With the price of tin skyrocketing, investors eye the high grades of Alphamin

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The tin price boom continues with the price now at US$43,023/t, up ~3.5x from the 2020 low. The main drivers have been surging tin demand from the electronics and green energy sectors and a limited supply.

Tin is mostly used as solder, particularly in photovoltaic installations, electric vehicles, and electronics. The good thing about tin is that tin solder prices can go up, but that, so far, has had minimal impact on a company's costs. The biggest producers of tin are China, Malaysia, Indonesia, Peru, Thailand, Bolivia and Myanmar.

According to the International Tin Association ("ITA"), the global tin market deficit is forecast to rise to 12,700t in 2022, from a 10,200t deficit in 2021. The ITA says that a US$30,000/t tin price is required to incentivize additional supply in response to demand growth.

Today's company is riding the wave of the tin price boom with increasing production from its Mpama North Mine in the Democratic Republic of Congo, DRC.

Tin prices – 10 year chart

Source: Trading Economics

Alphamin Resources Corp. (TSXV: AFM) ("Alphamin") stock price is

up exactly 100% in the past year thanks to booming tin prices and its growing production.

Alphamin is a high grade, low cost, tin concentrate producer at its Mpama North Mine in the Democratic Republic of Congo (DRC). Alphamin has the highest-grade tin resource, globally, with a Resource Reserve of 3.33MT @ 4.01% Sn (tin) resulting in 133.4 kt of contained tin. Alphamin's production equates to ~4% of the world's mined tin.

Alphamin state:



Source: Alphamin website

Q4, 2021 results from Alphamin were a knockout. The Company announced the following:

- "Contained **tin production up 10%** from the prior quarter to **3,114 tons**
- Contained **tin sales up 13%** from the prior quarter to **3,056 tons**
- **Record Q4 EBITDA**[4] guidance of **US$74 million**, **up 38%** from prior quarter actual
- **Net cash** position increases to **US$68 million**
- **FY2021 dividend** of **CAD$0.03 per share** declared."

The 3,114 tons in Q4 2021 puts Alphamin on an annual run rate of 12,456 tons pa. At current spot prices of US$43,023 Alphamin would be on track for another year of record revenues (~US$535 million) in 2022. In the above Q4 release the Company guided cautiously for 12,000t of production in 2022. There was also mention of an ongoing drilling campaign with six rigs on-site.

On February 1, 2022, Alphamin announced the results of the

above-mentioned drilling campaign. Results were again spectacular and included:

- **"Mpama South high-grade assay results**[2] received, including BGH079 which is the best drillhole assayed to date at Mpama South by contained tin: BGH079: **15.6 metres @ 5.00% Sn** from 290.2 metres, **including 10.0 metres @ 6.1% from 291.1 metres**…….
- **Mpama North high-grade assay results**[2] received, including MND011 which is the second best drillhole assayed to date at Mpama North by contained tin: MND011: **19.6 metres @ 17.16% Sn** from 419.3 metres, **including 14.5 metres @ 23.0%."**

Imagine the excitement drilling "14.5 metres @ **23.0% tin ("Sn")** when tin prices are at US$43,023/t.

Mpama South is shaping up to potentially be another large high-grade resource – Maiden Resource due soon

Source: Alphamin news Feb. 1, 2022

Next steps

The next step for Alphamin is the release of a Maiden Mineral Resource estimation for Mpama South due in Q1 2022. Following this will be quarterly results throughout 2022.

Alphamin investment highlights

Source: Alphamin company presentation

Closing remarks

It is a great time to be a tin producer. Even better if you are a high-grade, low-cost, tin producer expanding production. And even better again if you can drill into 23% tin grades and grow your resource.

2022 is shaping up to be another very good year for Alphamin Resources. The Company trades on a market cap of ~US$1.3 billion up over 36% on when I wrote on them in Sept. 2021 on a then market cap of C$953 million. Stay tuned for the Mpama South Maiden Resource release soon.