

Alphamin Releases Financial Statements and Management's Discussion and Analysis for the Quarter Ended September 2020

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GRAND BAIE, Oct. 29, 2020 - [Alphamin Resources Corp.](https://www.alphaminresources.com) (AFM:TSXV, APH:JSE AltX, “Alphamin” or the “Company”) is pleased to release its financial statements and management’s discussion and analysis for the third quarter ended September 2020 on SEDAR at www.sedar.com

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Tin sales up 3% to 2,695 tons versus previous quarter
- EBITDA up 24% to US\$16.1 million for the quarter
- Run-of-mine material processed up 5% versus previous quarter
- Q4 2020 production guidance of 2,600 - 2,800² tons contained tin
- Commencement of significant growth initiatives

Production and Financial Summary for the Quarter ended September 2020¹

Description	Units	Actual Quarter ended September 2020	Quarter ended June 2020	Variance
Tons Processed	Tons	96,086	91,928	5%
Tin Grade Processed	% Sn	3.8	4.3	-12%
Overall Plant Recovery	%	71	69	3%
Contained Tin Produced	Tons	2,563	2,739	-6%
Contained Tin Sold	Tons	2,695	2,613	3%
EBITDA	US\$'000	16,052	12,900	24%
AISC per ton tin sold	US\$/t	10,777	10,849	-1%
Tin Price Achieved	US\$/t	17,436	15,359	14%

Operational Performance

Run-of-mine volumes processed increased 5% to 96,086 tons. Our average tin grade was lower than the previous quarter at 3.8% however, this only marginally reduced the year to date average tin grade to 3.9%, and we expect to achieve our target tin grade of 4.0% for the financial year ending December 2020. Increased plant recoveries and throughput partially offset the impact of the lower tin grades. Tin production was at the lower end of our previous production guidance range and tin sales increased 3% to 2,695 tons for the quarter.

The all-in sustaining cost per ton of payable tin sold reduced by 1% to US\$10,777 and benefitted from lower sustaining capital expenditure. Sustaining capital expenditure is expected to increase in Q4 2020.

EBITDA of US\$16.1 million was 24% above that of the previous quarter mainly due to a higher tin price achieved. The Q3 EBITDA was negatively affected by a net charge of US\$1.3 million related to Q1 and Q2, including US\$2.8 million of additional provisions required for concentrate grade adjustments due to differences between the independent on-site assays and those assays performed by the smelters. The smelter assay results received during Q3 related to Q1 and Q2 sales. The independent operators of the mine site laboratory have changed their assay method (since late-June 2020) and comparing samples of their Q3

results to a number of international laboratories, indications are that concentrate assays for this past quarter are reported more accurately.

The Bisie tin mine recorded zero lost-time injuries during the past quarter.

Production Guidance for the next Quarter

We expect contained tin production of between 2,600 and 2,800² tons for the quarter ending December 2020. The tin price has recently increased to around US\$18,000/t compared to a price achieved of US\$17,436/t during this past quarter, which if maintained bodes well for the next quarter's EBITDA and cash flow generation.

Covid-19 Pandemic and Impact on Operations

The health of our employees is of paramount importance and in this regard the Company has a range of Covid-19 awareness, prevention and other risk mitigation controls in place.

To date, the Company has been able to continue with normal production and concentrate sales activities.

Growth Initiatives

Following the debt reduction and restructuring completed in May 2020, the balance sheet has been strengthened and coupled with the increase in tin prices and steady production, the Company has launched its growth initiatives during this past quarter.

These initiatives relate to construction of a fine tin recovery plant and drilling of the adjacent Mpama South deposit with a view to establishing a maiden resource. Completion of both projects is part of the Company's two-year strategy to produce approximately 12,000 - 13,000 tons of contained tin per year and proving additional resource and life-of-mine extensions.

The fine tin recovery plant project is 46% complete and progressing on schedule for commissioning in April 2021. Estimated expenditure at completion is in line with the budget of US\$4.6 million.

Commencement of drilling at the Mpama South prospect will commence in November 2020. While Mpama South is the first drill target, a drilling drive is being developed from Level 6 at Mpama North (current producing orebody) that will provide access for a drill rig by Q2 2021. A 6,000m drilling program is planned from the drilling drive at Mpama North to confirm down dip and strike extension of the orebody (open at depth) beyond the northernmost holes drilled in the 2014 campaign. An Exploration Committee had been established for determining the Company's exploration strategy outside of the Mpama North and South deposits with the aim to execute the strategic objectives and ensure the delivery of additional mineral resources from the Company's mining and exploration permit areas. Professor Laurence Robb, an expert on tin mineralization, is providing consulting services to the Exploration Committee, which, together with the exploration team on the ground, is developing plans to complete extensive soil geochemical surveys across 13km of prospective ground with the aim of identifying 2-3 drill targets for follow up drill testing by end 2021.

Qualified Person

Mr Vaughn Duke Pr.Eng. PMP, MBA, B.Sc. Mining Engineering (Hons.), 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, Partner and Director of Sound Mining Solutions, an independent technical consultant to the Company.

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USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

This Quarterly Update refers to the following non-IFRS financial performance measure: Earnings before interest, taxes, depreciation and amortization (“EBITDA”) 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 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. EBITDA is profit before net finance expense, income taxes and depreciation, depletion, and amortization.

AISC

This measures the cash costs to produce and sell a ton of payable tin plus the capital sustaining costs to maintain the mine, processing plant and infrastructure. This measure includes mine operating production expenses such as mining, processing, administration, indirect charges (including surface maintenance and camp), and smelting, refining and freight, distribution, royalties and capital sustaining costs divided by tons of payable tin sold. All-In sustaining cost per ton sold does not include depreciation, depletion, and amortization, reclamation, borrowing costs and exploration expenses.

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.

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 anticipated production volumes and anticipated tin grades and processing recoveries, timing and cost of completion of the Company’s fine tin recovery plant, the timing and success of additional exploration drilling, future capital expenditures, and consistency of the Company’s on-site assays with those of smelters used to refine the Company’s tin concentrate. 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 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, 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.

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¹ *Production and financial information are disclosed on a 100% basis. Alphamin indirectly owns 84.14% of its operating subsidiary to which the information relates.*

² *Production guidance is based on certain estimates and assumptions, including but not limited to: quantity of material processed, tin grades of processed material and processing recoveries and assumes mining operations will continue to be conducted in the same manner as the previous quarter and will not be further impacted by the Covid-19 pandemic.*

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