



MANAGEMENT'S DISCUSSION AND ANALYSIS -  
QUARTERLY HIGHLIGHTS  
(EXPRESSED IN US DOLLARS)  
FOR THE THREE MONTHS ENDED MARCH 31, 2024

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## TABLE OF CONTENTS

|                                                     |    |
|-----------------------------------------------------|----|
| INTRODUCTION.....                                   | 2  |
| OVERVIEW AND OUTLOOK.....                           | 2  |
| KEY OPERATING MILESTONES .....                      | 3  |
| CURRENT COMPANY OBJECTIVES .....                    | 4  |
| SELECTED CONSOLIDATED FINANCIAL INFORMATION .....   | 4  |
| LIQUIDITY AND CAPITAL RESOURCES.....                | 6  |
| RELATED PARTY TRANSACTIONS.....                     | 6  |
| INTERNAL CONTROL .....                              | 6  |
| RISK FACTORS .....                                  | 7  |
| OTHER MD&A REQUIREMENTS .....                       | 7  |
| USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES..... | 8  |
| QUALIFIED PERSON.....                               | 10 |
| APPROVAL.....                                       | 10 |

## 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 months ended March 31, 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](http://www.sedarplus.ca). This Quarterly Highlights is dated April 26, 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

- ✓ **EBITDA<sup>2</sup> of US\$52m, up 156%** from the prior quarter
- ✓ **Tin sales of 4,126 tonnes, up 102%** due to sales catchup from the previous quarter
- ✓ **Tin production of 3,142 tonnes**
- ✓ **Mpama South plant in final commissioning stage** – first ore successfully introduced and tin concentrate production imminent
- ✓ **Final FY2023 dividend** declared of CAD 3 cents per share

### Operational and Financial Summary for the Quarter ended March 31, 2024<sup>1</sup>

| Description                | Units       |                          |                             |        |
|----------------------------|-------------|--------------------------|-----------------------------|--------|
| Description                | Units       | Quarter ended March 2024 | Quarter ended December 2023 | Change |
| Ore Processed              | Tonnes      | 109,424                  | 105,510                     | 4%     |
| Tin Grade Processed        | % Sn        | 3.83                     | 3.98                        | -4%    |
| Overall Plant Recovery     | %           | 75                       | 75                          | 0%     |
| Contained Tin Produced     | Tonnes      | 3,142                    | 3,126                       | 1%     |
| Contained Tin Sold         | Tonnes      | 4,126                    | 2,046                       | 102%   |
| EBITDA <sup>2</sup>        | US\$'000    | 52,094                   | 20,317                      | 156%   |
| AISC <sup>2</sup>          | US\$/t sold | 14,858                   | 14,638                      | 2%     |
| Average Tin Price Achieved | US\$/t      | 26,863                   | 25,157                      | 7%     |

<sup>1</sup>Production 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. <sup>2</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.

## 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](http://www.alphaminresources.com)) and to Canadian regulatory filings on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## KEY OPERATING MILESTONES

### Operational and Financial Performance – Q1 2024

Contained tin production of 3,142 tonnes for the quarter ended March 2024 was 1% above that achieved in the previous period. Road conditions improved during Q1 2024 and, as a result, the Company sold 4,126 tonnes of contained tin which incorporated most of the prior quarter's backlog (Q4 2023: 2,046 tonnes).

EBITDA for Q1 2024 was US\$52m (Q4 2023: US\$20m). The EBITDA variance compared to the prior quarter is attributable to higher tin sales volumes due to the clearance of most of the Q4 2023 sales backlog and a 7% increase in the tin price. Tin prices are currently trading at ~US\$32,600/t, 21% above prices achieved in Q1 2024. AISC per tonne of tin sold is up 2% from the previous quarter at US\$14,858 largely due to increased royalties, export duties, marketing commissions and net smelter returns, which are calculated with reference to the higher tin price.

### Mpama South commissioning update

Tin concentrate production from the new Mpama South plant is imminent with first ore having been successfully introduced. The final plant commissioning phase is now underway and should see a ramp-up in tin concentrate production during May 2024. The underground mine is ready to feed the plant at targeted rates.

### Liquidity and dividend update

The Company's cash position increased to US\$53.5m as at 31 March 2024 (Net Debt<sup>2</sup>: US\$28m) from US\$7.2m at the end of the prior quarter (31 December 2023 Net Debt<sup>2</sup>: US\$73m).

The Company's liquidity outlook is expected to continue to improve considerably due to high operating margins, increased output from the Mpama South plant and a strong tin price.

The Board has declared a final FY2023 cash dividend of CAD\$0.03 per share on the common shares (approximately US\$27.9 million in the aggregate) (the "Dividend"). The Dividend will be payable on 24 May, 2024 to shareholders of record as of the close of business on 17 May, 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.

## 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.

## SELECTED CONSOLIDATED FINANCIAL INFORMATION

|                            |        | Q1 2024  | Q4 2023  | Variance | Q1 2024  | Q1 2023  | Variance |
|----------------------------|--------|----------|----------|----------|----------|----------|----------|
| Revenue                    | \$'000 | 109,310  | 49,011   | 123%     | 109,310  | 82,971   | 32%      |
| Cost of sales              | \$'000 | (61,892) | (29,209) | 112%     | (61,892) | (44,330) | 40%      |
| Gross profit               | \$'000 | 47,419   | 19,802   | 139%     | 47,419   | 38,641   | 23%      |
| General and administrative | \$'000 | (5,644)  | (5,559)  | 2%       | (5,644)  | (5,561)  | 2%       |
| Operating profit/(loss)    | \$'000 | 41,774   | 14,243   | 193%     | 41,774   | 33,080   | 26%      |
| Other                      |        |          |          |          |          |          |          |
| Loss on foreign exchange   | \$'000 | (336)    | (3,362)  | -90%     | (336)    | (354)    | -5%      |
| Interest expense           | \$'000 | (3,494)  | (2,958)  | 18%      | (3,494)  | (1,541)  | 127%     |
| Interest income            | \$'000 | 6        | 14       | -61%     | 6        | 336      | -98%     |
| Profit before taxes        | \$'000 | 37,950   | 7,937    | 378%     | 37,950   | 31,521   | 20%      |
| Current income tax expense | \$'000 | (9,695)  | (4,100)  | 136%     | (9,695)  | (11,431) | -15%     |
| Deferred tax movement      | \$'000 | (3,349)  | 1,270    | -364%    | (3,349)  | (198)    | 1590%    |
| NET profit <sup>1</sup>    | \$'000 | 24,905   | 5,107    | 388%     | 24,905   | 19,892   | 25%      |

| Cost of Sales                            |        | Q1 2024  | Q4 2023  | Variance | Q1 2024  | Q1 2023  | Variance |
|------------------------------------------|--------|----------|----------|----------|----------|----------|----------|
| Treatment costs                          | \$'000 | (8,125)  | (3,798)  | 114%     | (8,125)  | (5,912)  | 37%      |
| Transport and selling costs              | \$'000 | (16,104) | (7,953)  | 102%     | (16,104) | (11,607) | 39%      |
| Mine operating costs                     | \$'000 | (17,960) | (17,423) | 3%       | (17,960) | (16,777) | 7%       |
| Inventory movement                       | \$'000 | (8,508)  | 8,924    | -195%    | (8,508)  | (127)    | 6603%    |
| Royalties                                | \$'000 | (2,786)  | (1,392)  | 100%     | (2,786)  | (2,107)  | 32%      |
| Depreciation, depletion and amortization | \$'000 | (8,409)  | (7,566)  | 11%      | (8,409)  | (7,799)  | 8%       |
| Cost of sales total                      | \$'000 | (61,892) | (29,209) | 112%     | (61,892) | (44,330) | 40%      |

MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE THREE MONTHS ENDED MARCH 31, 2024

|                                                     |        | Q1 2024  | Q4 2023  | Variance | Q1 2024  | Q1 2023  | Variance |
|-----------------------------------------------------|--------|----------|----------|----------|----------|----------|----------|
| Tonnes processed                                    | t      | 109,424  | 105,510  | 4%       | 109,424  | 95,751   | 14%      |
| Tin grade processed                                 | t      | 3.8%     | 4.0%     | -4%      | 3.8%     | 4.4%     | -13%     |
| Recoveries                                          | t      | 75%      | 75%      | 1%       | 75%      | 76%      | -1%      |
| Payable tin produced                                | t      | 3,142    | 3,126    | 1%       | 3,142    | 3,187    | -1%      |
| Payable tin Sold                                    | t      | 4,126    | 2,046    | 102%     | 4,126    | 3,161    | 31%      |
| Average tin price achieved                          | \$/t   | 26,863   | 25,157   | 7%       | 26,863   | 26,432   | 2%       |
| Revenue                                             | \$'000 | 109,310  | 49,011   | 123%     | 109,310  | 82,971   | 32%      |
| Off mine costs                                      | \$'000 | (27,014) | (13,144) | 106%     | (27,014) | (19,626) | 38%      |
| Net on mine revenue                                 | \$'000 | 82,296   | 35,867   | 129%     | 82,296   | 63,345   | 30%      |
| Operating and administrative costs                  | \$'000 | (23,480) | (22,600) | 4%       | (23,480) | (21,854) | 7%       |
| Concentrate stock movement (excluding depreciation) | \$'000 | (6,721)  | 7,050    | -195%    | (6,721)  | (100)    | 6621%    |
| EBITDA <sup>1,2</sup>                               | \$'000 | 52,094   | 20,317   | 156%     | 52,094   | 41,391   | 26%      |

| Reconciliation of operating profit to EBITDA |        | Q1 2024 | Q4 2023 | Variance | Q1 2024 | Q1 2023 | Variance |
|----------------------------------------------|--------|---------|---------|----------|---------|---------|----------|
| Operating Profit                             | \$'000 | 41,774  | 14,243  | 193%     | 41,774  | 33,080  | 26%      |
| Adjustments;                                 |        |         |         |          |         |         |          |
| Depreciation, depletion & amortisation       | \$'000 | 8,409   | 7,566   | 11%      | 8,409   | 7,799   | 8%       |
| Depreciation in stock movement               | \$'000 | 1,787   | (1,874) | -195%    | 1,787   | 27      | 6517%    |
| Share based payments in G&A                  | \$'000 | 124     | 256     | -52%     | 124     | 358     | -65%     |
| Depreciation in G&A                          | \$'000 | 0       | 126     | -100%    | 0       | 127     | -100%    |
| EBITDA <sup>1,2</sup>                        | \$'000 | 52,094  | 20,317  | 156%     | 52,094  | 41,391  | 26%      |

| AISC per tonne of contained tin produced |        | Q1 2024 | Q4 2023 | Variance | Q1 2024 | Q1 2023 | Variance |
|------------------------------------------|--------|---------|---------|----------|---------|---------|----------|
| On mine operating costs                  | \$'000 | 23,480  | 22,600  | 4%       | 23,480  | 21,854  | 7%       |
| Tonnes of contained tin sold             | t      | 4,126   | 2,046   | 102%     | 4,126   | 3,161   | 31%      |
| Tonnes of contained tin produced         | t      | 3,142   | 3,126   | 1%       | 3,142   | 3,187   | -1%      |
| On mine costs per tonne produced         | \$/t   | 7,472   | 7,230   | 3%       | 7,472   | 6,857   | 9%       |
| Off mine costs per tonne sold            | \$/t   | 6,547   | 6,424   | 2%       | 6,547   | 6,209   | 5%       |
| Sustaining capex per tonne produced      | \$/t   | 839     | 984     | -15%     | 839     | 754     | 11%      |
| AISC <sup>1,2</sup>                      | \$/t   | 14,858  | 14,638  | 2%       | 14,858  | 13,820  | 8%       |

**Profit for the three months ("Q1 2024") ended March 31, 2024, compared to the three months ("Q4 2023 and Q1 2023") ended December 31 and March 31, 2023**

The profit before tax for Q1 2024 was US\$38m compared to US\$7.9m in Q4 2023 and US\$31.5m in Q1 2023. Sales volumes were up 31% compared to Q1 2023 and up 102% compared to Q4 2023 as a result of the catch up of delayed sales in Q1 2024 following low sales recorded in Q4 2023 due to poor road conditions.

Production has remained relatively steady across the quarters with a 1% increase compared to Q4 2023 and a 1% decrease compared to Q1 2023. The average tin price achieved in Q1 2024 was US\$26,863, up 7% from the prior quarter and 2% higher compared to Q1 2023. The difference in tonnes of tin sold account for the majority of the variance in profit across the quarterly periods.

AISC<sup>2</sup> increased by 2% from Q4 2023 to Q1 2024 and 8% compared to Q1 2023. Off-mine costs per tonne of tin sold increased by 2% and 5% compared to Q4 2023 and Q1 2023, respectively, largely due to additional external road maintenance and additional trucking rates in order to incentivize additional export loads in pursuit of a catch-up of delayed Q4 2023 sales by the end of Q1 2024. On-mine costs per tonne of tin produced during Q1 2024 were up 3% compared to Q4 2023 and up 9% since Q1 2023. The increase compared to a year ago (Q1 2023) is mainly due to higher ore tonnes mined and processed at lower tin grades compared to the prior periods, annual payroll increases, higher diesel prices and exceptionally high mining consumables delayed from Q4 2023 to Q1 2024 as road conditions improved.

## LIQUIDITY AND CAPITAL RESOURCES

Cash on hand increased from US\$7.2 million at the end of December 2023 to US\$53.5m at the end of Q1 2024.

Net Debt<sup>2</sup> decreased from US\$73.5 million at the end of Q4 2023 to US\$27.9 million at the end of Q1 2024. The decrease follows the amendment of the terms of the offtake agreement with Gerald to provide for payments of concentrate in DRC (formerly paid on border crossing Kampala, Uganda) and a catch-up of delayed sales during Q1 2024.

### ***Operating activities***

Cash generated from operations in Q1 2024 was US\$50m compared to US\$41.4m in Q1 2023. The variance was largely due to increased sales tonnes.

### ***Investing activities***

Cash used in investing activities in Q1 2024 was US\$19.7m compared to US\$20.3m in Q1 2023 mainly related to the Mpama South project. The cashflow relating to the Mpama South project was substantially complete as at quarter end 2024 with reduced expenditure on investing activities planned for the remainder of 2024.

### ***Financing activities***

Cash outflows from financing activities decreased from US\$28.3m in Q1 2023 to US\$2.9m in Q1 2024, due to the timing of the payment of the final dividend year-on-year. A final FY2022 dividend of CAD 0.03 per share dividend was paid in Q1 2023, whereas the final FY2023 dividend of CAD 0.03 per share which will be paid in Q2 2024.

### ***Liquidity outlook***

The market price for tin continues to be highly volatile, currently trading at around US\$32,600/t. The financial year ended 2023 represented an unusually significant year of cash outflows due to the previously disclosed Mpama South capital commitments and once off nature of income tax payments in 2023. The Company's growth plan in terms of the Mpama South plant should, together with a strong tin price and reduced capital expenditure and tax requirements in 2024, result in a positive liquidity outcome. 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.

## RELATED PARTY TRANSACTIONS

For the quarter ended March 31, 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](http://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 issues 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 31 March 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](http://www.sedarplus.ca). **Outstanding share data**

| Balance as at:                             | March 31, 2024 | April 26, 2024 |
|--------------------------------------------|----------------|----------------|
| Common shares outstanding                  | 1,275,543,813  | 1,275,543,813  |
| Options outstanding                        | 14,800,000     | 14,800,000     |
| Options exercisable                        | 4,499,999      | 4,499,999      |
| SAR Equivalent Shares (SARES)              | 13,606,742     | 13,606,742     |
| outstanding                                |                |                |
| 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.

|                                 | <b>March 31,<br/>2024<br/>USD</b> | <b>December 31,<br/>2023<br/>USD</b> |
|---------------------------------|-----------------------------------|--------------------------------------|
| Bank overdraft                  | (52,199,983)                      | (51,703,872)                         |
| Lease liabilities               | (9,444,685)                       | (8,184,698)                          |
| Debt                            | (19,750,660)                      | (20,765,184)                         |
| Total debt                      | (81,395,328)                      | (80,653,754)                         |
| Less: cash and cash equivalents | 53,472,186                        | 7,158,566                            |
| Net cash/(debt)                 | (27,923,142)                      | (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:

|                                  |        | Q1 2024 | Q4 2023 | Variance | Q1 2024 | Q1 2023 | Variance |
|----------------------------------|--------|---------|---------|----------|---------|---------|----------|
| Additions to plant and equipment | \$'000 | 26,911  | 22,029  | 22%      | 26,911  | 14,827  | 81%      |
| Expansion capital expenditures   | \$'000 | 24,276  | 18,953  | 28%      | 24,276  | 12,423  | 95%      |
| Sustaining capital expenditures  | \$'000 | 2,635   | 3,076   | -14%     | 2,635   | 2,404   | 10%      |

## 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; estimated impact of Mpama South on future tin production and the timing of completion of the Mpama South project and build-up of additional tin production; estimated costs of the Mpama South project; the focus and completion of future exploration programmes, and their anticipated effect on the life of the Bisie Tin Mine; possible allocation of surplus cash and future dividend payments; the Company's liquidity outlook; planned activities for the Company's operations and projects, as well as planned exploration activities and expected outcomes; and the sufficiency of current working capital. 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; significant 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; discrepancies between actual and estimated capital costs for the development of Mpama South; changes in project parameters as plans continue to be refined; accidents; labour disputes; 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](http://www.sedarplus.ca).

## **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 these Quarterly Highlights. He is a Principal Consultant and Director of Bara Consulting Pty Limited, 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](http://www.sedarplus.ca) and copies will also be provided upon request.