Correction: Alphamin Announces Record Quarterly Tin Production/ Q2 2022 EBITDA of US$67m/ Dividend Declared

written by Raj Shah | July 26, 2022

July 26, 2022 (Source) – In the news release issued earlier today there was an error. In relation to the dividend declared on 5 July 2022, the dividend record date should have read 22 July 2022, and not 29 July 2022. Please find below the complete and corrected news release.

Alphamin Resources Corp. (AFM:TSXV, APH:JSE AltX)("Alphamin" or the "Company"), a producer of 4% of the world's mined tin[1] from its high grade operation in the Democratic Republic of Congo, is pleased to provide the following operational update for the quarter ended June 2022:

- **Record quarterly tin production of 3,180 tonnes**
- **Q2 EBITDA**[3] of **US$67m**
- **Interim dividend for FY2022** of **CAD$0.03 per share** declared on 5 July 2022

Operational and Financial Summary for the Quarter ended June 2022[2]

Description	Units	Actual

		Quarter ended June 2022	Quarter ended March 2022	Change	
Ore Processed	Tonnes	112,569	105,565	7	%
Tin Grade Processed	% Sn	3.65	3.73	-2	%
Overall Plant Recovery	%	77.3	77.7	-1	%
Contained Tin Produced	Tonnes	3,180	3,061	4	%
Contained Tin Sold	Tonnes	3,229	3,336	-3	%
EBITDA[3]	US$'000	67,004	98,104	-32	%
AISC[3]	US$/t sold	14,677	15,782	-7	%
Net Cash[3] (Cash less debt)	US$'000	138,146	129,775	6	%
Tin Price Achieved	US$/t	35,345	43,834	-19	%

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[1]Data obtained from International Tin Association Tin Industry Review Update 2021 [2]Production 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. [3]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.

Operational and Financial Performance – Q2 2022

Contained tin production of 3,180 tonnes represents a quarterly record, 4% above the previous quarter. Underground mining and

processing plant recoveries were in line with expectations. Year-to-date contained tin production of 6,241 tonnes exceeded the run-rate to achieve market guidance of 12,000 tonnes for the year ending December 2022. We expect contained tin production and sales of approximately 3,000 tonnes for the quarter ending September 2022.

AISC per tonne of tin sold decreased by 7% to US$14,677 following a 4% increase in production and the impact of lower tin prices on off-mine costs related to product marketing fees, royalties, export duties and smelter payables.

EBITDA for Q2 2022 amounted to US$67m (Q1: US$98m) at an average achieved tin price of US$35,345/t (Q1: US$43,834/t). In addition to a higher tin price, the previous quarter's sales volumes included a catch-up from delayed sales during Q4 2021.

The Alphamin consolidated Net Cash position increased by US$8,3 million during Q2 2022 to US$138.1 million. This increase is after a FY2021 corporate tax payment of US$43.5 million to the DRC government in April 2022.

Alphamin's unaudited consolidated financial statements and accompanying Management's Discussion and Analysis for the quarter ended 30 June 2022 have been filed and are available under the Company's profile at www.sedar.com.

Interim FY2022 Dividend Declared

On 5 July 2022, the Board resolved to declare an interim FY2022 cash dividend of CAD$0.03 per share on the common shares (approximately US$30m in the aggregate) (the "Dividend"). The Dividend will be payable on 5 August 2022 to shareholders of record as of the close of business on 22 July 2022. Dividend distributions will be considered semi-annually based on excess free cash after taking account of capital funding requirements,

including for the new Mpama South expansion project.

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 this news release. He is a Principal Consultant and Director of Bara Consulting Pty Limited, an independent technical consultant to the Company.

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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 contained tin production guidance for Q3 2022 and FY 2022. 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 regarding estimates of the expected mined tin grades, processing plant performance and recoveries, uncertainties with respect to social, community and environmental impacts, uninterupted access to required infrastructure and third party service providers, adverse political and geopolitical events, uncertainties regarding the legislative requirements in the Democratic Republic of the Congo which may result in unexpected fines and penalties, 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.

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

This announcement refers to the following non-IFRS financial

performance measures:

EBITDA

EBITDA is profit before net finance expense, income taxes and depreciation, depletion, and amortization. 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.

This measure is not recognized under IFRS as it does not have any standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers. EBITDA 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.

NET CASH

Net cash is defined as cash and cash equivalents less total current and non-current portions of interest-bearing debt and lease liabilities.

AISC

This measures the costs to produce and sell a tonne of contained tin plus the capital sustaining costs to maintain the mine, processing plant and infrastructure. AISC includes mine operating production expenses such as mining, processing, administration, indirect charges (including surface maintenance and camp and tailings dam

construction costs), smelting costs and deductions, refining and freight, distribution, royalties and product marketing fees. AISC does not include depreciation, depletion, and amortization, reclamation expenses, borrowing costs and exploration expenses.

Sustaining capital expenditures are defined as those expenditures which do not increase contained tin 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.

Reconciliation of operating profit to EBITDA		**Q2 2022**	**Q1 2022**	**Variance**		**Q2 2022**	**Q2 2021**		**Variance**	
Operating Profit	$'000	59,534	90,438	-34	%	59,534	27,120		120	%
Adjustments;										
Depreciation, depletion & amortisation	$'000	7,015	6,852	2	%	7,015	6,419		9	%
Depreciation in stock movement	$'000	73	398	-82	%	73	(37	)	-297	%
Borrowing costs in G&A	$'000	20	12	67	%	20	383		-95	%
Share based payments in G&A	$'000	235	278	-15	%	235	85		176	%
Depreciation in G&A	$'000	127	126	1	%	127	107		19	%
EBITDA [2,3]	$'000	67,004	98,104	-32	%	67,004	34,077		97	%

Further information on the calculation of our EBITDA and AISC is

contained on pages 5 and 6 of our Management's Discussion and Analysis – Quarterly Highlights dated July 26, 2022 which has been filed and available on SEDAR at www.sedar.com and is incorporated by reference herein.