

HALLGARTEN + COMPANY

Coverage Update

Christopher Ecclestone
ceccestone@hallgartenco.com

Alphamin Resources (TSXV: AFM, JSE:APH) Strategy: LONG

Price (CAD)	\$0.77		
12-Month Target Price (CAD)	\$1.48		
Upside to Target	92%		
High-low (12 mth)	\$0.57 - \$1.455		
Market Cap (CAD mn)	982		
Shares O/S (millions)	1275		
	FY21	FY23e	FY24e
Consensus EPS		n/a	n/a
Hallgarten EPS (CAD)		\$0.118	\$0.153
Actual EPS (CAD)	0.10		
P/E	7.4	6.6	5.0
Dividend per share (TTM)	6cps	6cps	9-11cps

Alphamin Resources

Tin Rises From the Dead

- + Alphamin has continued to deliver strong results in the face of massive price swings in the Tin price in 2022
- + FY22 post-tax results, just out, almost doubled to US\$121mn (before minorities) from those of FY21
- + The Tin price rebounded strongly from its late 2022 lows-fundamentals came back to the fore as the prime consideration
- + Net cash position (cash less debt) was US\$109mn at end of December quarter
- + Upped resource on Mpama South, out in February of 2023 further reinforced Alphamin as the leading Tin major in Western markets
- + The build at Mpama South advances strongly, with the extra production kicking in from the start of 2024
- + Tin output at the combined projects should be up by around 60% in 2024, adding over 7,000 tpa to production
- + Dividends make Alphamin one of the best yielding stocks, for institutional and other value investors, on the Toronto markets
- ✗ Tin pricing has been brutally kicked around by China in 2022 with a self-defeating, and ultimately futile, bear raid
- ✗ Recent weeks have seen Tin return to a downtrend
- ✗ The company is still trading at a significant discount to where it would be if it was in a jurisdiction other than the DRC and listed in another market besides the TSX-V

Majoring on All Fronts

Once production started at Bisie, Alphamin could claim the title as largest accessibly listed Tin producer (Minsur being listed in Lima) outside China with around 4% of global Tin production. With very few new (or old) projects joining the fray, the likely onset of production at Mpama South over the next 14 months should take Alphamin up to 6-7% of global production. Further to this the original mine also gets to claim credit as the highest grade producer globally.

In this note we look at the progress at Alphamin over the last 12-months and the wild swings in the Tin price. The company has put out three resources on Mpama South in the last year so we shall look at the latest one and review the progress of construction there. We shall also look at the just published earnings for FY22 and the earnings outlook.

The Bisie Mine

The company's main asset is the Bisie Tin mine in the DRC. It is located roughly 180 km west-northwest

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of the regional centre of Goma and about 210km due West from the Ugandan border. There is novel mineralisation at Bisie, which includes high-grade Tin, Copper, Zinc, Lead and Rare Earths.

Bisie consists of the Mpama North (currently being mined) and the Mpama South development, located just 750 m south of the operating mine. The company's 84.14% subsidiary, Alphamin Bisie Mining SA holds 100% ownership over three exploration permits, which cover 1,470 km² of prospective ground in the North Kivu Province, and provide yet further upside for expanding resources and production (not to mention minelife).



Production

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.

In the wake of the initiation of Fine Tin Project, company is running very near to its current installed capacity throughput and targeted plant recoveries. Nevertheless, we expect it to increase annual contained tin production slightly from the level of nearly 12,500t in FY22 to 12,580t in FY23.

The timetable for production from Mpama South in early 2024 remains unaltered and within budget.

Recent Earnings

Recent days have seen the publication of the results for the full fiscal year (ended December 31st 2022).

The table on the following page shows the earnings of Alphamin over the last two years and our projections going forward.

Salient points from the FY22 numbers are:

- ✓ The LME tin price achieved by Alphamin was still an excellent US\$30,616/t for the whole year despite the very poor pricing in all of Q3 and most of Q4
- ✓ Tonnage sold was 12,764 tonnes (nearly 300 tonnes more than produced)

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Alphamin														
FY ended December														
USD mns														
	FY24e	FY23e	FY22	4Q22	3Q22	2Q22	1Q22	FY21	4Q21	3Q21	2Q21	1Q21	FY20	FY19
Revenue	603.23	425.25	391.05	65.53	67.82	111.47	146.23	352.88	117.45	91.35	68.05	76.03	187.45	27.22
Cost of Revenue, Total	258.53	156.25	147.28	33.21	32.60	38.86	42.61	136.62	38.41	32.75	29.71	35.73	114.53	15.66
Gross Profit	344.70	269.00	243.77	32.32	35.22	72.61	103.62	216.26	79.04	58.60	38.34	40.31	72.92	11.56
Selling/General/Admin. Expenses	24.40	22.10	21.30	6.34	4.71	5.08	5.18	19.75	5.07	5.28	4.73	4.55	17.68	15.59
Depreciation/Amortisation	41.00	32.00	32.00	8.00	8.00	8.00	8.00	28.23	7.43	6.42	6.49	7.91	30.05	
Interest Expense (Income)	(3.00)	1.00	4.81	0.98	1.17	1.25	1.42	8.36	1.65	1.78	2.28	2.65	15.62	5.46
Forex loss (Gain)	1.20	1.20	0.50	0.27	0.17	(0.05)	0.11	0.87	0.69	0.12	0.05	0.02	1.52	0.00
Warrants	-	-	0.48	-	-	-	0.48	26.92	6.87	4.12	10.29	5.64	8.78	(6.85)
Total Operating Expense	322.13	212.55	206.37	48.80	46.64	53.14	57.80	220.76	60.12	50.48	53.55	56.49	188.17	29.85
Operating Income	281.10	212.70	184.68	16.73	21.18	58.34	88.43	132.13	57.33	40.87	14.50	19.55	(0.72)	(2.63)
Income Before Tax	281.10	212.70	184.68	16.73	21.18	58.34	88.43	132.13	57.33	40.87	14.50	19.55	(0.72)	(2.63)
Income Tax	95.57	72.32	66.00	5.40	(1.69)	24.03	38.26	44.63	34.70	9.91	0.01	0.01	7.14	(7.76)
Deferred Tax			(3.16)	0.76	(1.74)	(1.61)	(0.57)	23.93	0.58	5.05	9.59	8.71		
Super Profit Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income After Tax	185.53	140.38	121.84	10.57	24.61	35.92	50.74	63.57	22.06	25.91	4.90	10.82	(7.86)	5.13
Minorities	29.68	22.46	20.81	2.23	4.18	5.97	8.43	15.36	7.51	5.00	2.85	-	0.97	0.15
Income pertaining to Shareholders	155.84	117.92	101.03	8.35	20.43	29.95	42.31	48.21	14.54	20.92	2.05	10.82	(8.83)	4.98
Weighted Average Shares (mns)	1277	1274	1273	1272	1272	1271	1275	1285	1188	1188	1283	1303	1065	866
EPS (USD)	0.122	0.093	0.079	0.007	0.016	0.024	0.033	0.038	0.012	0.018	0.002	0.008	-0.008	0.006
EPS (CAD)	0.153	0.118	0.104	0.009	0.022	0.030	0.041	0.048	0.016	0.022	0.002	0.011	-0.011	0.008
Tin production - tonnes	19380	12580	12493	3113	3139	3180	3061	10969	3114	2832	2412	2611	10319	5216
Tin sales - tonnes	19150	12600	12764	3119	3080	3229	3336	11521	3056	2710	2404	3351	10900	1109
Av. Tin Price (Hallgarten estimate)	\$31500	\$33750	\$30636	\$21436	\$22380	\$35500	\$43813	\$30882	\$38432	\$33704	\$28308	\$23083	\$16648	
EBITDA (US\$)	319.10	245.70	221.49	74.35	30.00	66.50	98.00	198.59	74.35	49.07	34.10	30.11	55.23	
USD/CAD rate:	1.25	1.27	1.31	1.35	1.36	1.29	1.25	1.27	1.27	1.27	1.24	1.27	1.34	

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- ✓ Sales revenues were US\$391mn, representing record sales in both volume and revenues
- ✓ EBITDA was US\$221mn

The bottom line in FY22 (post minorities) was US\$101mn more than double the \$48mn in FY21. The main drivers of this were:

- ✓ Volumes of Tin sold were up around 10% over FY21
- ✓ The average Tin price achieved was \$30,636, actually down from the \$30,882 in FY21
- ✓ The removal of the nearly \$27mn in warrant adjustments which had long weighed as a non-monetary charge on the earnings picture
- ✓ Interest expense was halved from the up at \$8.35mn in the previous FY
- ✓ The tax bill was roughly similar YoY, as the deferred taxation component was significantly reduced

As we have pointed out in our previous updates, it is important to note that the company's off-mine costs increase substantially as the Tin price increases – royalties, export % of revenue costs, marketing fee ratchets and smelter deductor become more in nominal terms (% of contained Tin times the Tin price).

Earnings Outlook

Tin markets, in 2022, have shown that figuratively the price this major commodity can literally “turn on a dime. After the early 2022, the price dropped over sixty percent over six months, then rallied 30% in a few months before heading south by another 15% in a month. Arguments for Tin's weakness are lacking substance in reality and the latest declines appear to yet more “talking down” of the metal. As explained later we are inclined to the view that Tin will rebound over \$30,000 and have used US\$33,750 for our (average) Tin price estimate for 2023, even though they currently stand at below \$23,000.

We are positing a slight easing in price in FY24 as Alphamin itself will be adding significantly to global production. Even proposing a lower Tin price in FY24, the bottom-line should have an exponential rise, particularly when Mpama South kicks in.

The company sales in FY24 should soar from a total of \$391mn in FY22 to slightly over \$600mn in FY24.

Interest expenses are reduced substantially due to the financial debt being largely eliminated during 2023.

Depreciation is essentially unchanged in FY23 and there is no reason for GS&A to be meaningfully higher.

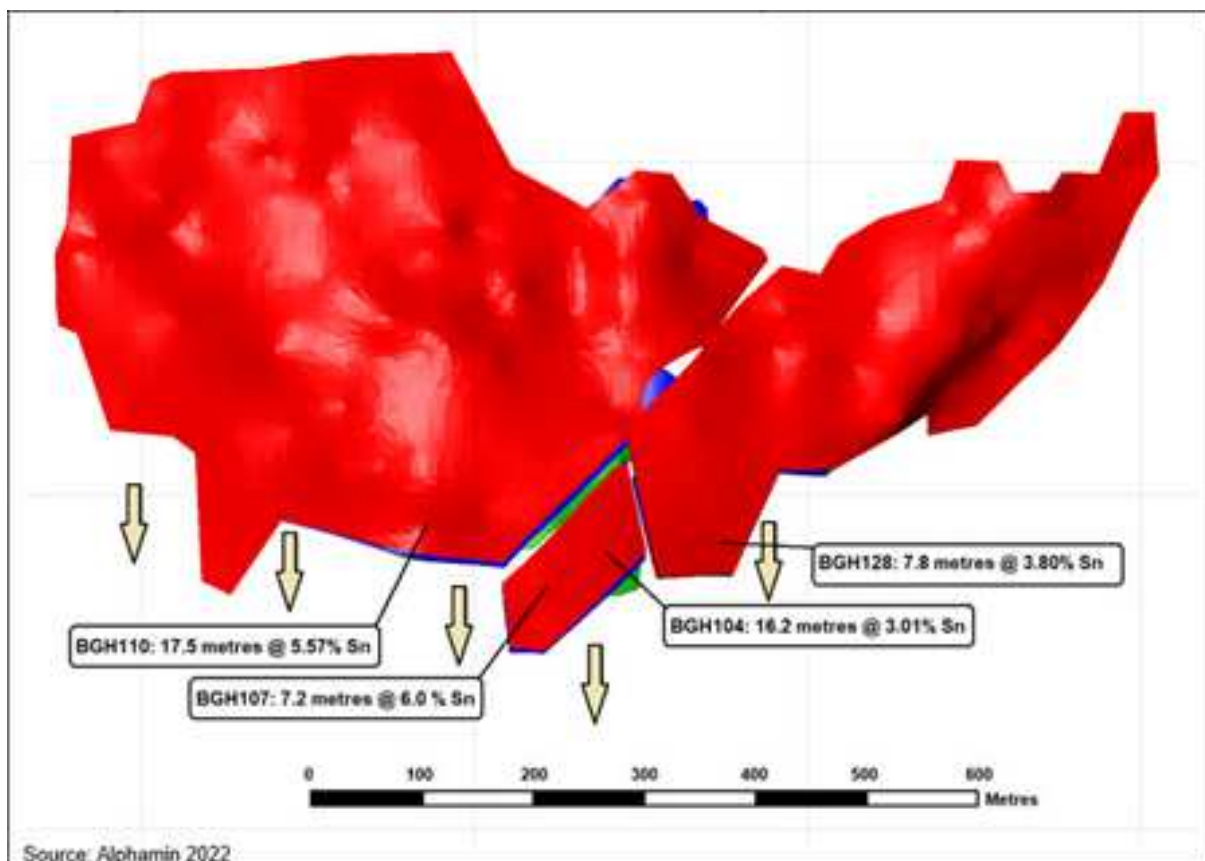
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Thus, we are looking for profits attributable to AFM shareholders of US\$117mn in FY23, then a quantum higher at US\$156mn in FY24.

Exploration – Mpama South to the Fore

Between 2012 and 2013, Alphamin drilled 19 drill holes for 3,364 metres to determine the extent and nature of the mineralization at Mpama South. Two distinct mineralized zones were intercepted, an upper zone showing well-developed lead, zinc and silver mineralization, and a lower zone rich in tin and copper.

After a long hiatus, with the focus being on Mpama North, Alphamin launched a drilling campaign at its Mpama South prospect, for an initial 6,000-metre diamond core drilling program, in December 2020. The drilling program was one of three phases designed to delineate a maiden Mineral Resource at Mpama South and this was published in March of 2022. Subsequently it has published several other resources, the most recent of which was in February of 2023.



The extent of Mpama South is unlikely to stop there. The company highlighted the significant resource growth potential for Mpama South, which remains open at depth. High grade intercepts around the peripheries of the MRE, where mineralisation remains open, range in grades from 3.0% -6.0% Sn, and

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thicknesses from 7.2m-17.5m.

The Mpama South PEA

In early March 2022, along with the first of the Mpama South MREs, a preliminary economic assessment for the development of the mine at Mpama South was released. The company in its PEA used \$40,000 as the new normal, but fortunately also posited another case where the price was US\$30,000.

The main metrics from the study (using the lower projected Tin price) were:

Mpama South - PEA - Key Metrics	
@ US\$30k per tonnes	
Av. ROM mined & processed (tonnes)	468,000
Av. ROM Tin grade	2.21%
Processing Recovery	70%
Av. Contained Tin produced per Annum (tonnes)	7,232
Av. Annualised AISC per tonne of Tin sold (US\$)	\$14,326
Av. Annualised EBITDA per tonne of Tin sold (US\$)	\$121.22

The Mpama South Mine Build

Management's main focus for 2023 is set on completing the construction, and commissioning of the mine. 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
- 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. An advance team has started the erection of the concentrate drying and product storage building. The main team mobilisation is scheduled for March 2023.

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

Alphamin's team has commenced with operational readiness preparation. The Mpama South development project is currently forecast to be completed, within the budget of US\$116mn, with commissioning targeted for December 2023. Production then kicks in in 1Q24, with a projected output of approximately 7,200 tonnes of contained Tin.

The Mpama South Resource(s)

The maiden Mineral Resource, completed by J.C. Witley of the MSA Group (an independent consulting company) came out in early March of 2022.

Then later in the same month, the company released an expanded resource arising from the receipt of assays for an additional 22 drill holes. Ergo, the MRE now included results from 102 drill holes.

However, even at that time, a further 30 drill holes (over ~10,000 metres) beyond and within the limits of the updated MRE at Mpama South had been completed. These, combined with further work done in late 2022, resulted in a refreshed resource, which was published in early 2023.

Mpama South Resource				
	Category	Ore Tonnes mns	Sn grade	Contained Tin tonnes
Late March 2022	Indicated	0.85	2.55%	21,500
	Inferred	3.42	2.45%	83,700
Early February 2023	Indicated	3.26	2.46%	80,200
	Inferred	2.84	2.42%	68,700

Updates prior to the February 2023 resource had more than doubled the contained Tin in Mpama South's Inferred Resource from 50,000 tonnes to over 120,000 tonnes. Resources in the Indicated category, however, had remained steady at around the 20,000 tonne mark.

The most recent update focused on upgrading the Inferred resource it has built over the past year into Indicated resources, using assays from an additional 63 infill and extensional drillholes. The upgrading of Inferred Resources to Indicated or Measured categories is essential for conversion to an Ore Reserves in the future.

Whilst the total Tin contained in the Resource has only marginally increased, Tin contained in the Indicated resource has almost quadrupled, up by 58,000 tonnes. Now, the Indicated Resources lies at 80,200 tonnes contained tin, from 3.26mn tonnes ore at 2.46% Sn.

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Closing the Gap

As can be noted in the cross sections on the following two pages, there was a 500-metre space between Mpama North and South however, as drilling has proceeded in this gap the “unmineralised fault” has been whittled down to a mere 30-40 metres.

The “unmineralised Fault” is not a modelled solid/wireframe, but rather an interpretive illustration of where the technical team tested with drilling and found low-grade or no-grade material.

The area that was drill tested, where the “fault” is, has either low grades <0.4% Sn or no grade <0.005% Sn which was interpreted as zero- grade.

As the second x-section shows the gap is now closed. The team has drilled right up to Mpama North on multiple levels and included the historical southern drilling from Mpama North into the Mpama South model (an area called ‘The Wedge’). The fault zone is ~50metres thick and the mining team have already developed through it on two levels (Levels 8 and 9) as part of the access to and construction of the Mpama South Mine.

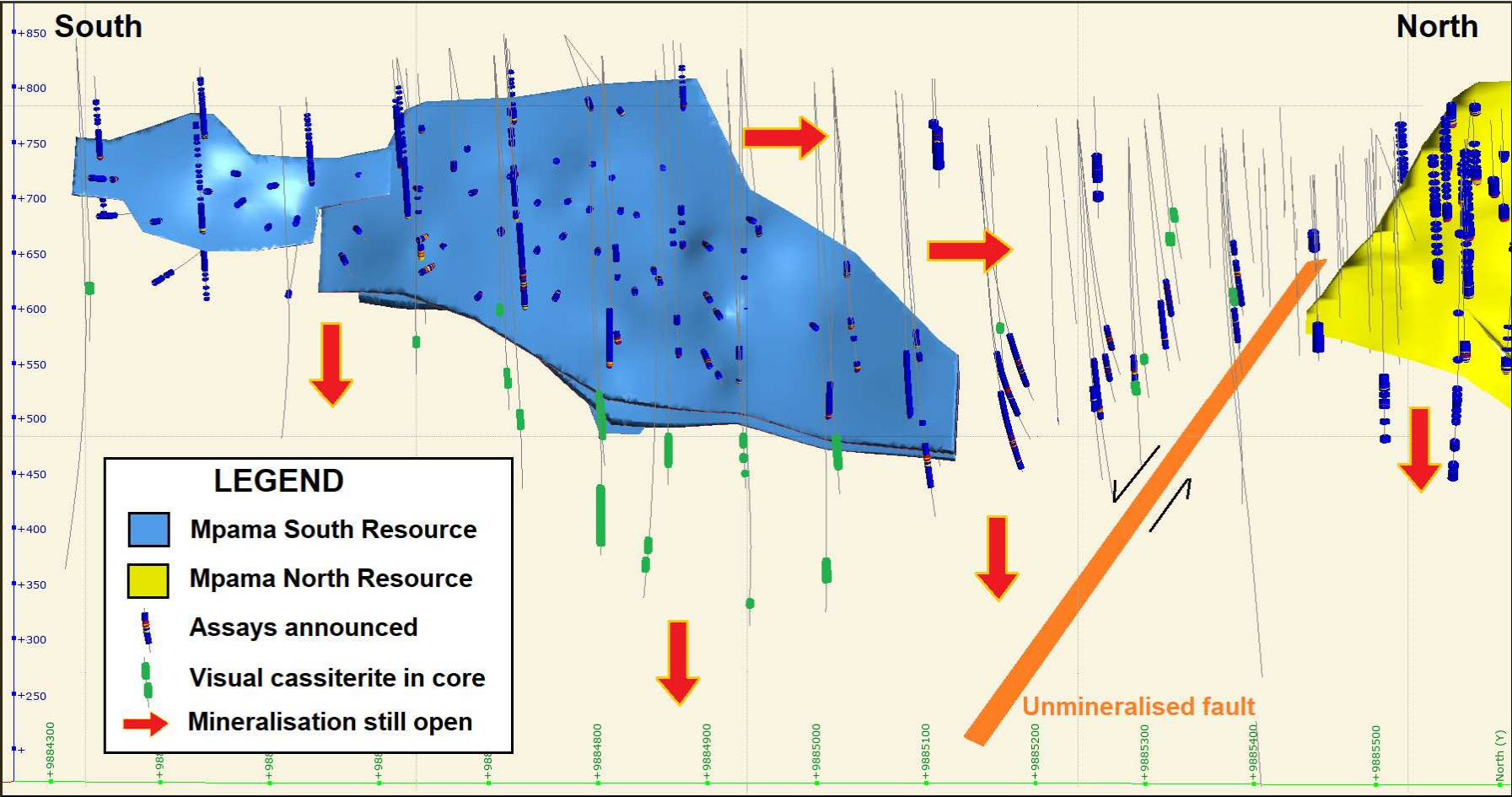
In the “Current State” x-section, the upper two arrows (lateral arrows pointing right and left towards each other) are an open area beneath the Senior camp which can be drilled at leisure. It is not the highest grade portion or thickest of the ore body, but by world standards it is still very good material and once the Mpama South footwall drives are in, it can be added when needed from underground drilling without disturbing sleeping miners. Confidence in this statement is corroborated by the lone drill-hole in the middle of the zone which is higher up the hill and has economic grades.

The lower four arrows pointing downwards show drill fences where the lowest drill-holes are still in mineralisation of an economic grade, and I dare say have some of the highest grades in the orebody, attested to by the news release diagram in February 2023 with selected callouts.

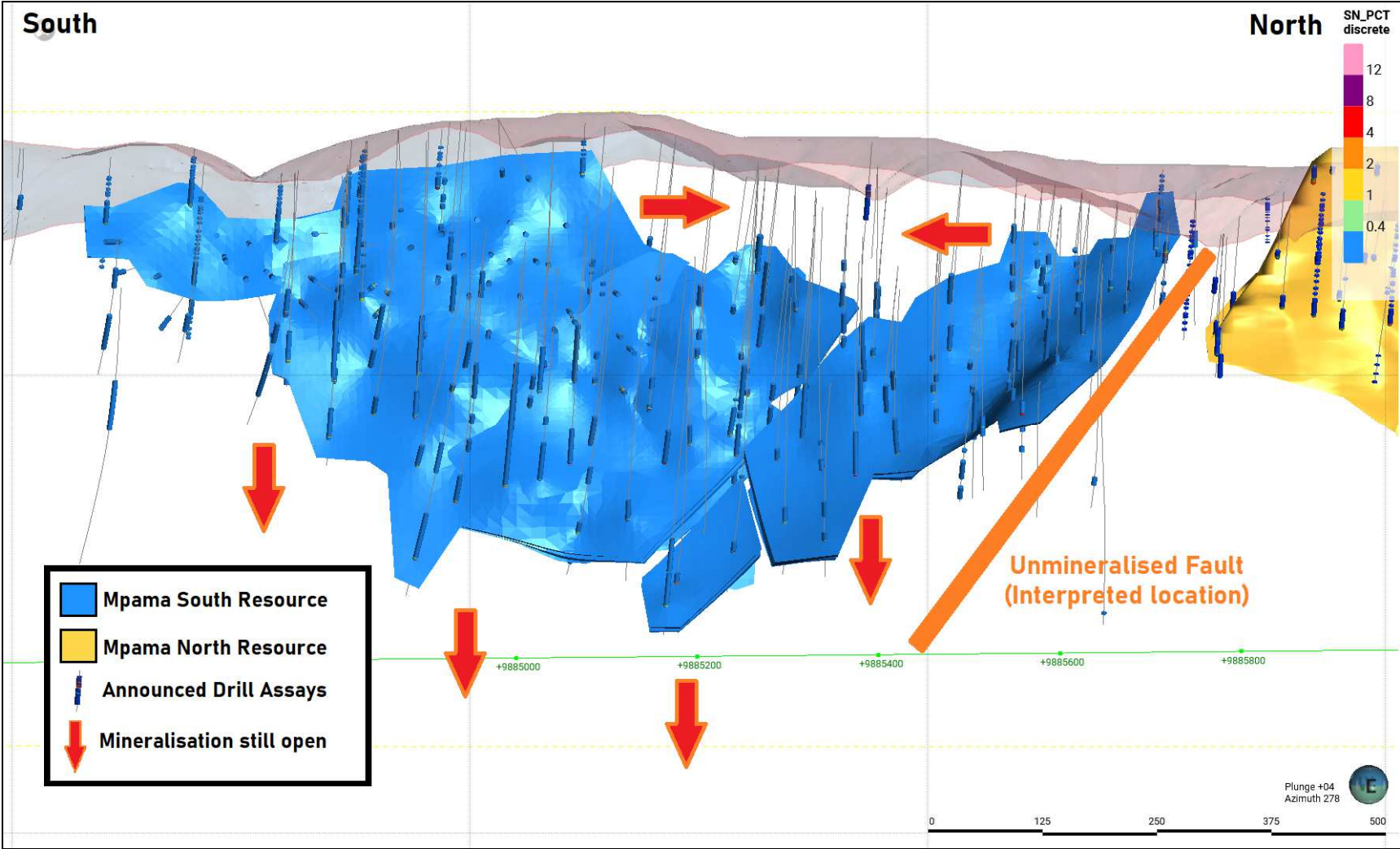
One can see some mineralised assays in the gap between Mpama South and Mpama North and will ask why it wasn’t included in a resource, the issue is structurally the mineralised zone is faulted and is not continuous with the larger orebody. Some of this material is indeed mineable and has in fact been mined, but the tight drilling required to get it into a declared resource would not be value adding from the multiple angles one would need to drill it and the spacing. It also explains why the gap between declared resource bodies is 75-100m even though the fault is narrower than this.

Lastly, the fault interpretation is of low confidence, therefore the company did not expend many metres delineating it when it was intersected in a drill fence when there were mineralised drill-holes still to collar. Management feel there is “meat left on this bone” and further drilling around and below the area could in all possibility yield more resources when the time comes.

PREVIOUS STATE OF MPAMA SOUTH VIS A VIS MPAMA NORTH



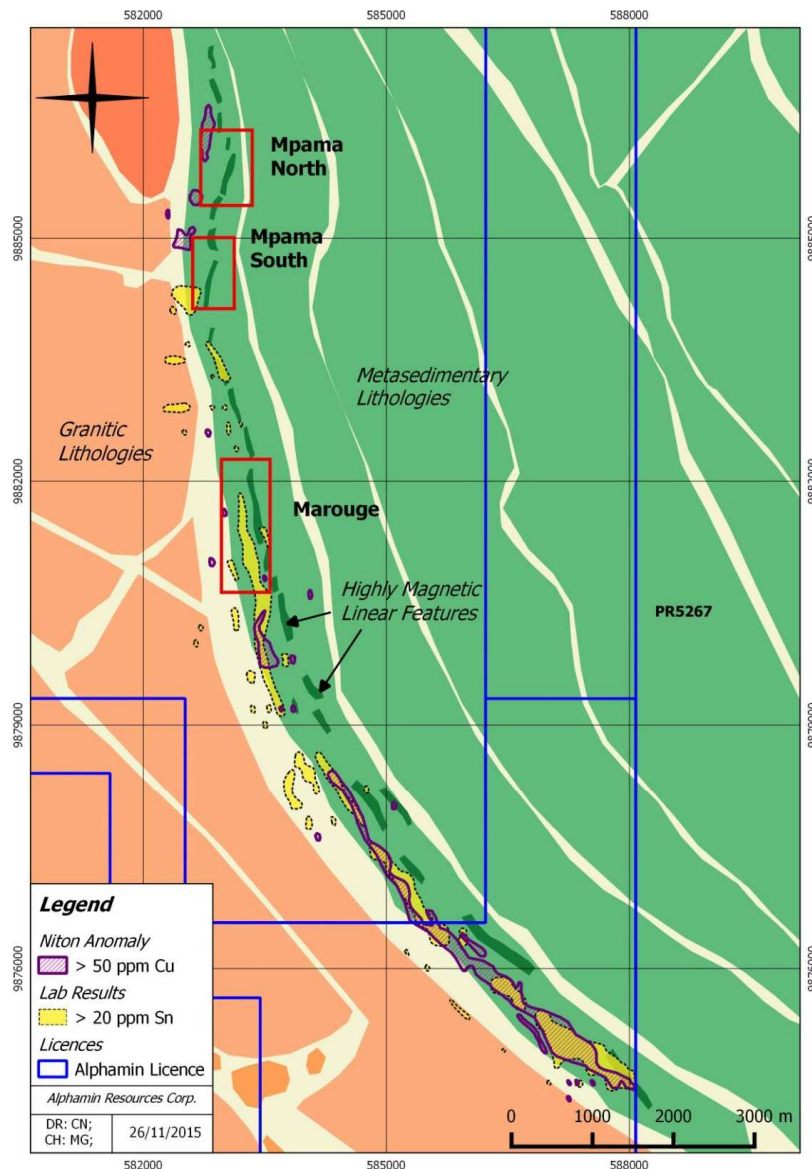
CURRENT STATE OF MPAMA SOUTH VIS A VIS MPAMA NORTH



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Further Upside

From the broader picture, the 14km-long Bisie Ridge (shown below), has a plethora of anomalous geochemical targets for follow up and lies entirely within Alphamin's tenements. In this regard, the geological team has identified multiple drill targets for 2022 (in addition to ongoing Mpama North and Mpama South drilling).



Drilling commenced in early 2022 on the Marouge target with encouraging signs that the lithological sequence is similar to Mpama North and South and that alteration (often associated with mineralisation) is present. It is believed that at least there may be at least one additional orebody on the

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Bisie Ridge. Two drill targets six to eight km south of Mpama North have been identified along this ridge.

The company upped its exploration drilling on the Bisie Ridge from Q3 2022 to test highly anomalous soil, geophysical and structural targets identified during 2021. 8,773 metres of the 10,000 metre Phase 1 diamond core program have been completed along the Ridge, with the remainder due for completion in Q1 2023.

Although anomalous mineralisation has been confirmed in drilling on the Ridge, it is not of the obvious coarse visual cassiterite type frequently seen in drillcore from Mpama North and South.

Only ~25% of assays have been returned from the independent laboratory to date from the Ridge drilling. Assay results when received will support a fuller investigation into the regional setting, along with data from the on-going geophysical downhole surveys, structural investigations and mapping, thereby enabling a refocused exploration program.

Tin – Back from the Dead

You just cannot keep a good metal down... no matter how much the Chinese might have tried in 2022 to. In late January, Tin futures were trading near the \$25,000 per tonne mark, having shortly before climbed as high as \$33,000, recovering from a two-year low of around \$17,630 hit in late October.

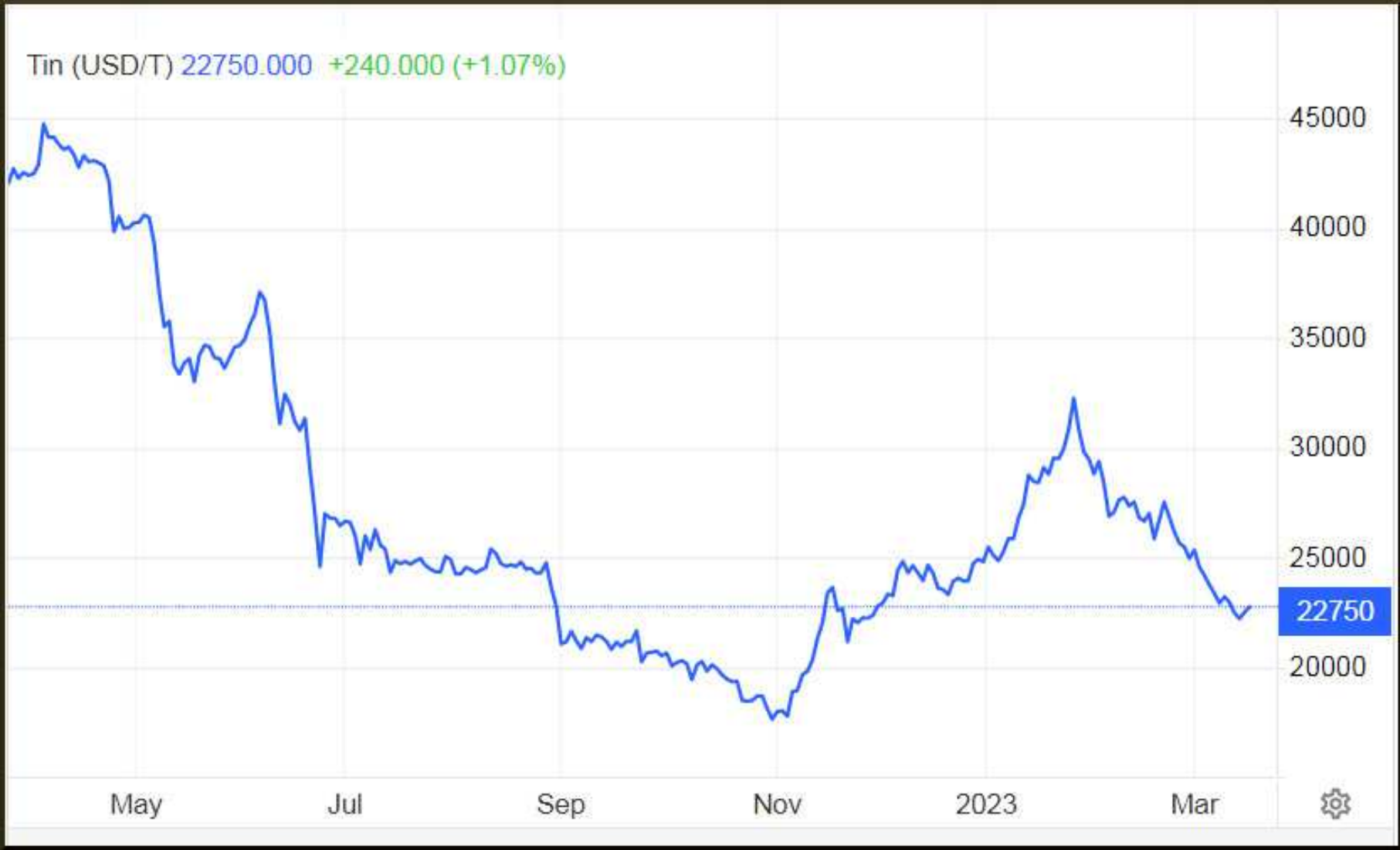
It was clear from the strange run-down in global Tin reserves, while prices were tanking, that the Chinese were using all the ammo they had to push the metal lower. This was particularly evident from the Shanghai warehouse stocks.

Despite the recent rally, Tin prices are still down more than 50% from their March record peak though we had felt that prices over \$50k were definitely tempting fate. Who lost their shirts by being long at the peak remains unknown but we would not put it past Chinese traders to have been on the wrong side of both the bull and the bear ends of the Tin move of recent years.

Those looking for reasons (beyond Chinese machinations) for Tin's decline in 2H22 cited weak demand from the consumer electronics sector and rising levels of production from major producers such as Indonesia and Malaysia. It was true that Malaysia Smelting, one of the world's biggest tin processors, said it would increase its output by 20% over the next couple of years. Additionally, this is not primary mined material, only smelting really, ergo they will buy more concentrate in and try and take smelting away from elsewhere. Net net, this does not represent an increase in primary Tin production .

On the supply side though we would also note disruption to supplies at MetalX's Renison facility and a total shutdown, at one point, in output from Minsur's San Rafael mine in Peru (third largest in the world) due to popular discontent against the government.

We just have to ask, who in China was behind the ham-fisted sinking of the Tin price. What were they thinking? Using one's reserves to sabotage a metal's price for a very transitory short-term advantage seems a fruitless endeavour.



Source: Trading Economics

The supply dynamic is the prime motor of the space. Future demand was incorrectly estimated by parties such as the Tin Association and the USGS at the beginning of the decade. Their premise was that a massive shift to Tin solders would fuel a shortage. This created false expectations. The decline in traditional sources and their non-replacement is tangible though. Now is a good time to be bringing on new projects, but the only projects on the horizon (and accessible in the public markets) are Mpama South, tailings reprocessing in Namibia and the two developments in Spain (Elementos Ltd & Strategic Minerals Europe).

After peaking at \$32,500 per tonne in 2011, the price sagged again but then spent the period between 2016 and 2019 locked in a range between US\$21,000 & US\$23,000.

Until mid-2021 we were musing as to whether the price surge had its roots in the pandemic/shipping crises but since that time it has become clearer that it is a crisis of supply. Not that supply has declined (after all Alphamin added to global supply) but rather that the sheer lack of other new supply sources combined with organic growth in tin demand has tipped the balance. This has given all tin suppliers traction again in pricing but so few have the latitude to increase production that most are just sitting back and enjoying the ride, trying to enhance their margins rather than making big expenditures in production volume enhancement.

Financing

Alphamin has not needed to undertake any further financings since the onset of production.

The Debt Profile

At the end of FY19 the company's liabilities stood at \$94.57mn. The onset of production and positive cashflows has sent the amount outstanding spiraling lower.

The current liabilities stood at US\$90.3mn (as at end-Dec 2022) up \$11.2mn from the end of 2021. Most of the increase being due to a rise in accounts payable, while the debt to outside parties was dramatically reduced to a mere \$1.9mn from \$13.7mn a year previously. The non-current liabilities were \$32.4mn at 31st of December 2022 up slightly from the \$31.2mn twelve months earlier. This was all due to an increase in the provision for closure and reclamation of \$3.3mn.

The largest remaining component of the short term debt is the balances owed to the commodities trader Gerald (at Libor +3%) due to the mismatch between when deliveries are made and payments received.

Dividends

The steadily rising free cash flow and cash balance and the declining debt burden have allowed the company to start paying dividends in FY21 with a 3cts payment, this then reaching 6cts per share in

FY22.

The potential is clear for this to escalate further and we are looking for 6cts per share in FY 23 and 9-11cts in FY24. This factor alone should transform the shareholder base attracting yield-oriented investors in an age of rising interest rates. This would also attract foreign institutional investors who prize more that type of revenue generating portfolio holdings, however the dividend is somewhat wasted upon the Canadian shareholder base, who largely do not appreciate a return on investment that is not solely a capital gain. .

The Board has declared a final FY22 cash dividend of CAD\$0.03 per share (costing approximately US\$28.7mn). The dividend was paid 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 FY22 dividends declared amount to CAD\$0.06 per share.

A Management Change

Jan Trouw, the Managing Director of the company's mine subsidiary, ABM, retired recently. It was announced that John Robertson, a mining professional with 30 years of experience in countries across franco- and anglo-phone Africa, had been appointed as the new Managing Director of ABM. He has significant surface and underground mine management experience in both base and precious metals and a strong background in Resource and Reserve exploration techniques, definition, reporting, conversion and extraction. He has experience in the management of sites of up to 3000 people and is fluent in French. He has worked with Jan Trouw previously.

Risks

The prime risks we can envision at this stage are:

- ✘ A return to a weak Tin price
- ✘ Tricky logistic routes to markets
- ✘ Political unrest/guerilla activities in the region

Tin is subject to the forces of supply and demand as are most metals. The price rise has been driven by long-term under-supply/under-investment on the other. New production is almost non-existent. However, Tin is inextricably linked with industrial activity and the West (at least) is in an economic swoon of indefinite duration due to inflation, rising interest rates and the backwash from the war in Ukraine. It cannot be discounted that industrial demand might decline and eventually trim back some of the stunning gains of recent years in the short (or even medium-term).

The bridge issue in late 2019 (the excessive rain in 4Q20) showed the vulnerability of Bisie to its limited options in accessing ports. This problem will only go away with the construction of better infrastructure

in-country. The company would prefer not to take on such general benefit projects but, to guarantee future surety of egress and ingress, it will be helping maintain roads and bridges that it needs to traverse to markets.

Unrest in the region has been reduced in recent years with the main focus of rebel activity having shifted to a substantial distance from the Bisie facilities. However, M23 issues have been growing in Goma, so one should remain ever vigilant.

Conclusion

Tin, at over \$50,000 per tonne in early 2022 was fated to have a pratfall and not unsurprisingly, down it went. While Tin may have disappointed, Alphamin has not. It has continued to deliver in terms of production, earnings, mine expansion and dividends. Alphamin has sustained its role as the touchstone for those wanting a listed Tin exposure in Western capital markets.

The company now has three full fiscal years of production behind it and has shown itself to be able to deliver a positive bottom-line in even the most volatile of Tin pricing scenarios. With the publication of three ever-enhanced new resources for Mpama South, plus a PEA on that project, the company stands set to increase production by around 60% by 2024.

We could be much more aggressive in our price projection for the company. The flies in the ointment are all external. There is global instability caused by the Russo-Ukrainian War, attendant upon this is the almost certainty of softer world economies and the real risk of substantially higher interest rates with negative impact on equities markets.

At least now, for investors, the perception of Alphamin is coloured by the combo of the Tin price and the earnings performance, rather than vibes about the DRC. We are estimating EPS of over CAD 11.8cts per share forecast for FY23 and CAD15.3cts per share in FY23.

We reiterate our **LONG** rating on Alphamin and have adjusted our 12-month target price to CAD\$1.48.



Important disclosures

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60 Madison Ave, 6th Floor, New York, NY, 10010