Tin Under Siege: Hallgarten & Co. Warns on Alphamin's Uncertain Future in Congo

written by Tracy Hughes | April 7, 2025

Hallgarten + Company has published a stark coverage update on Alphamin Resources Corp. (TSX: AFM | OTC: AFMJF | JSE: APH), underlining how the renewed rebel activity in northeastern Democratic Republic of the Congo (DRC) has forced the world's highest-grade tin mine to shutter. Until recently, Alphamin's Bisie mine stood as one of the largest underground tin operations anywhere, poised for robust production gains. Now, besieged by insurgents, the project's future hangs in the balance.

In a note by analyst Christopher Ecclestone, Hallgarten laments that Alphamin's limited updates have left investors in the dark. On March 13, the company officially announced its decision to place the site under care and maintenance—a forced move as M23 rebels continue sweeping through North Kivu province. While the insurgents have not reached Bisie itself, they have seized control of strategic routes, most notably capturing Goma, Alphamin's regional headquarters and transportation hub.

Broken Supply Lines and Investor Anxiety

Bisie's isolation raises immediate financial and operational risks. Alphamin's employees and contractors have been evacuated, save for a skeleton crew focused on site security and maintenance. Prolonged downtime will not only eviscerate revenues but may also jeopardize asset integrity should fuel and

supplies run short. Hallgarten questions whether the market is receiving the same scant information as major shareholder Denham Capital, suggesting a potential communication gap during a high-stakes crisis.

Global tin markets, already sensitive to disruptions, now confront the reality that one of their top-tier producers has hit the pause button. Beyond hurting Alphamin's bottom line, the closure could impact Gécamines (the DRC's state mining company) and Gerald Group, which handle significant portions of Bisie's output. Traders and end-users must now recalibrate. Even Yunnan Tin, a key processor and major player in the space, could feel the pinch from any shortfall in concentrate supply.

Broader Geopolitical Undercurrents

Hallgarten's report also suggests that China may be facing blowback for its long-rumored indirect support of M23. While such backing would theoretically help China gain influence in resource-rich African regions, the abrupt mine closure constrains tin availability—hitting Chinese smelters and manufacturers along with everyone else.

The update underscores the perils of maintaining a "one-mine" strategy in a volatile region. Alphamin's devotion to Bisie has historically paid off thanks to the deposit's exceptional grade and low-cost production, but it has also concentrated the company's geopolitical and operational risks in a single, conflict-prone province.

Waiting for a Way Forward

Hallgarten declines to predict a firm timeline for when the mine might safely reopen. The future hinges on the Congolese government's ability to halt, or at least contain, rebel

advances, along with potential diplomatic interventions. Meanwhile, investor frustration grows with each day of silence from management.

The crisis at Bisie highlights how quickly security conditions can deteriorate and cut short even the most compelling mining story. For Alphamin, a mine once championed for its unparalleled grade profile must now focus on protecting its people and preserving its asset. For the global tin market, which has seen supply strain and price volatility in recent years, the uncertainty is yet another jolt—underscoring that political risk can be as decisive as any geological or financial factor in the resource sector. To access the complete report, click here