

Alphamin Announces Record Q3 2021 EBITDA Guidance of US\$53m and a Net Debt-Free Position; Production and Exploration Update

October 4, 2021 (Source) – Alphamin Resources Corp. (AFM:TSXV, APH:JSE AltX) (“Alphamin” or the “Company”), a producer of 4% of the world’s mined tin¹ from its high grade operation in the Democratic Republic of Congo, is pleased to provide the following operational and exploration update for the quarter ended September 2021:

- **Record Q3 EBITDA** guidance of **US\$53m**, **up 56%** from prior quarter
- Contained **tin production up 17%** from the prior quarter to **2,832 tons**
- **Net debt-free** at 30 September 2021 (Net debt 30 June 2021: US\$29.5m)
- **Mpama South drilling** continues to intercept **significant visual mineralisation**

Operational and Financial Summary for the Quarter ended September 2021²

Description	Units	Actual		
		Quarter ended September 2021	Quarter ended June 2021	Change
Tons Processed	Tons	108,901	105,294	3%
Tin Grade Processed	% Sn	3.5	3.2	8%

Overall Plant Recovery	%	75.2	71.5	5%
Contained Tin Produced	Tons	2,832	2,412	17%
Contained Tin Sold	Tons	2,710	2,404	13%
EBITDA (Q3 2021 guidance) ³	US\$'000	53,000	34,077	56%
Net Cash / (Net Debt)	US\$'000	1,036	(29,506)	-104%
Tin Price Achieved	US\$/t	33,863	28,326	20%

¹Data obtained from International Tin Association Tin Industry Review 2020. ²Production information is disclosed on a 100% basis. Alphamin indirectly owns 84.14% of its operating subsidiary to which the information relates. ³Q3 2021 EBITDA represents management's guidance. All numbers are rounded.

Operational and Financial Performance

Contained tin production of 2,832 tons is 17% above the previous quarter. Underground mining practices relating to stope planning, delineation and blasting were significantly improved from mid July 2021. This resulted in an average tin grade of 3.8% processed during August and September 2021 with an average of 3.5% for the quarter. In addition to improved grade control, run-of-mine volumes and waste development increased by 5% quarter-on-quarter.

The benefit of the newly commissioned Fine Tin Plant increased overall processing recoveries by 5% to 75%.

EBITDA guidance of US\$53m for Q3 2021 is 56% higher than the previous quarter's actual as a result of increased tin production and sales volumes, together with a higher tin price.

The Company moved to a net cash position at 30 September 2021 compared to a net debt position of US\$29.5m the previous

quarter. Our intention is to fully settle the outstanding senior loan of US\$36m during October 2021. The Board will establish an appropriate treasury strategy during Q4 2021 with the objective of balancing capital allocations between ongoing exploration drilling, the potential fast-track development of the Mpama South deposit and shareholder distributions.

Alphamin's unaudited consolidated financial statements and accompanying Management's Discussion and Analysis for the quarter ended 30 September 2021 is expected to be released on or around 10 November 2021.

Exploration Activities

Three phases of drilling comprising 16,040m (64 holes) have been completed on the Mpama South deposit since December 2020. Independent laboratory assay results have been released to the market for 39 holes. An additional 21 drill hole assay results are expected to be released to the market during October 2021. Phases 1 and 2 and the recently completed Phase 3 have exceeded expectations with both strike and depth continuation of significant visually observed mineralised cassiterite lodes. A fast-tracked Phase 4 drilling program of 8,000m has commenced in mid-September. This program includes an additional third drill rig and is targeting completion by year end 2021. Drilling comprising 18,500m is intended to form the basis of a Maiden Mineral Resource estimate, which is expected to be announced by year end 2021.

Drilling at the Mpama North orebody commenced in July 2021 for an initial 15,000 metre (22 hole) drilling campaign to test the strike and dip extension of the current producing orebody. The first deep holes aggressively targeted as far as 225m further along strike and 200m deeper than the deepest historical drilling. Thickening of the various lithologies in the hanging wall, increased structural intricacy, and hole deviation at depth, delivered mixed results. While tell-tale altered and cassiterite mineralised lithologies were

intercepted, they were not to the levels associated with the ore horizon currently being mined. Drilling activities are now focusing on extensions closer to previous higher-grade intercepts of the Mpama North orebody and will work outwards from there along strike and at depth.

In addition to Mpama North and Mpama South, drilling on the highly prospective Bisie ridge (13km strike length), which falls within the Company's mining licence, is expected to commence on delivery of additional drill rigs. An extensive tight-spaced soil sampling program along the ridge has been on-going since Q1 2021 to assist new target generation. New pathfinder elements such as uranium and tungsten, in addition to previously known elements, appear strongly correlated to outcrop and artisanal workings at Mpama North and Mpama South. In conjunction with this exercise, the Company's structural specialists, TECT Geological Consulting, identified several high potential drill targets less than 8km from the current operating mine which match and are co-incident with the soil sampling results.

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 this news release. 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., B.Sc. (Hons.) Mining Geology, M.Sc. (Eng.), is a qualified person (QP) as defined in National Instrument 43-101 and has reviewed and approved the exploration information contained in this news release. He is a Principal Mineral Resource Consultant of The MSA Group (Pty.) Ltd., an independent technical consultant to the Company.

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CAUTION REGARDING FORWARD LOOKING STATEMENTS

Information in this news release that is not a statement of historical fact constitutes forward-looking information. Forward-looking statements contained herein include, without limitation, statements relating to the timing of the release of independent assay results from exploration drilling; the intention to pay off in full outstanding senior debt; the future allocation of surplus cash; expected future EBITDA for Q3 2021 and the timing and success of exploration drilling outcomes. 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 associated with Alphamin's resource and reserve estimates, uncertainties and risks regarding the economic viability of the Mpama South deposit prior to the release of a maiden resource and completion of feasibility studies, 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, impacts of the global Covid-19 pandemic on mining operations and commodity prices as well as those risk factors set out in the Company's Management Discussion and Analysis and other disclosure documents available under the Company's profile at www.sedar.com. Forward-looking statements contained herein are made as of the date of this news release and Alphamin disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

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.

NET DEBT AND NET CASH

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