

Alphamin Resources Corp.  
Continued in the Republic of Mauritius  
Date of incorporation: 12 August 1981  
Corporation number: C125884 C1/GBL  
TSX-V share code: AFM  
JSE share code: APH  
ISIN: MU0456S00006

## ALPHAMIN ANNOUNCES RECORD ANNUAL TIN PRODUCTION AND EBITDA GUIDANCE/ DECLARATION OF FINAL FY2022 DIVIDEND

MAURITIUS – January 30, 2023 – Alphamin Resources Corp. (AFM:TSXV, APH:JSE AltX) (“Alphamin” or the “Company”), a producer of 4% of the world’s mined tin<sup>1</sup> from its high grade operation in the Democratic Republic of Congo, is pleased to provide the following update for the year and quarter ended December 2022:

- ✓ **Record FY2022 tin production of 12,493 tonnes, up 14%** from the prior year
- ✓ **Q4 tin production of 3,113 tonnes exceeds market guidance** of 3,000 tonnes
- ✓ **FY2022 EBITDA<sup>3,4</sup> of US\$222m** at an average tin price of US\$30,636/t (Current tin price: ~US\$30,000/t)
- ✓ **Q4 EBITDA<sup>3,4</sup> of US\$27.1m** represents a **41% EBITDA margin<sup>3,4</sup>** at a weak average tin price of US\$21,436/t
- ✓ **Final dividend for FY2022 of CAD\$0.03 per share** declared (FY2022 total dividends: CAD\$0.06 per share)

### Operational and Financial Summary for the Year and Quarter ended December 2022<sup>2</sup>

Description	Units	Year ended December 2022	Year ended December 2021	Change	Quarter ended December 2022	Quarter ended September 2022	Change
Ore Processed	Tonnes	436 400	416 173	5%	106 087	112 179	-5%
Tin Grade Processed	% Sn	3,82	3,57	7%	4,00	3,90	2%
Overall Plant Recovery	%	75	74	1%	73	72	2%
Contained Tin Produced	Tonnes	12 493	10 969	14%	3 113	3 139	-1%
Contained Tin Sold	Tonnes	12 764	11 521	11%	3 119	3 080	1%
EBITDA <sup>3,4</sup> (FY2022 and Q4 2022 guidance)	US\$'000	222 215	198 592	12%	27 105	30 001	-10%
AISC <sup>3,4</sup> (FY2022 and Q4 2022 guidance)	US\$/t sold	14 289	14 173	1%	13 420	13 089	3%
Net Cash <sup>4</sup> (Cash less debt)	US\$'000	109 335	68 233	60%	109 335	111 996	-2%
Dividends paid, including minorities	US\$'000	71 518	5 555	1187%	0	35 379	n/a
Average Tin Price Achieved	US\$/t	30 636	30 629	0%	21 436	22 380	-4%

<sup>1</sup>Data obtained from International Tin Association Tin Industry Review 2022 <sup>2</sup>Information is disclosed on a 100% basis. Alphamin indirectly owns 84.14% of its operating subsidiary to which the information relates. <sup>3</sup>FY2022 and Q4 2022 EBITDA represents



management's guidance. <sup>4</sup>This is not a standardized financial measure and may not be comparable to similar financial measures of other issuers. See "Use of Non-IFRS Financial Measures" below for the composition and calculation of this financial measure.

## **Operational and Financial Performance**

Alphamin achieved record tin production of 12,493 tonnes for the year ended December 2022, exceeding market guidance of 12,000 tonnes. Underground mining performed particularly well with both volumes and tin grades exceeding expectations. The processing plant achieved good recoveries at an average of 75%. A highly mineralised area underground, not previously included in the mineral resource or mine plan due to its structurally complex nature, was successfully mined and processed during Q3 and Q4 2022. This area delivered ore at good tin grades but contained high levels of sulphides which impacted processing recoveries.

Contained tin production of 3,113 tonnes for Q4 2022 was in line with the previous quarter and above market guidance of 3,000 tonnes.

Sales volumes for FY2022 and Q4 were in line with production at an average achieved tin price of US\$30,636/t and US\$21,436/t, respectively. We expect contained tin production and sales of approximately 12,000 tonnes for the year ending December 2023.

AISC per tonne of tin sold remained relatively flat year-on-year at US\$14,289/t in FY2022.

EBITDA for FY2022 and Q4 2022 is estimated at US\$222m (2021: US\$198.6m) and US\$27.1m (Q3: US\$30m), respectively. The record estimated FY2022 EBITDA saw an average tin price achieved of US\$30,636/t, in line with current tin prices of around US\$30,000/t. The Company remains of the opinion that global tin supply is likely to be constrained during the next five years while demand for tin is expected to increase. In light of these market fundamentals, the development of the Mpama South project and consequent planned production expansion to approximately 20,000 tonnes of contained tin per year bodes well for future cash flow generation. The Mpama South project development remains on track for commissioning in December 2023.

The Alphamin consolidated Net Cash position of US\$109 million at year-end is after dividend payments of US\$71.5m to Alphamin shareholders and minority shareholders of the operating mine, US\$30m cash applied towards the development of the Mpama South project, US\$16.7m spent on exploration activities and DRC taxes paid of US\$49.4m. Capital allocation during FY2023 will be prioritised towards the development of the Mpama South project, DRC income tax payments and shareholder distributions.

Alphamin's audited consolidated financial statements and accompanying Management's Discussion and Analysis for the year and quarter ended 31 December 2022 are expected to be released on or about March 13, 2023.

## **Final FY2022 Dividend Declared**

The Board has declared a final FY2022 cash dividend of CAD\$0.03 per share on the common shares (approximately US\$28.7m in the aggregate) (the "Dividend"). The Dividend will be payable on 10 March 2023 to shareholders of record as of the close of business on 24 February 2023. Together with the interim FY2022 dividend of CAD\$0.03 per share declared on 5 July 2022, the total FY2022 dividends declared amount to CAD\$0.06 per share.

*In respect of holders of Alphamin shares on the Johannesburg Stock Exchange ("JSE"), the*



*following information is applicable.*

The Board of is pleased to announce the declaration of a cash dividend number 3 in the gross amount of CAD\$0.03 per Alphamin share, being the equivalent of ZAR0.38694 cents per Alphamin share (based on an exchange rate of CAD\$1.00 = ZAR12.8980 as at 27 January 2023).

The salient dates of the cash dividend on the JSE are as follows:

	2023
Declaration of cash dividend	Monday, 30 January
Last day to trade cum cash dividend	Tuesday, 21 February
Alphamin shares commence trading ex-dividend	Wednesday, 22 February
Record date to receive the cash dividend	Friday, 24 February
Payment date of the cash dividend	Friday, 10 March

Shares certificates on the South African branch register may not be rematerialised or dematerialised between Wednesday, 22 February 2023 and Friday, 24 February 2023, both days inclusive, nor may transfer between the Canadian share register and the South African share register take place between Wednesday, 22 February 2023 and Friday, 24 February 2023, both days inclusive.

In accordance with the JSE Listings Requirements, the following additional information is disclosed for South African resident shareholders:

1. the cash dividend has been declared out of income reserves and is being sourced from the Republic of Mauritius;
2. Alphamin has no tax registration in South Africa;
3. the local dividend tax ("Dividend Tax") rate is 20%, resulting in a gross cash dividend of CAD\$0.03 (ZAR0.38694) and a net cash dividend amount of CAD\$0.024 (ZAR0.30955) for South African shareholders who are not exempt from paying Dividend Tax;
4. Alphamin has 1 271 859 570 shares in issue; and
5. Alphamin shareholders who are in doubt as to their tax status or position, including any exchange control requirements, should consult an appropriate independent professional advisor in their relevant jurisdiction without delay.

### **Mpama South project progress**

Works completed since the Company's announcement of the development decision on 29 March 2022 are as follows:

The underground mine design has been finalised and approximately 580 metres of underground development on 2 levels connecting Mpama North and Mpama South has been completed. Development remains ongoing and on schedule.



The Mpama South portal geotechnical investigation has been completed and the design finalised. Surface excavation and adit development infrastructure have been completed with underground portal development having commenced in January 2023.

Several units of the underground mechanised fleet have arrived on site with regular deliveries scheduled in the coming months. Full fleet mobilisation is expected by the end of July 2023.

Progress on the processing plant is as follows:

- EPCM, bulk earthworks, civils, and SMPPEI contracts have been awarded;
- Design and engineering is 75% complete;
- Procurement is 96% complete;
- Fabrication of structures and platework is 50% complete; and
- 11% of the processing plant has been moved to site.

The bulk earthworks and civils teams have mobilised to site with 50% of the bulk earthworks and 10% of the civil works having been completed. The SMPPEI construction team mobilisation and training has commenced. An advance team has started the erection of the concentrate drying and product storage building. The main team mobilisation is scheduled for March 2023.

The owner's team has commenced with operational readiness preparation.

A new self-contained 500 room accommodation camp is being commissioned with 144 rooms ready for occupation.

The Mpama South development project is currently forecasted to complete within the budget of US\$116m with commissioning targeted in December 2023.

External laboratory assays on the last batch of in-fill drill holes are expected imminently whereafter the updated Mpama South Resource will be finalised and announced to the market.

### **Qualified Person**

Mr. Clive Brown, Pr. Eng., B.Sc. Engineering (Mining), is a qualified person (QP) as defined in National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in this news release. He is a Principal Consultant and Director of Bara Consulting Pty Limited, an independent technical consultant to the Company.

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### **FOR MORE INFORMATION, PLEASE CONTACT:**

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JSE Sponsor

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30 January 2023

### **CAUTION REGARDING FORWARD LOOKING STATEMENTS**

*Information in this news release that is not a statement of historical fact constitutes forward-looking information. Forward-looking statements contained herein include, without limitation, statements relating to expected EBITDA, EBITDA margin and AISC guidance for FY2022 and Q4 2022 and contained tin production and sales guidance and capital allocation priorities for the financial year ending December 31, 2023; planned production expansion resulting from Mpama South; and the timing for commissioning and total development cost of the Mpama South project. Forward-looking statements are based on assumptions management believes to be reasonable at the time such statements are made. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Although Alphamin has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to: uncertainties regarding estimates of the expected mined tin grades, processing plant performance and recoveries, uncertainties regarding global supply and demand for tin and market and sales prices, uncertainties with respect to social, community and environmental impacts, uninterrupted access to required infrastructure and third party service providers, adverse political events, uncertainties regarding the legislative requirements in the Democratic Republic of the Congo which may result in unexpected fines and penalties, impacts of the global Covid-19 pandemic on mining operations and commodity prices as well as those risk factors set out in the Company's Management Discussion and Analysis and other disclosure documents available under the Company's profile at [www.sedar.com](http://www.sedar.com). Forward-looking statements contained herein are made as of the date of this news release and Alphamin disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.*

*Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.*

### **USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES**

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

#### **EBITDA**

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

*This measure is not recognized under IFRS as it does not have any standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers. EBITDA data is intended to provide additional information and should not be*



*considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.*

### **EBITDA MARGIN**

*EBITDA margin is EBITDA divided by gross revenue.*

### **NET CASH**

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

### **AISC**

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

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