,591 | 15,192,006 |
| VAT receivable ² | 7,802,181 | 6,906,756 |
| Tax prepayment ³ | 5,918,984 | 469,205 |
| Corporate and other tax receivables ⁴ | - | 10,564,770 |
| Deferred expenses ⁵ | 5,866,744 | 4,475,779 |
| | 28,358,500 | 37,608,516 |
| Non-current | | |
| Environmental deposit in DRC ⁶ | 1,307,862 | 1,304,365 |
| VAT receivable ² | 23,406,541 | 20,720,267 |
| | 24,714,403 | 22,024,632 |

¹ Supplier prepayments primarily comprise of 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 June 30, 2024 and December 31, 2023 has been assessed as receivable in greater than one year. There is a certification process ongoing prior to a refund being issued and the Company is actively pursuing the matter for resolution.

³ The tax prepayment relates to deposits paid to the public treasury in H1, 2024 relating to tax disputes in order to approach the courts.

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⁴ The corporate and other tax receivables includes corporate tax, government royalties and withholding taxes. Provisional tax payments made in FY2023 exceeded the total FY2023 and Q1, 2024 tax expense. Provisional tax payments are made based on prior year profits.

⁵ Deferred expenses relate to royalty and export tax invoices received relating to product not yet recognised as revenue.

⁶ The environmental deposit in the DRC relates to funds deposited with the central bank in the DRC. These funds will be utilised towards 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

| | June 30 2024 USD | December 31 2023 USD |
|----------------|------------------------|----------------------------|
| Cash at bank | 37,680,584 | 7,148,967 |
| Cash on hand | 31,356 | 9,599 |
| | 37,711,940 | 7,158,566 |
| | June 30 2024 USD | December 31 2023 USD |
| Bank Overdraft | 53,110,671 | 51,703,872 |

Under the terms of the credit facility (see Note 14) all bank accounts of the Company are pledged as security.

In Q2, 2024 the Company amended its bank overdraft facilities with Trust Merchant Bank in the DRC as follows:

- \$43,000,000 unsecured for a 1-year term (renewable at election of the Bank) expiring on April 5, 2025, and carries a fixed interest rate of 6% per annum plus a quarterly commission of 0.25% per annum.
- \$10,000,000 unsecured for a 3-month term (renewable at election of the Bank) expiring on October 13, 2024, and carries a fixed interest rate of 6% per annum plus a quarterly commission of 0.25% plus VAT per annum.

7. PLANT AND EQUIPMENT

| Description | Mining Property costs \$ | Construction in progress \$ | Right of use assets \$ | Land & buildings \$ | Plant & Equipment \$ | Total \$ |
|--|-----------------------------|--------------------------------|---------------------------|------------------------|-------------------------|---------------|
| Cost | | | | | | |
| Closing balance December 31, 2022 | 172,482,952 | 39,575,369 | 12,975,176 | 7,720,251 | 121,082,220 | 353,835,968 |
| Additions during the Year | 7,596,564 | 88,578,250 | 10,651,049 | 3,661,934 | 7,278,652 | 117,766,449 |
| Closing balance December 31, 2023 | 180,079,516 | 128,153,619 | 23,626,225 | 11,382,185 | 128,360,872 | 471,602,417 |
| Transfer from Construction in progress | 56,414,365 | (157,477,996) | 13,383,867 | 2,438,978 | 85,240,786 | - |
| Additions during the period | 5,125,987 | 29,324,377 | 4,520,980 | 724,013 | 4,678,057 | 44,373,414 |
| Closing balance June 30, 2024 | 241,619,868 | - | 41,531,072 | 14,545,176 | 218,279,715 | 515,975,831 |
| Accumulated Depreciation | | | | | | |
| Closing balance December 31, 2022 | (47,686,768) | - | (5,725,533) | (293,482) | (37,089,464) | (90,795,247) |
| Depreciation expense during the year | (16,116,223) | - | (2,192,684) | (188,896) | (12,791,343) | (31,289,146) |
| Closing balance December 31, 2023 | (63,802,991) | - | (7,918,217) | (482,378) | (49,880,807) | (122,084,393) |
| Depreciation expense during the period | (9,360,268) | - | (963,806) | (135,016) | (8,943,714) | (19,402,804) |
| Closing balance June 30, 2024 | (73,163,259) | - | (8,882,023) | (617,394) | (58,824,521) | (141,487,197) |
| Net closing value | | | | | | |
| December 31, 2023 | 116,276,525 | 128,153,619 | 15,708,008 | 10,899,807 | 78,480,065 | 349,518,024 |
| June 30, 2024 | 168,456,609 | - | 32,649,049 | 13,927,782 | 159,455,194 | 374,488,634 |

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 in progress relates to the development of the Mpama South project. The Mpama South development project, which is adjacent to the producing Mpama North mine and comprised a new underground development portal, processing plant and associated equipment and underground infrastructure, is expected to increase Alphamin's annual tin production to approximately 20,000 tonnes. The Mpama South processing facility has been producing tin concentrate to sales specification since 14 May 2024 and achieved commercial production on 17 May 2024.

Right of use assets relate to underground mining equipment and a fuel storage facility and the Q2, 2024 additions include \$1,176,731 (2023: \$5,288,275) in capitalised costs of bringing the right of use assets to the mine, comprising deposits, arrangement fees, transport duties and fees.

A. IMPAIRMENT ASSESSMENT

IFRS Accounting Standards 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 headroom between the Company's net asset value and its market capitalisation on an annual basis, as well as the volatility of commodity prices. During the period ended June 30, 2024, there were no indicators of impairment being required (December 31, 2023: \$Nil).

8. 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:

| | June 30 2024 USD | December 31, 2023 USD |
|--|------------------------|-----------------------------|
| Profit/(Loss) before income tax | 77,976,270 | 95,466,449 |
| Mauritian statutory rate | 3% | 3% |
| Expected income tax (expense)/credit | (2,339,288) | (2,863,993) |
| (Increase)/decrease due to: | | |
| Non-deductible expenses | (2,919,437) | (4,173,227) |
| Taxation rate differential | (22,096,336) | (27,725,083) |
| Deferred tax not recognised | (52,554) | (89,541) |
| Withholdings tax on intragroup dividends | (3,155,296) | (2,650,450) |
| Tax (expense)/credit | (30,562,911) | (37,502,294) |
| Income tax (expense)/credit consists of the following: | | |
| Current income tax | (29,608,776) | (36,998,924) |
| Deferred income tax | (954,135) | (503,370) |

The tax rate differential relates to the difference between the effective tax rate of Mauritius of 3% and that of the operating subsidiary in DRC, which is 30%.

Non-deductible expenses relate to various Income Statement expenses which are not allowable for income tax purposes in the various jurisdictions in which the Company 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.

Superprofit taxes (SPT) in DRC are triggered where the average sales price for the year exceeds the tin price used in the DRC feasibility study by more than 25%. In the case of superprofit tax applying a calculation using ABM's "Excédent Brut d'Exploitation" (EBT), an OHADA or Francophone Africa accounting term that is loosely equivalent to EBITDA for the year, where the EBT is greater than 25% higher than that stipulated in the feasibility study then a superprofit tax of an additional 20% applies, taking the effective tax rate on that incremental portion of profit from 30% to 50%.

In 2021, the Company submitted a revised feasibility study as required under Congolese law due to the substantial changes in operation since the original feasibility study. The revised feasibility study assumed a tin price of \$40,000 per ton compared to the original of \$18,000 per ton. Following the approval of the Company's revised feasibility study in Q3, 2022 the incremental effect of SPT was \$Nil for the period ended June 30, 2024 (2023: \$Nil). Following approval of the previously submitted feasibility study, a further updated feasibility study was submitted to incorporate the Mpama South project with updated tin price forecasts. Under DRC tax law, provisional payments of 80% of the prior year's tax bill are due each year. There is no allowance for estimated profits.

9. DEFERRED TAX

The net deferred tax liabilities as at June 30, 2024 and December 31, 2023 are presented as follows:

| Movement in deferred tax | Balance as at December 31 2023 | Recognised in profit or loss | Balance as at March 31 2024 | Recognised in profit or loss | Balance as at June 30 2024 |
|---|--------------------------------------|---------------------------------|-----------------------------------|---------------------------------|----------------------------------|
| Plant and equipment | (11,188,761) | 360,000 | (10,828,761) | 360,000 | (10,468,761) |
| Assessed losses | - | - | - | - | - |
| Inventory | 3,646,914 | 1,475,726 | 5,122,640 | (2,332,596) | 2,790,044 |
| Accounts receivable | (23,477,829) | (5,434,895) | (28,912,724) | 4,942,157 | (23,970,567) |
| Accounts payable and accrued liabilities | 12,056,341 | 250,012 | 12,306,353 | (574,539) | 11,731,814 |
| Net deferred tax assets/liabilities | (18,963,335) | (3,349,157) | (22,312,492) | 2,395,022 | (19,917,470) |
| Offsetting of assets and liabilities | | | | | |
| Deferred tax assets | 15,703,255 | 1,725,738 | 17,428,993 | (2,907,135) | 14,521,858 |
| Deferred tax liabilities | (34,666,590) | (5,074,895) | (39,741,485) | 5,302,157 | (34,439,328) |
| Net deferred tax asset/liability | (18,963,335) | (3,349,157) | (22,312,492) | 2,395,022 | (19,917,470) |

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. There is no deferred tax asset recognised for tax losses during the current and prior year. Deferred tax assets are expected to realise through profits. Deferred tax is recognised only in respect of the DRC operating subsidiary.

10. EXPLORATION AND EVALUATION ASSETS

| | Mpama North USD | Regional exploration USD | Total USD |
|---------------------------------|--------------------|--------------------------------|--------------|
| Balance as at December 31, 2022 | 4,073,913 | 5,661,675 | 9,735,588 |
| Additions | - | 5,972,467 | 5,972,467 |
| Balance as at December 31, 2023 | 4,073,913 | 11,634,142 | 15,708,055 |
| Additions | - | 212,718 | 212,718 |
| Balance as at March 31, 2024 | 4,073,913 | 11,846,860 | 15,920,773 |
| Additions | - | 100,423 | 100,421 |
| Balance as at June 30, 2024 | 4,073,913 | 11,947,283 | 16,021,196 |

Exploration costs incurred for the year to date relate to the regional soil exploration and drilling campaign on the Company's mining and exploration licenses. Exploration was slowed to focus on the Mpama South development project and is set to resume according to operational requirements in 2025.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | June 30, 2024 USD | December 31, 2023 USD |
|-------------------------------------|-------------------------|-----------------------------|
| Accounts payable | 18,667,451 | 22,083,551 |
| Accrued liabilities | 11,673,667 | 12,061,568 |
| Payroll accruals | 2,364,625 | 1,360,963 |
| Payroll tax liabilities | 757,725 | 2,115,228 |
| Corporate and other tax liabilities | 17,445,428 | 809,556 |
| | 50,908,896 | 38,430,866 |

Accounts payable and accrued liabilities is mainly comprised of mine consumables, services provided, Mpama South development project and other operating expenses. The credit term for purchases typically ranges from 30 to 60 days. There was no corporate tax payable as at December 31, 2023 due to provisional tax payments being made in excess of current tax payable in FY2023. This is because provisional tax payments are made based on prior year profits when commodity prices were significantly higher. The June 30, 2024 corporate and other tax liabilities include a provision for corporate tax due. Other tax liabilities include government royalties and withholding taxes.

12. LEASE LIABILITIES

| | June 30, 2024 USD | December 31, 2023 USD |
|-------------|-------------------------|-----------------------------|
| Current | 4,372,894 | 4,620,448 |
| Non-current | 3,625,750 | 3,564,250 |
| | 7,998,644 | 8,184,698 |

| | June 30, 2024 USD | December 31, 2023 USD |
|---|-------------------------|-----------------------------|
| Summary of lease liabilities by period of redemption | | |
| Less than one year | 4,372,894 | 4,620,448 |
| Between one and two years | 2,971,375 | 2,961,000 |
| Between two and three years | 654,375 | 603,250 |
| Total lease liabilities | 7,998,644 | 8,184,698 |
| Analysis of movement in lease liabilities | | |
| At the beginning of the year | 8,184,698 | 5,395,099 |
| New leases | 3,225,876 | 5,850,565 |
| Capital repayments | (3,411,930) | (3,060,966) |
| - Lease payments | (3,949,931) | (3,996,515) |
| - Interest charged to profit and loss | 279,707 | 291,837 |
| - Interest capitalised | 258,294 | 643,712 |
| At the end of the period/year | 7,998,644 | 8,184,698 |

The lease liabilities relate to the right-of-use assets (primarily comprising underground mining equipment) disclosed in note 7. Interest is based on incremental borrowing rates between 8.95% and 12.94%.

13. 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 summarised as follows:

| Item | Relationship | June 30, 2024 USD | December 31, 2023 USD |
|-------------------------------------|---------------------|-------------------------|-----------------------------|
| Director and Officer fees | Directors, officers | 843,802 | 1,134,692 |
| Secretarial and administrative fees | Corporate Secretary | 25,796 | 37,950 |
| Management fees | Directors | 69,450 | 138,900 |
| Share based payments | Director, officers | 192,500 | 952,744 |

Share based payment liabilities of \$732,362 (2023: \$538,498) relate to provisions made for dividend payments relating to Share Appreciation Rights Equivalent Shares (SARES). SARES are marked to market at each period end and adjusted through share-based payments in the profit and loss account (refer to Note 16).

Debt finance due to related parties of \$2,981,519 (2023: \$2,918,463) are due to Tremont Master Holdings. Tremont Master Holdings is the majority shareholder of the Company. See Note 14 for further details relating to the related party debt owed to Tremont Master Holdings (as part of the syndicate of lenders). All related party transactions are carried out on an arms'-length basis.

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 expired on February 28, 2023 without any impact on the Company. The agreement may be reimplemented by mutual agreement going forward.

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 subsidiary’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). See note 17 for further disclosures with respect to non-controlling interests.

On August 26, 2022 ABM completed a capital reduction in the amount of \$36,848,400, whereby the nominal value of an ordinary share was reduced from \$105 per share to \$5 per share. Alphamin group companies received 84.14% of the proceeds and non controlling interests received 15.86% for a total of \$5,843,700.

14. DEBT

| Long-term debt | Related party debt | Non-related party debt | Total |
|----------------------------------|--------------------|------------------------|-------------|
| | USD | USD | USD |
| Balance, December 31, 2022 | 2,502,240 | 1,919,960 | 4,422,200 |
| Drawdowns during the year | - | 10,000,000 | 10,000,000 |
| Interest accrued | 416,223 | 589,605 | 1,005,828 |
| Amortisation of capitalised fees | - | 235,683 | 235,683 |
| Balance, December 31, 2023 | 2,918,463 | 12,745,248 | 15,663,711 |
| Repayment | (160,133) | (1,486,551) | (1,646,684) |
| Interest accrued | 110,438 | 474,156 | 584,594 |
| Balance, March 31, 2024 | 2,868,768 | 11,732,854 | 14,601,622 |
| Repayment | - | (892,395) | (892,395) |
| Interest accrued | 112,751 | 448,815 | 561,566 |
| Balance, June 30, 2024 | 2,981,519 | 11,289,273 | 14,270,792 |
| Due within one year | 1,444,793 | 5,899,067 | 7,343,860 |
| Due in greater than one year | 1,536,726 | 5,390,206 | 6,926,932 |
| | 2,981,519 | 11,289,273 | 14,270,792 |

On November 9, 2017 the Company entered into a credit facility of up to \$80 million from a syndicate of lenders, which consists of Tremont Master Holdings, Sprott Private Resource Lending (Collector) LP (settled 2022) and Barak Mikopo Structured Credit Fund, for the construction of the Bisie Tin Mine.

The Company concluded an amendment to the credit facility in April, 2024, on the key terms set out below:

- Senior secured, non-revolving term credit facility.
- An additional cash injection of up to \$5,000,000.
- Capital repayments commence in August 2024 with repayments in equal instalments over a 24 month period.
- Effective Coupon of 10.00% plus the greater of US dollar 3-month Secured Overnight Financing Rate (SOFR) and 1 percent per annum.
- 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, consumable stores 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;
 - (ii) the Debt Service Cover Ratio is greater than or equal to 1.5 to 1.00;
 - (iii) the Total Debt to Equity Ratio is less than 60 to 40;
 - (iv) Loan Life Cover Ratio is greater than 2.00 to 1.00; and
 - (v) the Reserve Tail Ratio is greater than 30%.

There was no breach of the covenants of the credit facility in the period ended June 30, 2024 (2023: Nil).

| Unsecured short-term debt | Related party debt | Non-related party debt | Total |
|----------------------------------|--------------------|------------------------|-----------|
| | USD | USD | USD |
| Balance, December 31, 2022 | - | - | - |
| Drawdowns during the year | - | 5,000,000 | 5,000,000 |
| Interest accrued | - | 101,473 | 101,473 |
| Amortisation of capitalised fees | - | - | - |
| Balance, December 31, 2023 | - | 5,101,473 | 5,101,473 |
| Repayments | - | (179,462) | (179,462) |
| Interest accrued | - | 227,028 | 227,028 |
| Balance, March 31, 2024 | - | 5,149,039 | 5,149,039 |
| Repayments | - | - | - |
| Interest accrued | - | 234,545 | 234,545 |
| Balance, June 30, 2024 | - | 5,383,584 | 5,383,584 |
| Due within one year | - | 5,383,584 | 5,383,584 |
| Due in greater than one year | - | - | - |
| | - | 5,383,584 | 5,383,584 |

On November 7, 2023 the Company entered into an unsecured short-term credit facility of up to \$5 million from Westlake International Finance Limited, on the key terms set out below:

- Short-term, unsecured, non-revolving term credit facility.
- Additional injection of \$5,000,000.
- Interest rate is fixed at 18 percent per annum.
- There are no covenants applicable to the short-term credit facility.

The Company is in the process of transferring the above short-term facility into the long-term debt facility, with lower interest rates thus applicable.

The Company monitors overall debt levels and proximity to breaching of covenants on a monthly basis. This is formally confirmed with the lenders on a quarterly basis.

NET CASH/(DEBT) RECONCILIATION

| | June 30, 2024 USD | December 31, 2023 USD |
|---------------------------------|-------------------------|-----------------------------|
| Bank overdraft | (53,110,671) | (51,703,872) |
| Lease liabilities | (7,998,644) | (8,184,698) |
| Debt | (19,654,376) | (20,765,184) |
| Total debt | (80,763,691) | (80,653,754) |
| Less: cash and cash equivalents | 37,711,940 | 7,158,566 |
| Net cash/(debt) | (43,051,751) | (73,495,188) |

Net cash/(debt) is cash less interest-bearing debt.

The year ending 2023 represented a particularly demanding year in terms of cash flow requirements due to the \$100m spent on the Mpama South Project and the once off position of paying both a full year's balancing

tax bill and provisional payments equivalent to more than the FY 2023 tax bill in the DRC. In Q1, 2024 road conditions improved and sales normalised, following the delays encountered in Q4, 2023. Furthermore an extension to the offtake agreement with Gerald Metals group was concluded in Q1, 2024 which provides for tin prepayments of up to \$50m for tin concentrate in DRC and at the mine. The overall 2024 cash flow position is expected to be significantly improved as a result of significantly lower capital expenditure obligations, lower tax obligations, the benefit of the revised offtake agreement terms and expected increased revenue from the addition of the Mpama South operation from Q2, 2024.

15. PROVISION FOR CLOSURE AND RECLAMATION

The Company recognises 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 3.8% (2023: 3.8%) and a discount rate of 4.75% (2023: 4.75%) has been applied in calculating the present value of the future obligation. The period applied aligns to the estimated life of mine of 10 years, with most rehabilitation activities scheduled within the 3 years post completion of mining activities. The assumptions used are consistent with the prior year. New provision has been made for rehabilitation required relating to the Mpama South development project.

| | USD |
|--|-------------|
| Balance, December 31, 2022 | 10,933,203 |
| Provision raised during the year | 1,956,728 |
| Impact of revised inflation and discount assumption* | (1,603,992) |
| Unwind of provision during the year | 1,375,673 |
| Balance, December 31, 2023 | 12,661,612 |
| Unwind of provision during the period | 29,050 |
| Balance, March 31, 2024 | 12,690,662 |
| Unwind of provision during the period | 29,050 |
| Balance, June 30, 2024 | 12,719,712 |

*During the year ended December 31, 2023 the Company reassessed the inflation and discount assumptions used which changed from 4.4% to 3.8% (2022: 2% to 4.4%) and 4% to 4.75% (2022: 3% to 4%) respectively.

16. 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 1,276,210,479 common shares were issued and outstanding as at June 30, 2024.

B. CHANGES IN ISSUED CAPITAL STOCK AND RESERVES DURING THE PERIOD/YEAR ENDED JUNE 30, 2024 AND DECEMBER 31, 2023

The table below sets out the movement in capital stock during the period/year ended June 30, 2024 and December 31, 2023:

| | Shares | Price per share | CAD | USD | Warrants | Share issue costs | Equity |
|--|---------------|-----------------|------------|-------------|------------|-------------------|-------------|
| Balance as at December 31, 2022 | 1,273,797,231 | | 28,344,316 | 248,742,856 | 26,031,504 | (1,568,310) | 273,206,050 |
| Exercise of options during the year | 246,582 | 0.26 | 64,111 | 47,922 | - | - | 47,922 |
| Exercise of options during the year | 1,300,000 | 0.20 | 260,000 | 195,641 | - | - | 195,641 |
| Exercise of options during the year | 200,000 | 0.68 | 136,000 | 99,182 | - | - | 99,182 |
| Balance as at December 31, 2023 and March 31, 2024 | 1,275,543,813 | | 28,804,427 | 249,085,601 | 26,031,504 | (1,568,310) | 273,548,795 |
| Exercise of options during the period | 666,666 | 0.68 | 453,333 | 331,556 | - | - | 331,556 |
| Balance as at June 30, 2024 | 1,276,210,479 | | 29,257,760 | 249,417,157 | 26,031,504 | (1,568,310) | 273,880,351 |

Period ended June 30, 2024

In Q2, 2024, 666,666 options were exercised and 1,333,334 options were forfeited at a strike price of CAD68 cents per share (USD50 cents per share).

Year ended December 31, 2023

In Q2, 2023, 246,582 options were exercised at a strike price of CAD26 cents per share (USD19 cents per share) and 1,300,000 options were exercised at a strike price of CAD20 cents per share (USD15 cents per share).

In Q4, 2023, 200,000 options were exercised at a strike price of CAD68 cents per share (USD50 cents per share).

C. STOCK OPTIONS

On July 8, 2022 the shareholders approved the replacement of the previous Stock Option Plan with the Omnibus Equity Incentive Plan (OEIP).

Under the OEIP a number of different equity compensation mechanisms became available, including Options, Restricted Share Units (RSUs), Share Appreciation Rights (SARs), SAR Equivalent Shares (SARES).

The OEIP provides that the number of common shares that may be purchased under the OEIP is a rolling maximum which shall not exceed 5% 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 reorganisation, 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 1% 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 OEIP) within a period of 12 months shall not exceed 1% 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 OEIP) within a period of 12 months shall not exceed 1% of the outstanding common shares at the time of the grant.

The OEIP 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 OEIP, 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 OEIP). Options granted under the OEIP 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 instruments are non-assignable. Shares will not be issued pursuant to options granted under the OEIP 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 June 30, 2024 are as follows:

| | Options outstanding | | |
|-----------------------------------|------------------------|--|--|
| | Number of options # | Weighted average exercise price CAD\$ | Weighted average exercise price USD\$ |
| Balance, December 31, 2022 | 11,646,582 | 0.65 | 0.48 |
| Options forfeited during the year | (1,000,000) | 0.68 | 0.50 |
| Options exercised during the year | (1,746,582) | 0.26 | 0.20 |
| Balance, December 31, 2023 | 8,900,000 | 0.72 | 0.52 |
| Options issued during the period | 5,900,000 | 0.96 | 0.71 |
| Balance, March 31, 2024 | 14,800,000 | 0.82 | 0.61 |
| Options forfeited during the year | (1,333,334) | 0.68 | 0.50 |
| Options exercised during the year | (666,666) | 0.68 | 0.50 |
| Balance, June 30, 2024 | 12,800,000 | 0.84 | 0.61 |

The following table summarises information concerning outstanding and exercisable options as at June 30, 2024:

| Number outstanding # | Number Exercisable # | Expiry Date | Weighted average Exercise Price CAD\$ | Weighted average Exercise Price USD\$ | Remaining life (Years) |
|----------------------------|----------------------------|--------------------|--|--|---------------------------|
| 4,000,000 | 3,000,000 | September 2, 2028 | 0.78 | 0.57 | 4.18 |
| 2,900,000 | 833,333 | November, 10, 2029 | 0.68 | 0.50 | 5.37 |
| 5,900,000 | - | March, 13, 2031 | 0.96 | 0.70 | 6.70 |
| 12,800,000 | 3,833,333 | | 0.84 | 0.61 | |

2,500,000 options issued on September 3, 2021 vested 50% after 16 months and 50% after 22 months. The other options issued in Q3 2021 vest 33% after two years, 33% after three years and 33% after four years.

Of the November 11, 2022 issue, 833,333 are exercisable and of the remaining 2,066,667, 50% vest on November 10, 2024 and 50% vest on November 10, 2025.

The Company issued 5,900,000 options on March 13, 2024. Of this Q1, 2024 issue, 400,000 options issued vest 33% after one year, 33% after two years and 33% after three years. The remaining 5,500,000 options vest 50% after one year and 50% after two years.

The Company recorded a share-based payment expense to the statement of profit/(loss) and comprehensive profit/(loss) of \$453,968 for the period ended June 30, 2024 (Q2, 2023: \$1,001,353). The share-based payments expense related to options granted was determined using the Black-Scholes option pricing model and the following weighted average assumptions:

| | March 2024 | November 2022 | September 2021 |
|-----------------------------------|------------|---------------|----------------|
| Forfeiture rate | - | - | - |
| Risk free interest rate | 3.65% | 3.43% | 0.32% |
| Expected life of options in years | 1 – 3 | 1 – 3 | 16 months – 4 |
| Volatility | 70% | 70% | 70% |
| Dividend rate | 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.*

D. SHARE APPRECIATION RIGHTS EQUIVALENT SHARES

Pursuant to the changes in the Company's equity incentive arrangements approved on July 8, 2022 the Company issued 8,006,742 SARES under an Offer to Exchange made to all Option holders at the time. This qualified as a modification in terms of IFRS 2. The SARES is classified as a cash settled scheme. SARES holders are entitled to cash payments on given dates based on the appreciation of the share price calculated as the difference between the 5 day VWAP prior to the settlement date and the Reference price on the date of issue. Initial dividend payments of CAD2,268,246 (USD1,655,654) and CAD354,742 (USD260,974) were made to holders on October 17, 2022 and December 14, 2022 respectively. A final dividend payment on these SARES was made on June 11, 2023 applying to 1,750,000 SARES in the amount of CAD1,107,560 (USD 833,426).

On November 11, 2022 a further 3,500,000 SARES were issued with a reference price of CAD0.68 per SARES. Dividends were due on 1,416,667 on November 11, 2023 and remained payable at year end. Further dividends will fall due on 1,041,667 and 1,041,667 SARES on each of November 11, 2024 and November 11, 2025 respectively.

On March 13, 2024, 2,100,000 SARES were issued with a reference price of CAD0.96 per SARES. Dividends will fall due on one third of the 2,100,000 SARES on each of March 13, 2025, March 13, 2026 and March 13, 2027 respectively.

As at the period ended June 30 2024, the Company accrued \$732,362 (2023: \$538,498) for this dividend liability on the basis of the period end share price to Reference price differential.

E. TRANSACTIONS WITH NON-CONTROLLING INTEREST

On December 12, 2020 the Company 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.

17. 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:

| Company | Proportion of ownership and voting rights held by non-controlling interests | | Profit allocated to non-controlling interests | | Accumulated non-controlling interests | |
|--------------------------|---|--------------------------|---|----------------------|---------------------------------------|--------------------------|
| | June 30, 2024 USD | December 31, 2023 USD | June 30, 2024 USD | June 30, 2023 USD | June 30, 2024 USD | December 31, 2023 USD |
| Alphamin Bisie Mining SA | 15.86% | 15.86% | 8,623,844 | 6,583,039 | 55,402,592 | 52,725,784 |

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

| | June 30, 2024 USD | December 31, 2023 USD |
|--|----------------------|--------------------------|
| Current assets | 152,288,715 | 145,765,580 |
| Non-current assets | 343,749,916 | 317,559,702 |
| Total assets | 496,038,631 | 463,325,282 |
| Current liabilities | 128,118,305 | 113,407,431 |
| Non-current liabilities | 18,822,361 | 17,698,948 |
| Equity | 349,097,965 | 332,218,903 |
| Total liabilities and equity | 496,038,631 | 463,325,282 |
| Revenue | 213,170,968 | 288,504,726 |
| Operating expenses | (131,406,815) | (185,965,884) |
| Income tax (expense)/credit | (27,385,100) | (34,807,712) |
| Net profit for the year | 54,379,053 | 67,731,130 |
| Attributable to owners of the Company | 45,755,209 | 56,989,811 |
| Attributable to non-controlling interest | 8,623,844 | 10,741,319 |

18. REVENUE

| | Six months ended June 30, 2024 USD | Six months Ended June 30, 2023 USD |
|---------------------------------------|---------------------------------------|---------------------------------------|
| REVENUE | | |
| Revenue from contracts with customers | 213,170,968 | 158,713,181 |
| Total Revenue | 213,170,968 | 158,713,181 |

For the period ended June 30, 2024, the Company fixed pricing on departure from Logu basis the prevailing LME 3-4 month price.

19. COST OF SALES

| | Six months ended June 30, 2024 | Six months ended June 30, 2023 |
|--|---|---|
| | USD | USD |
| COST OF SALES | | |
| Treatment costs | (15,113,182) | (11,718,844) |
| Transport and selling costs | (29,956,681) | (22,543,561) |
| Mine operating costs | (42,573,289) | (33,409,232) |
| Inventory movement | (2,384,861) | 265,572 |
| Royalties | (5,435,215) | (4,053,372) |
| Depreciation, depletion and amortisation | (19,231,145) | (15,595,434) |
| Cost of Sales total | (114,694,373) | (87,055,071) |

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 agency's assays results and tin price tables which are published on a weekly basis.

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, and are broken down below:

| | Six months ended June 30, 2024 | Six months ended June 30, 2023 |
|------------------------------|---|---|
| | USD | USD |
| Mine operating costs | | |
| Wages and salaries | (16,072,241) | (13,566,730) |
| Mining consumables | (6,565,617) | (5,004,320) |
| Transport and Import duties | (4,746,976) | (3,257,055) |
| Fuel & Lubricants | (9,020,378) | (6,796,820) |
| Mineral resources management | (1,339,198) | (568,861) |
| Processing and TSF costs | (1,177,726) | (1,082,017) |
| Site infrastructure | (3,651,153) | (3,133,629) |
| Mine operating costs total | (42,573,289) | (33,409,432) |

20. GENERAL AND ADMINISTRATIVE

| | Six months Ended June 30, 2024 | Six months ended June 30, 2023 |
|-----------------------------------|---|---|
| | USD | USD |
| GENERAL AND ADMINISTRATIVE | | |
| Accounting, legal and secretarial | 282,647 | 196,959 |
| Audit fees | 126,432 | 121,510 |

| | Six months Ended June 30, 2024 | Six months ended June 30, 2023 |
|---|---|---|
| | USD | USD |
| GENERAL AND ADMINISTRATIVE | | |
| Administrative | 650,709 | 394,789 |
| Bank charges | 766,308 | 582,196 |
| Consulting fees | 669,956 | 644,020 |
| Fines and penalties | 300,000 | 228,555 |
| Taxes and duties | 689,474 | 467,395 |
| Directors fees | 155,944 | 151,402 |
| Depreciation | 171,658 | 251,130 |
| Management fees and salaries | 874,033 | 733,388 |
| Share-based payments (Note 16) | 840,332 | 1,001,353 |
| Telecommunication costs | 624,883 | 524,122 |
| Insurance | 969,396 | 899,543 |
| Investor relations, filing and transfer fees | 195,116 | 244,612 |
| Safety, Security & Environment | 723,971 | 653,647 |
| Medical expenses | 1,124,708 | 1,360,981 |
| Community development | 1,783,911 | 1,790,616 |
| Travel and accommodation | 1,935,776 | 1,415,889 |
| Total General & Administrative costs | 12,885,254 | 11,662,107 |

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.

21. FOREIGN EXCHANGE (LOSS)/PROFIT

| | June 30, 2024 | June 30, 2023 |
|---------------------------------|--------------------------|--------------------------|
| | USD | USD |
| Foreign exchange profit /(loss) | (475,447) | 1,814,434 |

22. FINANCE COST

| | June 30, 2024 | June 30, 2023 |
|--------------------------------------|--------------------------|--------------------------|
| | USD | USD |
| Senior debt interest payable in cash | 1,146,161 | 364,791 |
| Unsecured short-term loan | 461,573 | - |
| Amortisation of senior debt fees | - | 235,683 |
| Trader finance | 3,351,211 | 1,765,116 |
| Bank overdraft interest | 1,818,631 | 185,558 |
| Lease interest | 279,332 | 149,037 |
| Unwind of environmental discount | 58,102 | 114,160 |
| Other interest | 34,747 | 26,754 |
| Total Finance cost | 7,149,757 | 2,841,099 |

23. 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 and debt. Changes in the equity accounts of the Company are disclosed in Note 16 and changes in debt is disclosed in Note 14. 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 Company maintains monthly cash flow forecasts and carries out detailed reviews of management information.

24. 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 Company, is defined as credit risk. The Company 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 Company 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 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, 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 due to the offtake agreement. As at June 30, 2024 and December 31, 2023, 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 95% of revenue within between 2 and 30 days of delivery of product to delivery points as agreed with the customer. Refer to the revenue accounting policy in note 2 for the timing of performance obligations and payment terms.

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 Company on alternative payment arrangement amongst others is considered indicators of no reasonable expectation of recovery. To date, the Company has not 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.

The majority of the cash and cash equivalents balance was concentrated with Standard Bank group. Standard Bank's average credit rating is B. The Company's DRC cash balances (minimal) are generally held with Trust Merchant Bank and Standard Bank DRC. These banks do not have external credit agency credit ratings. The Company does not expect any credit losses on cash balances. The Company's maximum exposure to credit risk at the reporting date is as follows:

| Item | June 30, 2024 USD | December 31, 2023 USD |
|---------------------------|-------------------------|-----------------------------|
| Cash and cash equivalents | 37,711,940 | 7,158,566 |
| Accounts receivable | 16,543,732 | 42,933,374 |
| Total | 54,255,672 | 50,091,940 |

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.

The Company manages its liquidity risk by maintaining a sufficient cash balance, taking into account ongoing operations cash flow, 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 14 for additional information on repayment terms. The Company's accounts payable and accrued liabilities arose as a result of the Mpama South development, mine operating expenses, DRC taxes and corporate expenses. Payment terms on these liabilities are typically 30 to 60 days from receipt of invoice. As at Q2, 2024 the Company had withdrawn \$53,110,671 of its bank overdraft; see Note 6 for further details. The following table summarises the remaining contractual maturities of the Company's financial liabilities:

| | Within 1 Year June 30, 2024 USD | Between 1 and 2 Years June 30, 2024 USD | Between 2 and 5 Years June 30, 2024 USD | Greater than 5 Years June 30, 2024 USD |
|---|--|---|---|--|
| Long term debt | 7,109,269 | 5,992,600 | - | - |
| Long term debt – related parties | 1,781,781 | 1,709,488 | - | - |
| Unsecured short-term loan | 5,383,584 | - | - | - |
| Bank overdraft | 10,110,671 | 43,000,000 | - | - |
| Lease payments | 5,092,808 | 3,546,376 | 684,542 | - |
| Accounts payable and accrued liabilities* | 51,610,187 | - | - | - |

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

| | Within 1 Year | Between 1 and 2 Years | Between 2 and 5 Years | Greater than 5 Years |
|---|-------------------|-----------------------|-----------------------|----------------------|
| | December 31, 2023 | December 31, 2023 | December 31, 2023 | December 31, 2023 |
| | USD | USD | USD | USD |
| Long term debt | 9,024,123 | 5,545,270 | - | - |
| Long term debt – related parties | 1,810,411 | 1,581,880 | - | - |
| Unsecured short-term loan | 5,551,791 | - | - | - |
| Bank overdraft | 54,309,193 | - | - | - |
| Lease payments | 5,288,948 | 3,227,235 | 622,738 | - |
| Accounts payable and accrued liabilities* | 38,430,866 | - | - | - |

*The June 30, 2024 and FY2023 accounts payable and accrued liabilities include the full amount of the accounts in accordance with note 11 breakdown for information purposes, and therefore is not only related to financial instruments. Financial liabilities included in the disclosure above amounts to \$30,341,118 for Q2, 2024 (2023: \$34,145,119).

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.

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).

Interest Rate Risk

As at June 30, 2024 the Company owed US\$14,270,792 towards its credit facility, \$5,383,584 towards an unsecured short-term loan and \$53,110,187 on its bank overdraft in the DRC (refer Note 14). Of these loans, US\$14,270,792 (2023: \$15,663,711) is exposed to variable interest rates as both the short term loan and overdraft facility are based on fixed rates.

D. FAIR VALUE MEASUREMENT

At June 30, 2024 and December 31, 2023, the carrying values and the fair values of the Company's financial instruments are shown in the following table.

| | Fair value Hierarchy Level | June 30, 2024 | June 30, 2024 | December 31, 2023 | December 31, 2023 |
|---------------------------------------|----------------------------|--------------------|----------------|--------------------|-------------------|
| | | Carrying value USD | Fair value USD | Carrying value USD | Fair value USD |
| Financial assets | | | | | |
| Accounts receivable – amortised cost* | | 16,543,732 | 16,543,732 | 42,933,374 | 42,933,374 |
| Financial liabilities | | | | | |
| Bank overdraft | | 53,110,671 | 53,110,671 | 51,703,872 | 51,703,872 |
| Debt – related parties | 2 | 2,981,519 | 2,981,519 | 2,918,463 | 2,918,463 |
| Debt | 2 | 16,672,857 | 16,672,857 | 17,846,721 | 17,846,721 |

*Trade receivables are measured at amortised cost at June 30, 2024 and December 31, 2023 due to pricing being fixed on departure from Logu.

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 carrying value of financial instruments not carried at fair value approximates fair value because of the short period to maturity of these instruments or as a result of market-related variable interest rates.

25. BASIC AND DILUTED PROFIT/(LOSS) PER SHARE AS WELL AS HEADLINE AND DILUTED HEADLINE PROFIT/(LOSS) 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 period. 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:

| | June 30, 2024 USD | June 30, 2023 USD |
|--|-------------------------|-------------------------|
| Profit attributable to equity shareholders | 38,789,515 | 31,073,652 |
| Weighted average number of shares issued and outstanding | 1,275,632,105 | 1,273,978,169 |
| Profit in US cents per share | 3.04 | 2.44 |
| | June 30, 2024 USD | June 30, 2023 USD |
| Diluted Profit attributable to equity shareholders | 38,789,515 | 31,073,652 |
| Number of shares | | |
| Weighted average number of shares in issue | 1,275,632,105 | 1,273,978,169 |
| Potential dilutive effect of outstanding share options | 13,264,088 | 10,465,644 |
| Diluted Weighted average number of shares issued and outstanding | 1,288,896,193 | 1,284,443,813 |
| Diluted Profit/(Loss) in US cents per share | 3.01 | 2.42 |

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 per share. Headline profit per share is calculated by dividing headline profit attributable to equity holders of the Company by the weighted average number of common shares issued and outstanding during the year. Diluted headline profit per share is determined by adjusting the weighted average number of shares for all potential dilutive effects.

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

26. COMMITMENTS

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

| | June 30, 2024 USD | December 31, 2023 USD |
|---------------------------------|-------------------------|-----------------------------|
| Property, plant and equipment | 3,195,170 | 4,142,545 |
| Exploration | - | - |
| Mpama South development project | - | 3,879,213 |
| | 3,195,170 | 8,021,758 |

27. SEGMENTED INFORMATION

The Company considers its business to consist of one reportable operating segment, being the production 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 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.

28. CONTINGENT LIABILITIES

| | June 30, 2024 | December 31, 2023 |
|-------------------|------------------|----------------------|
| Fines & penalties | 1,000,000 | 1,000,000 |

A number of significant fines and penalties have been received from various governmental tax authorities. The Company is disputing these as it believes it to be substantially compliant and does not expect material settlements. The Company has noted an increase in the frequency and value of these attempts to charge fines.

29. SUBSEQUENT EVENTS

There were no subsequent events for the period ended June 30, 2024.



MANAGEMENT'S DISCUSSION AND ANALYSIS -
QUARTERLY HIGHLIGHTS
(EXPRESSED IN US DOLLARS)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024

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INTRODUCTION

This Management's discussion and analysis – quarterly highlights (“Quarterly Highlights”) of the financial position and results of operations of Alphamin Resources Corp. (“Alphamin,” or “the Company”) should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company and the notes thereto as at and for the three and six months ended June 30, 2024 and the audited annual consolidated financial statements of the Company as at and for the year ended December 31, 2023. In this discussion and analysis, unless the context otherwise dictates, a reference to the Company refers to Alphamin Resources Corp. and its subsidiaries. Additional information about Alphamin Resources Corp. is available on SEDAR+ at www.sedarplus.ca. This Quarterly Highlights is dated August 22, 2024 and information contained herein is presented as of that date, unless otherwise indicated.

This discussion and analysis contains forward-looking statements. Please refer to the cautionary language under “Forward-Looking Statements” within this report.

OVERVIEW AND OUTLOOK

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- ✓ **Record tin production of 4,028 tonnes, up 28%** from the prior quarter
- ✓ **Tin sales of 3,245 tonnes**, with increased tin stocks from the expansion cleared during July 2024
- ✓ **EBITDA² of US\$54.2m, up 4%** from the prior quarter

Operational and Financial Summary for the Quarter ended June 30, 2024¹

| Description | Units | | | |
|----------------------------|-------------|-------------------------|--------------------------|--------|
| Description | Units | Quarter ended June 2024 | Quarter ended March 2024 | Change |
| Ore Processed | Tonnes | 166,676 | 109,424 | 52% |
| Tin Grade Processed | % Sn | 3.20 | 3.83 | -16% |
| Overall Plant Recovery | % | 75 | 75 | 0% |
| Contained Tin Produced | Tonnes | 4,028 | 3,142 | 28% |
| Contained Tin Sold | Tonnes | 3,245 | 4,126 | -21% |
| EBITDA ² | US\$'000 | 54,242 | 52,094 | 4% |
| AISC ² | US\$/t sold | 15,556 | 14,858 | 5% |
| Average Tin Price Achieved | US\$/t | 32,314 | 26,863 | 20% |

¹Production and financial information is disclosed on a 100% basis. Alphamin indirectly owns 84.14% of its operating subsidiary to which the information relates. Totals may not add due to rounding effects. ²This is not a standardized financial measure and may not be comparable to similar financial measures of other issuers. See “Use of Non-IFRS Financial Measures” below for the composition and calculation of this financial measure.

DESCRIPTION OF THE BUSINESS

Alphamin's primary business is the production and sale of high-grade tin concentrate from the Bisie Tin Mine in the Democratic Republic of the Congo ("DRC"). The Company commenced commercial production on September 1, 2019. The Bisie Tin Mine occurs within Permis de Exploitation (Mining Permit) PE13155, along with 2 research permits granted to Alphamin's DRC-registered subsidiary, Alphamin Bisie Mining SA ("ABM"). ABM is an 84.14% indirect controlled subsidiary of Alphamin, with the remaining 15.86% owned by the DRC government (5%) and the Industrial Development Corporation of South Africa Ltd ("IDC") (10.86%). All tenements are located within the Walikale District, North Kivu Province of the east-central DRC and lie within one of the world's principal gold and tin metallogenic provinces. The shares of Alphamin are listed on the TSX Venture Exchange ("TSX.V" - symbol AFM) in Canada, and the Johannesburg Stock Exchange AltX (symbol APH) in South Africa. For further information on the Company, readers are referred to the Company's website (www.alphaminresources.com) and to Canadian regulatory filings on SEDAR+ at www.sedarplus.ca.

KEY OPERATING MILESTONES

Operational and Financial Performance – Q2 2024

The new Mpama South processing facility has been producing tin concentrate to sales specification since 14 May 2024 and achieved commercial production on 17 May 2024. Accordingly, AISC and EBITDA includes Mpama South from 17 May 2024. During Q2 2024, there was a temporary lag between the additional tin production and sales which resulted in a limited contribution from Mpama South to EBITDA during the quarter. Approximately 500 tonnes of tin production temporarily delayed in Q1 2024 was cleared during the month of July 2024. We therefore expect tin sales in Q3 2024 to exceed tin production by approximately 500 tonnes.

AISC of US\$15,587/t is inclusive of the incremental Mpama South production costs which, on an on-mine contained tin produced unit basis, were 3% higher than at pre-expansion levels. The quarter-on-quarter increase in AISC is directly related to the higher tin price, which increases royalties, export duties, net smelter returns and marketing fees.

Contained tin production of 4,028 tonnes for the quarter ended June 2024 was 28% above the prior period. This increase is a result of the Mpama South expansion becoming operational in the quarter. With half of the quarter benefiting from the expansion, we expect Q3 to deliver a further increase in tin production.

Due to the expansion from mid-May 2024, ore processed increased by 52% to 166,676 tonnes and the tin grade of the feed ore reduced to 3.2%. This is in line with expectations as the expansion targets a doubling of processing volumes and a reduction in the overall tin grade to ~3%.

The Mpama South facility was originally targeted to produce at a metallurgical recovery of 70% on the basis of a 2% tin feed grade, which should result in an overall combined recovery of approximately 73% going forward. The new plant outperformed during Q2 and achieved recoveries in excess of 70% at an average feed grade of 2.2%.

Tin sales decreased by 21% to 3,245 tonnes – the comparative quarter recorded exceptionally high sales volumes as the quarter cleared the backlog from low Q4 2023 sales due to poor road conditions.

EBITDA for Q2 2024 was US\$54.2m (Q1 2024: US\$52.1m). EBITDA for the current quarter was negatively impacted by lower tin sales volumes but benefited from a positive tin price variance of 20%. The additional tin production from the expansion should translate into higher sales volumes from July 2024 onwards and accordingly contribute to EBITDA. The lag in tin sales compared to production in Q2 2024 impacted EBITDA by approximately US\$15m.

Liquidity and dividends update

The Company's cash position increased during the six months to June 30, 2024 to US\$37.7m, net of a dividend payment of US\$27.9m, from US\$7.2m at the end of December 2023.

The Company declared and paid a final FY2023 dividend of CAD\$0.03 per share (US\$27.9m) during Q2 2024 and paid a further US\$5.9m in dividends to non-controlling interests at a subsidiary level. The liquidity outlook is favourable due to high operating margins, increased output from the Mpama South plant and a strong tin price, as well as a substantially lower capital expenditure program following the completion of the Mpama South project. The Company intends to make an interim FY2024 dividend decision in early October 2024.

On 26 April 2024, the board of directors approved an amendment to the senior credit facility that allows for a repayment holiday for the majority of the debt until August 2024 and an increase of up to US\$5m.

Exploration update

Following completion of the Bisie mine expansion, the Company intends to commence with ongoing exploration drilling from Q4 2024. The exploration objectives are to:

1. Increase the Mpama North and Mpama South resource base and life of mine
2. Discover the next tin deposit in close proximity to the Bisie mine
3. Ongoing grassroots exploration in search of remote tin deposits

Initial drilling is planned at Mpama North from an underground exploration drive at level 16 which is 250m below the first mining level and extending 200m beyond the northern extremity of the orebody. Development of this drive is nearing completion with drilling to commence early Q4 2024. Exploration holes are planned in multiple directions on strike and at depth. Additional underground exploration drives are planned from level 20 beyond the southern end of the Mpama North orebody. Surface drilling is planned to commence in Q4 2024 at Mpama South and between Mpama North and Mpama South targeting extensions at depth and on strike further south. These initiatives are not only planned to increase life of mine but also to yield valuable information towards discovering additional tin deposits in close proximity. In addition, an external review of all exploration data to date is expected to guide incremental drilling initiatives from 2025.

CURRENT COMPANY OBJECTIVES

The current Company objectives are:

1. To continue mining safely with due regard to the health of our employees and the impact on the environment.
2. Increase remaining life-of-mine average annual contained tin production from ~12,500 tonnes to ~20,000 tonnes following the completion of the Mpama South expansion project.
3. Add significantly to the current life of mine through drilling campaigns at Mpama South and Mpama North. Exploration around the Bisie area in search of the third tin deposit.
4. Maintaining a balanced distribution of value amongst key stakeholders, notably provincial and national government through legislated taxes, our local communities from our committed social spend of 4% of on-mine operating expenditure, shareholders and debt providers.

MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024

SELECTED CONSOLIDATED FINANCIAL INFORMATION

| | | Q2 2024 | Q1 2024 | Variance | Q2 2024 | Q2 2023 | Variance |
|----------------------------|--------|----------|----------|----------|----------|----------|----------|
| Revenue | \$'000 | 103,861 | 109,310 | -5% | 103,861 | 75,742 | 37% |
| Cost of sales | \$'000 | (52,803) | (61,892) | -15% | (52,803) | (42,725) | 24% |
| Gross profit | \$'000 | 51,058 | 47,419 | 8% | 51,058 | 33,017 | 55% |
| General and administrative | \$'000 | (7,241) | (5,644) | 28% | (7,241) | (6,101) | 19% |
| Operating profit/(loss) | \$'000 | 43,817 | 41,774 | 5% | 43,817 | 26,916 | 63% |
| Other | | | | | | | |
| Profit on foreign exchange | \$'000 | (139) | (336) | -59% | (139) | 2,169 | -106% |
| Interest expense | \$'000 | (3,656) | (3,494) | 5% | (3,656) | (1,300) | 181% |
| Interest income | \$'000 | 4 | 6 | -20% | 4 | 2 | 130% |
| Profit before taxes | \$'000 | 40,027 | 37,950 | 5% | 40,027 | 27,787 | 44% |
| Current income tax expense | \$'000 | (19,913) | (9,695) | 105% | (19,913) | (10,190) | 95% |
| Deferred tax movement | \$'000 | 2,395 | (3,349) | -172% | 2,395 | 168 | 1327% |
| NET profit ¹ | \$'000 | 22,508 | 24,905 | -10% | 22,508 | 17,765 | 27% |

| Cost of Sales | | Q2 2024 | Q1 2024 | Variance | Q2 2024 | Q2 2023 | Variance |
|--|--------|----------|----------|----------|----------|----------|----------|
| Treatment costs | \$'000 | (6,988) | (5,807) | 20% | (6,988) | (5,912) | 18% |
| Transport and selling costs | \$'000 | (13,853) | (10,936) | 27% | (13,853) | (11,607) | 19% |
| Mine operating costs | \$'000 | (24,613) | (16,632) | 48% | (24,613) | (16,777) | 47% |
| Inventory movement | \$'000 | 6,123 | 392 | 1460% | 6,123 | (127) | -4924% |
| Royalties | \$'000 | (2,649) | (1,946) | 36% | (2,649) | (2,107) | 26% |
| Depreciation, depletion and amortization | \$'000 | (10,822) | (7,797) | 39% | (10,822) | (7,799) | 39% |
| Cost of sales total | \$'000 | (52,803) | (42,725) | 24% | (52,803) | (61,892) | -15% |

| | | Q2 2024 | Q1 2024 | Variance | Q2 2024 | Q2 2023 | Variance |
|---|--------|----------|----------|----------|----------|----------|----------|
| Tonnes processed | t | 166,676 | 109,424 | 52% | 166,676 | 99,035 | 68% |
| Tin grade processed | t | 3.2% | 3.8% | -16% | 3.2% | 4.2% | -24% |
| Recoveries | t | 75% | 75% | 0% | 75% | 76% | -1% |
| Payable tin produced | t | 4,028 | 3,142 | 28% | 4,028 | 3,151 | 28% |
| Payable tin Sold | t | 3,245 | 4,126 | -21% | 3,245 | 3,068 | 6% |
| Average tin price achieved | \$/t | 32,314 | 26,863 | 20% | 32,314 | 25,587 | 26% |
| Revenue | \$'000 | 103,861 | 109,310 | -5% | 103,861 | 75,742 | 37% |
| Off mine costs | \$'000 | (23,491) | (27,014) | -13% | (23,491) | (18,689) | 26% |
| Net on mine revenue | \$'000 | 80,370 | 82,296 | -2% | 80,370 | 57,053 | 41% |
| Operating and administrative costs | \$'000 | (30,966) | (23,480) | 32% | (30,966) | (21,964) | 41% |
| Concentrate stock movement (excluding depreciation) | \$'000 | 4,837 | (6,721) | -172% | 4,837 | 311 | 1455% |
| EBITDA ^{1,2} | \$'000 | 54,242 | 52,094 | 4% | 54,242 | 35,400 | 53% |

| Reconciliation of operating profit to EBITDA | | Q2 2024 | Q1 2024 | Variance | Q2 2024 | Q2 2023 | Variance |
|--|--------|---------|---------|----------|---------|---------|----------|
| Operating Profit | \$'000 | 43,817 | 41,774 | 5% | 43,817 | 26,916 | 63% |
| Adjustments: | | | | | | | |
| Depreciation, depletion & amortisation | \$'000 | 10,822 | 8,409 | 29% | 10,822 | 7,797 | 39% |
| Depreciation in stock movement | \$'000 | (1,286) | 1,787 | -172% | (1,286) | (82) | 1468% |
| Share based payments in G&A | \$'000 | 716 | 124 | 477% | 716 | 643 | 11% |
| Depreciation in G&A | \$'000 | 172 | 0 | n/a | 172 | 126 | 37% |
| EBITDA ^{1,2} | \$'000 | 54,242 | 52,094 | 4% | 54,242 | 35,400 | 53% |

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024

| AISC per tonne of contained tin produced | | Q2 2024 | Q1 2024 | Variance | Q2 2024 | Q2 2023 | Variance |
|--|--------|---------|---------|----------|---------|---------|----------|
| On mine operating costs | \$'000 | 30,966 | 23,480 | 32% | 30,966 | 21,964 | 41% |
| Tonnes of contained tin sold | t | 3,245 | 4,126 | -21% | 3,245 | 3,068 | 6% |
| Tonnes of contained tin produced | t | 4,028 | 3,142 | 28% | 4,028 | 3,151 | 28% |
| On mine costs per tonne produced | \$/t | 7,688 | 7,472 | 3% | 7,688 | 6,970 | 10% |
| Off mine costs per tonne sold | \$/t | 7,239 | 6,547 | 11% | 7,239 | 6,092 | 19% |
| Sustaining capex per tonne produced | \$/t | 629 | 839 | -25% | 629 | 816 | -23% |
| AISC ^{1, 2} | \$/t | 15,556 | 14,858 | 5% | 15,556 | 13,878 | 12% |

Profit for the six months ("H1 2024") and three months ("Q2 2024") ended June 30, 2024, compared to the six months ("H1 2023") and three months ("Q2 2023") ended June 30, 2023

The profit before tax for H1 2024 and Q2 2024 was US\$78.0m and US\$40.0m compared to US\$59.3m and US\$27.7m in H1 2023 and Q2 2023, respectively. The increased profitability from 2023 to 2024 is attributed to higher tin sales volumes in Q1 2024 due to poor road conditions which delayed sales in Q4 2023 and a positive tin price variance.

Production increased by 28% during the second quarter of 2024 when compared to both the prior quarter and Q2 2023 due to commencement of production at Mpama South from mid May 2024.

AISC² increased by 5% from Q1 2024 to Q2 2024 and 12% compared to Q2 2023 mainly as a result of off-mine costs per tonne of tin sold which increased by 11% and 19%, respectively. The increase in off-mine costs was due to the higher tin price which increases royalties, export duties, net smelter returns and marketing fees. On-mine costs per tonne of tin produced during Q2 2024 were up 3% compared to Q1 2024 and up 10% since Q2 2023. The quarter on quarter increase in on-mine costs per tonne of tin produced was mainly due to the addition of Mpama South's operating costs which, on a unit basis of tin produced, is higher due to its lower grade tin mined. The cost increase when compared to a year ago is mainly due to mining higher volumes of lower grade material, annual payroll increases and a higher diesel price.

LIQUIDITY AND CAPITAL RESOURCES

Cash on hand increased from US\$7.2 million at the end of December 2023 to US\$37.7m as at June 30, 2024 (US\$53.5m at the end of Q1 2024). The current quarter's cash balance is after a dividend payment of US\$27.9m in May 2024, in addition to US\$5.9m in dividends to non-controlling interests at the subsidiary level plus US\$3.1m in dividend withholding tax in DRC

Net Debt² decreased from US\$73.5 million at the end of Q4 2023 to US\$43.1 million at the end of Q2 2024. The decrease follows the amendment of the terms of the offtake agreement with Gerald Metals to provide for the prepayment of concentrate in the DRC (formerly paid on border crossing Kampala, Uganda) and a catch-up of delayed sales during Q1 2024, offset in part by a dividend payment of US\$27.9m in Q2 2024 and expansion capex, largely due to the completion of the Mpama South project, of US\$14.9m for the quarter and US\$39m for H1 2024.

Operating activities

Net Cash generated from operations in H1 2024 and Q1 2024 was US\$105m and US\$55m compared to US\$79m in H1 2023 and US\$38m in Q2 2023. The variance was due to a combination of higher sales tonnes and higher tin price across 2024. Income taxes paid in the DRC decreased from US\$67m in the 2023 comparative periods to US\$3m in H1 and Q2 2024 – this is primarily due to the timing and calculation of final and provisional tax payments which negatively impacted 2023 but positively impacts 2024. The Company expects to pay provisional tax payments of just over US\$30m during H2 2024. FY2025 should see higher DRC income tax payments with a likely large final FY2024 payment due in April 2025.

Investing activities

Cash used in investing activities was US\$36.9m in H1 2024 and US\$17.2m in Q2 2024, compared to US\$58.4m in H1 2023 and US\$38.1m in Q2 2023. The decrease was mainly related to the Mpama South project moving towards completion. Expenditure relating to the construction of the Mpama South project was completed at the end of June 2024 with significantly reduced expenditure on investing activities planned for the remainder of 2024.

Financing activities

Cash outflows from financing activities increased from US\$2.8m in H1 2023 to \$37.5m in H1 2024. Similar dividends were paid in both periods but a bank overdraft of US\$26.1m was drawn during H1 2023. The variance can further be accounted for by the resumption of senior debt payments in H1 2024 and payment of dividends to non-controlling shareholders of the DRC entity of US\$5.9m which were paid in Q3 in 2023 instead of Q2 and hence do not show in the corresponding Q2 2023 period.

Liquidity outlook

The market price for tin continues to be volatile, currently trading at around US\$31,700/t. The financial year ended 2023 represented an unusually significant year of cash outflows due to the Mpama South capital commitments and the previously disclosed once off nature of high DRC income tax payments in 2023. The additional tin production as a result of the completion of the Mpama South plant from May 2024 should, together with a strong tin price and reduced capital expenditure and tax requirements in 2024, result in a positive liquidity outcome and the potential for increased dividend distributions. Dividend distributions will continue to be considered semi-annually based on excess free cash after taking account of DRC tax payments, exploration plans, the short-term tin price outlook, capital commitments and the Company's gearing position. In line with prior periods, the Board intends to consider the declaration of semi-annual dividends being a final dividend and an interim dividend in April and early October of each year. The dates of these dividend declarations are intended to be aligned with the timing of holding of meetings of Alphamin Bisie Mining SA (ABM), the Company's 84.14% DRC operating subsidiary, to approve ABM's annual and interim financial statements and to consider the declaration of a dividend for distribution to shareholders of ABM.

RELATED PARTY TRANSACTIONS

For the quarter ended June 30, 2024, US\$12,000 was paid to Adansonia Management Services Limited for corporate secretarial services performed by Mrs Zain Madarun. Adansonia Management Services Limited is owned by Adansonia Holdings Limited, which is ultimately owned by Rudolf Pretorius, a Director of the Company, and Mrs Zain Madarun, Company Secretary and Director. All potential conflicts have been disclosed via the Company's interest register.

US\$34,725 was paid to Pangea (Pty) Ltd relating to management fees and office rent. Maritz Smith, the Company's Chief Executive Officer, is a director of Pangea.

INTERNAL CONTROL

In accordance with National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed consolidated financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

RISK FACTORS

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk and Uncertainties" in the Company's Annual MD&A for the fiscal year ended December 31, 2023, available on SEDAR+ at www.sedarplus.ca, and elsewhere in these Quarterly Highlights, for a description of these risk factors.

OTHER MD&A REQUIREMENTS

Risks and Uncertainties

The Company operates in an area with significant security risks for property and personnel. While the Company remains of the view that security risks are manageable, it has noted an increased incidence of security related people incidents in close proximity of the mine. The safety of Alphamin's people remains its highest priority.

The Company depends on uninterrupted production and continued access, in terms of both logistical and government approvals, to import required supplies and consumables and export its production to meet its financial obligations and growth target timelines and any failure to receive such uninterrupted access could materially adversely affect the Company's revenues, cash flows, results of operations, financial position and liquidity.

A number of fines and penalties have been received from various governmental authorities. The Company is disputing these as it believes it to be substantially compliant and does not expect material settlements. A contingent liability of US\$1,000,000 has been disclosed in the financial statements in respect of these fines.

As a matter of course, various tax authorities in the DRC issue draft assessments adjusting revenue and denying costs and other items, along with customs-related claims for alleged non-compliance or incorrect coding on certain filings. Upon receipt of such draft assessments, the Company engages with the tax authorities to defend its filing positions. As at 30 June 2024, there are various ongoing technical discussions and challenges, the ultimate outcome of which remains uncertain, and therefore there remains a risk that the outcome could materially impact the recognised balances within the next financial year. It is impractical to provide further sensitivity estimates of potential downside variances.

In addition to the above, readers are directed to other risk factors facing the Corporation and its business and mining operations, as disclosed in Alphamin's Management's Discussion and Analysis for the year ended December 31, 2023 filed on and available at www.sedarplus.ca.

Outstanding share data

| Balance as at: | June 30, 2024 | August 22, 2024 |
|--|---------------|-----------------|
| Common shares outstanding | 1,276,210,479 | 1,276,210,479 |
| Options outstanding | 12,800,000 | 12,800,000 |
| Options exercisable | 3,833,333 | 3,833,333 |
| SAR Equivalent Shares (SARES) outstanding | 13,606,742 | 13,606,742 |
| SARES with remaining dividend entitlements | 4,183,333 | 4,183,333 |

USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

This Quarterly Highlights refers to the following non-IFRS financial performance measures: Earnings before interest, taxes, depreciation and amortization ("EBITDA"), Net Debt and All-In Sustaining Cost ("AISC").

These measures are not recognized under IFRS as they do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. We use these measures internally to evaluate the underlying operating performance of the Company for the reporting periods presented. The use of these measures enables us to assess performance trends and to evaluate the results of the underlying business of the Company. We understand that certain investors, and others who follow the Company's performance, also assess performance in this way.

We believe that these measures reflect our performance and are useful indicators of our expected performance in future periods. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

EBITDA

EBITDA provides insight into our overall business performance (a combination of cost management and growth) and is the corresponding flow drivers towards the objective of achieving industry-leading returns. This measure assists readers in understanding the ongoing cash generating potential of the business including liquidity to fund working capital, servicing debt, pay taxes and funding capital expenditures and investment opportunities. EBITDA is profit before net finance expense, foreign exchange gains or losses, income taxes and depreciation, depletion, and amortization. See "Selected Consolidated Financial Information" for the calculation of our EBITDA and a reconciliation to operating profit.

Net Debt

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

| | June 30, 2024 USD | December 31, 2023 USD |
|---------------------------------|----------------------------------|--------------------------------------|
| Bank overdraft | (53,110,671) | (51,703,872) |
| Lease liabilities | (7,998,644) | (8,184,698) |
| Debt | (19,654,376) | (20,765,184) |
| Total debt | (80,763,691) | (80,653,754) |
| Less: cash and cash equivalents | 37,711,940 | 7,158,566 |
| Net cash/(debt) | (43,051,751) | (73,495,188) |

Cash Costs

This measures the cash costs to produce and sell a tonne of contained tin. This measure includes mine operating production expenses such as mining, processing, administration, indirect charges (including surface maintenance and camp and head office costs), and smelting, refining and freight, distribution and royalties. Cash Costs do not include depreciation, depletion, and amortization, reclamation expenses, capital sustaining, borrowing costs and exploration expenses. On mine costs, exclusive of stock movement, are calculated on a cost per tonne produced basis, off mine costs are calculated on a cost per tonne sold basis.

AISC

This measures the cash costs to produce and sell a tonne of contained tin plus the capital sustaining costs to maintain the mine, processing plant and infrastructure. This measure includes the Cash Cost per tonne and capital sustaining costs together divided by tonnes of contained tin produced. All-In Sustaining Cost per tonne does not include depreciation, depletion, and amortization, reclamation,

borrowing costs, foreign exchange gains and losses, exploration expenses and expansion capital expenditures.

Sustaining capital expenditures are defined as those expenditures which do not increase payable mineral production at a mine site and excludes all expenditures at the Company's projects and certain expenditures at the Company's operating sites which are deemed expansionary in nature. The following table reconciles sustaining capital expenditures to the Company's total capital expenditures:

| | | Q2 2024 | Q1 2024 | Variance | Q2 2024 | Q2 2023 | Variance |
|----------------------------------|--------|---------|---------|----------|---------|---------|----------|
| Additions to plant and equipment | \$'000 | 17,462 | 26,911 | -35% | 17,462 | 28,310 | -38% |
| Expansion capital expenditures | \$'000 | 14,929 | 24,276 | -39% | 14,929 | 25,738 | -42% |
| Sustaining capital expenditures | \$'000 | 2,533 | 2,635 | -4% | 2,533 | 2,572 | -2% |

FORWARD-LOOKING STATEMENTS

This Quarterly Highlights contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This Quarterly Highlights may contain forward-looking statements relating to, among other things, future annual production and sales levels; expectations regarding Q3 2024 tin sales above tin produced and Q3 2024 tin production; timing and expected contribution of additional Mpama South tin production to EBITDA; expectations regarding future DRC income tax payment requirements; expectations regarding reduced investment expenditures for the remainder of 2024; estimation of Mpama South's additional tin production increasing overall contained tin production to approximately 20,000 tonnes per year and its impact on future dividends; the Company's liquidity outlook and the timing and declaration of dividends; and planned activities for the Company's operations, exploration activities and projects. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Such factors include, without limitation: price volatility in the spot and forward markets for tin and other commodities; the economic and other effects of the COVID-19 pandemic or the outbreak of mpox globally and in the eastern DRC; ongoing capital requirements and the availability and management of capital resources; additional funding requirements; fluctuations in the international currency markets and in the rates of exchange of the currencies of the Democratic Republic of Congo (DRC) and the United States of America (US); discrepancies between actual and estimated tin production levels and the costs thereof; differences between actual and estimated reserves and resources especially inferred resources which inherently carry a low level of confidence and between actual and estimated metallurgical recoveries; changes in national and local government legislation in the DRC or any other country in which Alphamin currently or may in the future conduct business; taxation; controls, regulations and political or economic developments in the countries in which Alphamin does or may conduct business; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining the validity and enforceability of the necessary licenses and permits and complying with the permitting requirements of each jurisdiction in which Alphamin operates, including, but not limited to: obtaining the necessary permits; the lack of certainty with respect to foreign legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law; the uncertainties inherent to current and future legal challenges Alphamin is or may become a party to; diminishing quantities or grades of reserves and resources; competition; loss of key employees; inclement weather conditions; availability of power, water, transportation routes and other required infrastructure for the mine; general economic conditions and inflation and rising costs of labour, supplies, fuel and equipment; actual results of current exploration or reclamation activities; uncertainties inherent to mining economic studies; changes in project parameters as the operation continues to be refined; accidents; labour disputes and strikes; defective title to mineral claims or property or contests over claims to mineral properties; risks, uncertainties and unanticipated delays associated with obtaining and maintaining necessary licenses, permits and authorisations, complying with permitting requirements, including those associated with the environment and risks of security related incidents which may impact the operation or safety of its people especially considering the high levels of security

related incidents and instability in the North-Kivu province within which the Company operates. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental events and hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and losses of processed tin (and the risk of inadequate insurance or inability to obtain insurance to cover these risks), as well as "Risk Factors" included elsewhere in this Quarterly Highlights and Alphamin's public disclosure documents filed on and available at www.sedarplus.ca.

QUALIFIED PERSONS

Mr. Clive Brown, Pr. Eng., B.Sc. Engineering (Mining), is a qualified person (QP) as defined in National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in these Quarterly Highlights except for the section under "Exploration Update". He is a Principal Consultant and Director of Bara Consulting Pty Limited, an independent technical consultant to the Company.

Mr. Jeremy Witley, Pr. Sci. Nat., BSc. (Hons) Mining Geology, MSc (Eng), is a qualified person (QP) as defined in National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in the section "Exploration Update". He is Head of Mineral Resources at the MSA Group (Pty) Ltd and is an independent technical consultant to the Company.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this Quarterly Highlights. Readers of this Quarterly Highlights and other filings can review and obtain copies of the Company's filings from SEDAR+ at www.sedarplus.ca and copies will also be provided upon request.