ALPHAMIN RESOURCES CORP.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022

C/o ADANSONIA MANAGEMENT SERVICES LIMITED, Suite 1, PERRIERI OFFICE SUITES, C2-302, Level 3, Office Block C, La Croisette, Grand Baie 30517, Mauritius
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Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with standards established for a review of condensed interim financial statements by an entity's auditor.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ALPHAMIN RESOURCES CORP. **Consolidated Statements of Financial Position** **As at** **(Expressed in US dollars)**	**Notes**	**June 30, 2023** **$**	**December 31, 2022** **$**
ASSETS			
Current assets			
Inventory	3	27,135,807	24,814,360
Accounts receivable	4	28,523,423	27,819,491
Prepaids and other receivables	5	51,657,725	27,490,950
Cash and cash equivalents	6	51,361,956	119,388,687
Total current assets		158,678,911	199,513,488
Non-current assets			
Plant and equipment	7	290,331,700	263,040,721
Prepaids and other receivables	5	20,389,061	17,812,282
Exploration and evaluation assets	10	13,781,597	9,735,588
Total non-current assets		324,502,358	290,588,591
Total assets		483,181,269	490,102,079
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Bank overdarft	6	26,123,377	-
Accounts payable and accrued liabilities	11	33,937,032	82,129,675
Lease agreements due within one year	12	4,274,954	2,394,497
Share based payment liability	13	846,552	1,357,020
Debt due to related parties	13 & 14	2,698,208	2,502,240
Debt - external	14	2,324,466	1,919,960
Total current liabilities		70,204,589	90,303,392
Non-current liabilities			
Provision for closure and reclamation	16	11,399,146	10,933,203
Lease agreements due in greater than one year	12	5,004,845	3,000,602
Deferred tax liability	9	18,490,366	18,459,965
Total non-current liabilities		34,894,357	32,393,770
Stockholders' Equity			
Capital stock	17	273,449,613	273,206,050
Reserves		10,521,294	9,962,217
Foreign Currency Translation Reserve		(1,587,304)	(1,549,982)
Retained earnings		42,135,706	38,806,657
Stockholders' equity		324,519,309	320,424,942
Non-controlling interest	18	53,563,014	46,979,975
Total equity		378,082,323	367,404,917
Total liabilities and equity		483,181,269	490,102,079

The accompanying notes are an integral part of these consolidated financial statements.

Approved and authorised by the Board of Directors on August 16, 2023.

(Signed) (Signed)

MARITZ SMITH, DIRECTOR EOIN O'DRISCOLL, DIRECTOR

CONSOLIDATED STATEMENTS OF PROFIT/(LOSS) AND COMPREHENSIVE PROFIT/(LOSS)

ALPHAMIN RESOURCES CORP. Consolidated Statements of Profit/(Loss) For the periods ended (Expressed in US dollars)	Notes	For the six months ended June 30, 2023 US$	For the six months ended June 30, 2022 US$	For the three months ended June 30, 2023 US$	For the three months ended June 30, 2022 US$
REVENUE	19	158,713,181	257,701,764	75,742,307	111,471,216
COST OF SALES	20	(87,055,071)	(95,470,088)	(42,725,525)	(45,861,777)
GROSS PROFIT		71,658,110	162,231,676	33,016,782	65,609,439
General and administrative	21	(11,662,107)	(12,259,574)	(6,101,241)	(6,075,405)
Operating Profit		59,996,003	149,972,102	26,915,541	59,534,034
OTHER					
Warrants	15	-	(482,351)	-	-
Profit/(Loss)/ on foreign exchange	22	1,814,434	(60,258)	2,168,870	49,179
Finance cost	23	(2,841,099)	(2,665,614)	(1,299,842)	(1,248,550)
Interest income		338,225	1,088	1,948	511
Profit before taxes		59,307,563	146,764,967	27,786,517	58,335,174
Current income tax expense	8	(21,620,471)	(62,290,163)	(10,189,775)	(24,027,938)
Deferred tax movement	9	(30,401)	2,178,016	167,804	1,608,162
NET INCOME		37,656,691	86,652,820	17,764,546	35,915,398
Other Comprehensive income (net of tax)					
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations		(37,322)	(7,953)	(21,081)	(36,144)
Total comprehensive profit for the period		37,619,369	86,644,867	17,743,465	35,879,254
Profit attributable to ;					
Equity holders		31,073,652	72,254,927	14,667,029	29,947,839
Non-controlling interests	18	6,583,039	14,397,893	3,097,517	5,967,559
		37,656,691	86,652,820	17,764,546	35,915,398
Total comprehensive profit attributable to ;					
Equity holders		31,036,330	72,246,974	14,645,948	29,911,695
Non-controlling interests	18	6,583,039	14,397,893	3,097,517	5,967,559
		37,619,369	86,644,867	17,743,465	35,879,254
Earnings per share for profit attributable to the ordinary equity holders of the company (Note 26) (expressed in US cents per share)		2.44	5.69	1.15	2.35
Diluted Earnings per share for profit attributable to the ordinary equity holders of the company (Note 26) (expressed in US cents per share)		2.42	5.60	1.14	2.32

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

ALPHAMIN RESOURCES CORP. Consolidated Statements of Cash Flows For the period ended (Expressed in US dollars)	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Cash Flows From Operating Activities		
Net profit/(loss) for the period before tax	59,307,563	146,764,967
Adjustments for items not involving cash;		
Share-based payments	1,001,353	513,332
Warrants	-	482,351
Depreciation	15,846,564	13,615,307
Interest expense	2,841,099	2,665,614
Unwind of environmental discount	114,160	114,160
Cash generated from operations	79,110,739	164,155,731
Income tax paid	(67,279,840)	(44,998,627)
Interest paid	(1,377,791)	(2,216,117)
Change in working capital items:		
Accounts receivable	(703,932)	12,317,997
Prepaids and other receivables - current	(10,204,097)	(4,937,167)
Change in inventory	(2,321,447)	(1,308,158)
Accounts payable and accrued liabilities	(3,044,325)	1,701,201
Due to related parties	(952,744)	54,525
Net Cash generated in Operating Activities	(6,773,437)	124,769,385
Cash Flows From Investing Activities		
Purchase of equipment	(51,809,728)	(9,945,182)
Investing in exploration and evaluation assets	(4,046,009)	(8,433,621)
Prepaids and other receivables - non current	(2,576,779)	(1,969,438)
Net Cash Used in Investing Activities	(58,432,516)	(20,348,241)
Cash Flows From Financing Activities		
Exercise of stock options and warrants	243,563	2,169,412
Bank overdraft	26,123,377	-
Dividends paid	(27,744,603)	(29,990,722)
Distributions paid by subsidiary company to minority sharehol	-	(6,147,841)
Lease payments - capital (Note 12)	(1,443,115)	(1,335,677)
Debt repayments - capital (Note 14)	-	(12,608,035)
Net Cash Consumed by Financing Activities	(2,820,778)	(47,912,863)
Increase in cash and cash equivalents	(68,026,731)	56,508,281
Cash and cash equivalents at beginning of the year/period	119,388,687	90,640,001
Cash and cash equivalents at end of the period	51,361,956	147,148,282

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

ALPHAMIN RESOURCES CORP.	Capital Stock		Reserves					
Consolidated Statements of Changes in Stockholders' Equity (Expressed in US dollars)	Shares #	Amount $	Share-based Payment Reserve $	Foreign Currency Translation Reserve $	Retained earnings/ Accumulated deficit $	Total Stockholders' Equity (Deficit) $	Non-Controlling Interests $	Total Equity $
Balance, December 31, 2021	1,262,655,970	265,635,723	11,054,485	(1,529,740)	(433,332)	274,727,136	36,006,624	310,733,760
Profit for the period				28,191	42,307,088	42,335,279	8,430,334	50,765,613
Dividends declared					(29,990,722)	(29,990,722)		(29,990,722)
Exercise of warrants during the period	9,203,600	7,226,506				7,226,506		7,226,506
Share based payment			277,859			277,859		277,859
Balance, March 31, 2022	1,271,859,570	272,862,229	11,332,344	(1,501,549)	11,883,034	294,576,058	44,436,958	339,013,016
Profit for the period				(36,144)	29,947,839	29,911,695	5,967,559	35,879,254
Dividends declared by subsidiary company					(2,159,205)	(2,159,205)	(3,988,636)	(6,147,841)
Share based payment			235,473			235,473		235,473
Balance, June 30, 2022	1,271,859,570	272,862,229	11,567,817	(1,537,693)	39,671,668	322,564,021	46,415,881	368,979,902
Profit for the period				(32,029)	20,444,440	20,412,411	4,181,958	24,594,369
Captial reduction of subsidiary company							(5,843,700)	(5,843,700)
Dividends declared					(29,535,132)	(29,535,132)		(29,535,132)
Exercise of options during the period	759,038	117,510				117,510		117,510
Share based payment			224,590			224,590		224,590
Balance, September 30, 2022	1,272,618,608	272,979,739	11,792,407	(1,569,722)	30,580,976	313,783,400	44,754,139	358,537,539
Profit for the period				19,740	8,225,681	8,245,421	2,225,836	10,471,257
Exercise of options during the period	1,178,623	226,311				226,311		226,311
Transfer from reserves to liabilities on surrender of stock options			(3,513,523)			(3,513,523)		(3,513,523)
Share based payment			1,683,333			1,683,333		1,683,333
Balance, December 31, 2022	1,273,797,231	273,206,050	9,962,217	(1,549,982)	38,806,657	320,424,942	46,979,975	367,404,917
Profit for the period				(16,241)	16,406,623	16,390,382	3,485,522	19,875,904
Dividends declared					(27,744,603)	(27,744,603)		(27,744,603)
Share based payment			356,972			356,972		356,972
Balance, March 31, 2023	1,273,797,231	273,206,050	10,319,189	(1,566,223)	27,468,677	309,427,693	50,465,497	359,893,190
Profit for the period				(21,081)	14,667,029	14,645,948	3,097,517	17,743,465
Exercise of options during the period	1,546,582	243,563				243,563		243,563
Dividends declared					-	-		-
Share based payment			202,105			202,105		202,105
Balance, June 30, 2023	1,275,343,813	273,449,613	10,521,294	(1,587,304)	42,135,706	324,519,309	53,563,014	378,082,323

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. NATURE AND CONTINUANCE OF OPERATIONS

Alphamin Resources Corp. (the "Company") is governed by the laws of Mauritius. The Company's primary business is the production and sale of tin concentrate from the Bisie Tin mine in the Democratic Republic of the Congo ("DRC"). The registered office is located at C/o ADANSONIA MANAGEMENT SERVICES LIMITED, Suite 1, PERRIERI OFFICE SUITES, C2-302, Level 3, Office Block C, La Croisette, Grand Baie 30517, Mauritius. The Company was previously incorporated under the laws of British Colombia, Canada, however it was continued in Mauritius effective on September 30, 2014. The Company's shares are listed on the Toronto Stock Exchange's TSX Venture Exchange (primary listing) and the Johannesburg Stock Exchange's Alternative Exchange (Alt.X) (secondary listing). In these consolidated financial statements, unless the context otherwise dictates, a reference to the Company refers to Alphamin Resources Corp. and its subsidiaries. These unaudited condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the realisation of assets and satisfaction of liabilities in the normal course of business.

A. DEVELOPMENTS IN THE CURRENT PERIOD

In Q1, 2023 the Company announced and paid a final FY2022 dividend of CAD 03 cents per share. Post period end a further interim dividend of CAD 03 cents per share was announced.

The Mpama South development project continues and is on track for commissioning from December 2023.

B. GOING CONCERN

As at June 30 2023, the Company had retained earnings of $42,135,706, stockholders' equity of $324,519,309 and net current assets of $88,474,322. (December 31, 2022: retained earnings of $38,806,657, stockholders' equity of $320,424,942 and net current assets of $109,210,096.)

Management have reviewed the working capital position and cashflow forecasts for the year and are comfortable that the going concern is appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared using accounting policies consistent with *International Financial Reporting Standards (IFRS)* as issued by the *International Accounting Standards Board (IASB)* and Interpretations issued by the *International Financial Reporting Interpretations Committee (IFRIC*). These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for share-based payments and certain financial assets, which have been measured at fair value. In addition, the unaudited condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Application of new and revised standards

The following standards became effective for annual periods beginning on or after January 1, 2023. The Company adopted these standards in the current period, and they did not have a material impact on its unaudited condensed consolidated interim financial statements unless specifically mentioned below.

<table>
<tr><th colspan="3">International Financial Reporting Standards and amendments effective for the first time for December 2023 year-end</th></tr>
<tr><th>Number</th><th>Effective date</th><th>Executive summary</th></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>IFRS 17, ‘Insurance contracts’</td><td>Annual periods beginning on or after 1 January 2023

Early application is permitted for entities that apply IFRS 9, ‘Financial Instruments’, and IFRS 15, ‘Revenue from Contracts with Customers’, at or before the date of initial application of IFRS 17.

(Published May 2017)</td><td>The IASB issued IFRS 17, ‘Insurance contracts’, and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.

Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period.

Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less.

For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity’s share of the fair value changes of the underlying items is included in the contractual service margin. As a consequence, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.</td></tr>
<tr><td>IFRS 17, Insurance Contracts Amendments</td><td>Annual periods beginning on or after 1 January 2023

(Published June 2020)</td><td>• In response to some of the concerns and challenges raised, the Board developed targeted amendments and a number of proposed clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and ease transition. The amendments relate to eight areas of IFRS 17, and they are not intended to change the fundamental principles of</td></tr>
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		the standard or unduly disrupt implementation already underway.
Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Annual periods beginning on or after 1 January 2023. Earlier application is permitted. (Published May 2021)	The amendments require companies to recognise deferred tax on transactions that on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'	Annual periods beginning on or after 1 January 2023. Earlier application is permitted. (Published February 2021)	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish changes in accounting policies from changes in accounting estimates.

Future accounting changes

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended December 31, 2023. The Company has not yet adopted these new and amended standards. The Company has considered the amendments and assessed that they will have no material impact on adoption.

International Financial Reporting Standards, interpretations and amendments issued but not effective		
Number	**Effective date**	**Executive summary**
Amendment to IAS 1, 'Presentation of Financial Statements' on Non-current Liabilities with Covenants	Annual periods beginning on or after 1 January 2024 (Published Oct 22)	The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
Amendment to IFRS 16, Lease Liability in a Sale and Leaseback	Annual periods beginning on	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions

	or after 1 January 2024 (Published Sept 2022)	that satisfy the requirements in IFRS 15 to be accounted for as a sale.
Amendment to IAS 1, 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current	Annual periods beginning on or after 1 January 2024 (Published Jan 2020)	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. A number of requirements are required to be met in conjunction with this amendment.

B. BASIS OF CONSOLIDATION

These unaudited condensed consolidated interim financial statements incorporate the financial statements of the Company and its controlled subsidiaries. Control exists when an investor (the Company) has power over an investee (the Subsidiaries) that give it the current ability to direct the relevant activities.

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its controlled subsidiaries, as follows:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITY
Alphamin Bisie Mining SA (Formerly called Mining and Processing, Congo, SARL)	Democratic Republic of the Congo	Mining (84.14% owned by Alphamin Resources (BVI) Ltd)
Alphamin South Africa (Pty) Limited	South Africa	Holding Company (100% wholly owned by Parent)
Alphamin Holdings (BVI) Ltd	British Virgin Islands	Holding Company (100% wholly owned by Parent)
Alphamin Resources (BVI) Ltd	British Virgin Islands	Holding Company (100% wholly owned by Alphamin Holdings (BVI) Ltd)

All intercompany transactions and balances have been eliminated.

Following the receipt of mining license number PE13155 and in line with Article 71 of the Mining Code 2002, 5% of the shares of Alphamin Bisie Mining SA (ABM), were issued to the Government of the Democratic Republic of the Congo. The Industrial Development Corporation of South Africa Limited (IDC) has direct ownership of 10.86% of ABM. The Government of the Democratic Republic of the Congo owns a non-diluting 5% resulting in a Company ownership of ABM of 84.14%.

C. MEASUREMENT UNCERTAINTY AND CRITICAL JUDGEMENTS

The preparation of financial statements in accordance with IFRS as issued by the *International Accounting Standards Board (IASB)* and interpretations of the *International Financial Reporting Interpretations Committee (IFRS IC)* requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions, which by their nature are uncertain, affect the carrying value of assets. Other significant estimates made by the Company include factors affecting valuations of share-based compensation and income tax accounts. The Company regularly reviews its estimates and assumptions, however actual results could differ from these estimates and these differences could be material and would not be considered an error. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Provision for closure and reclamation

The Company's operations are subject to environmental regulations in the Democratic Republic of Congo. Upon establishment of commercial viability of the Bisie Tin Mine and subsequent commencement of development activity, the Company estimated the cost to restore the site following the completion of commercial activities and depletion of reserves.

These future obligations are estimated by taking into consideration closure plans, known environmental impacts, and internal and external studies, which estimate the activities and costs that will be carried out to meet the decommissioning and environmental rehabilitation obligations. The Company records a liability and a corresponding asset for the present value of the estimated costs of legal and constructive obligations for mine rehabilitation, based on environmental disturbances incurred up to the end of each reporting period. During the mine rehabilitation process, there will be a probable outflow of resources required to settle the obligation and a reliable estimate can be made of those obligations. The present value is determined based on current market assessments using the risk-free rate of borrowing which is approximated by the yield of government bonds with a maturity similar to that of the mine life. The discounted liability is adjusted at the end of each reporting period with the passage of time and for the estimated rehabilitation cost related to any new environmental disturbances incurred during that period. The provision represents management's best estimate of the present value of the future mine rehabilitation costs, which may not be incurred for several years or decades, and, as such, actual expenditures may vary from the amount currently estimated. The decommissioning and environmental rehabilitation cost estimates could change due to amendments in laws and regulations in the Democratic Republic of Congo. Additionally, actual estimated costs may differ from those projected as a result of a change over time of actual remediation costs, a change in the timing for utilisation of reserves and the potential for increasingly stringent environmental regulatory requirements.

Exploration and Evaluation Assets and Mine under construction

During December 2017, the Company assessed the technical feasibility and commercial viability of its Bisie Tin Mine Project, together with the availability of project funding and formally approved the commencement of full-scale development activities, resulting in the reclassification of the Exploration and Evaluation Asset to Mine under construction. New exploration following commercial production at Bisie is recorded as a new Exploration and Evaluation asset at cost and refers to the search for other mineral orebodies within the mining and exploration licenses that the Company owns the mineral rights for. Such exploration cost is carried at cost until such time as management determine that the area is economically viable, in which case it will be transferred into mine under construction or written off if not pursued further.

Assumptions are used in estimating the Company's reserves and resources that might be extracted from the Company's properties. Judgement is applied in determining when an Exploration and Evaluation Asset demonstrates technical feasibility and commercial viability and transitions to the development stage, requiring reclassification to mine under construction within non-current assets.

Share-based payments
The share-based payments expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options, which requires inputs in calculating the fair value for share-based payments expense, included in profit or loss. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares and the expected life of the options. The value of the share-based payment expense for the period along with the assumptions and model used for estimating fair value for share-based compensation are disclosed in Note 17.

Impairment
Non-financial assets

An impairment review of property, plant and equipment is carried out by comparing the carrying amount thereof to its recoverable amount when there is an indication that these assets may be impaired. The recoverable amount of property, plant and equipment is determined as the higher of the fair value less cost to sell and its value in use. For mining assets this is determined based on the fair value which is the present value of the estimated future cash flows arising from the use of the asset. Where the recoverable amount is less than the carrying amount, the impairment charge will reduce the carrying amount of property, plant and equipment to its recoverable amount. The adjusted carrying amount is depreciated over the remaining useful life of property, plant and equipment. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised directly in profit or loss.

Estimates are made in determining the recoverable amount of assets which includes the estimation of cash flows and discount rates used. In estimating the cash flows, management bases cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the assets. The discount rates used reflect the current market assessment of the time value of money and the risks specific to the assets for which the future cash flow estimates have not been adjusted. Changes in such estimates could impact the recoverable amount of these assets.

Estimates are reviewed regularly by management.

Useful lives of mineral properties, plant and equipment

The depreciable amounts of assets are allocated on a systematic basis over their useful lives. In determining the depreciable amount, management makes assumptions in respect to the residual value of assets based on the expected estimated amount that the entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal. If an asset is expected to be abandoned the residual value is estimated at zero. Due to the remote location of the mine as well as the specialised nature of the property, plant and equipment, management has estimated the residual value of property, plant and equipment to be zero.

In determining the useful life of assets, management considers the expected usage of assets, expected physical wear and tear, legal or similar limits of assets such as mineral rights as well as obsolescence.

Estimated mineral resources are used in determining the depreciation of certain assets. This results in a depreciation expense proportional to the depletion of the anticipated remaining life-of-mine production. The estimate of the remaining life of the Company's mineral producing properties is based on a combination of quantitative and qualitative factors including historical production and financial results, mineral resources reported under National Instrument 43-101 reports, and management's intent to operate the property. The estimated remaining life of mineral producing properties are used to calculate amortisation and depletion expenses, assess impairment charges and the carrying value of assets, and for forecasting the timing of the payments of reclamation and remediation costs.

D. CASH AND CASH EQUIVALENTS

Cash consists of cash on hand and of deposits in banks.

E. REVENUE

The Company sells its product on Free-On-Truck (FOT) Incoterms. This means that the Company is not responsible for freight or insurance once control of the goods has passed. The FOT Incoterm consists of one performance obligation, being for the provision of tin concentrate at contractually agreed specifications. The table below illustrates at what point control passes for this performance obligation.

Revenue type	Tin Concentrate
Inco terms	FOT
Performance obligation	Supply of tin concentrate at contractually agreed specifications at delivery point.
Timing of when performance obligation is satisfied	On delivery of the tin concentrate to the customer.
Payment terms	The payment terms are different depending on the delivery point chosen as below: ● Delivery point Logu: Until February 2021, payment was 80% on delivery, 15% on crossing the DRC border and 5% following receipt of final smelter assays 90-150 days following delivery. Post February 2021 95% payment is made within three days of receipt of a holding certificate confirming the arrival of the goods at Kampala, Uganda and 5% following receipt of final smelter assays 90-150 days following delivery. Post June 2021, the Company can elect pricing of either the 4-month price agreed prior to departure from Logu, or the 3-month price just prior to crossing the DRC border. ● Delivery point Kampala: 95% within three days of a holding certificate confirming the arrival of the goods at Kampala, Uganda and 5% following receipt of final smelter assays 60-120 days following delivery. ● Delivery point Goma: 95% within three business days of the goods crossing the DRC border and 5% following receipt of final smelter assays 90-150 days following delivery.

Control passes to the customer when product is delivered FOT. Delivery can take place at any of three agreed delivery points, being (1) Logu (mine site), (2) Goma, North Kivu, DRC or (3) Kampala, Uganda.

The delivery point is agreed between the customer and the Company from time to time. In the case of the Logu and Goma delivery points title passes upon the lot leaving the DRC and entering into Uganda. For the Kampala delivery point title passes when the lot is delivered at the Kampala delivery point.

From May 2020 until May 2021, where the delivery point was Logu, the price of tin concentrate was fixed just prior to delivery based on the 4-month tin price. The date of invoice is the date when control passes to the customer. Since June 2021, for the Logu delivery point, pricing can be either the four-month price as agreed prior to departure from Logu, or the three-month price just prior to crossing the DRC border, at the election of the Company. A first provisional invoice is raised when the goods leave Logu. A second provisional invoice is raised on arrival at Kampala when the final price is known and title passes to the customer.

Commodity price adjustments during this period are separately disclosed in the revenue note as other revenue (note 19). Invoices are raised on FOT delivery date.

Final assay adjustments are recorded against revenue.

F. INVENTORIES

Inventory consists of tin concentrate which has been produced to contracted specifications. Concentrate inventories are carried at the lower of cost (determined on the weighted average basis) or net realisable value. The Company does not currently value run of mine ore produced from underground due to the low levels and values of such stockpiles.

The weighted average cost of concentrate inventories is determined by dividing the cost of the concentrate available for sale with the concentrate tons available for sale. The cost of concentrate available for sale is calculated as opening inventory plus net purchases, the cost of conversion plus other costs incurred to get the tin inventory from run of mine ore to concentrate. The costs of conversion are calculated based on costs directly related to the production and an allocation of fixed and variable overheads. Net realisable value is the estimated selling price net of any estimated selling costs in the ordinary course of business. Write-downs of mineralized concentrate, resulting from net realizable value impairments, are reported as an expense within cost of sales in the period of write down.

Consumables stores are valued at the lower of cost (determined on the weighted average basis) and net realizable value. Replacement cost is used as the best available measure of net realizable value.

G. FOREIGN CURRENCY TRANSLATION AND TRANSACTIONS

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. Following the change in functional currency of the Company from the Canadian dollar to United States dollar on January 1, 2015, the functional currency of the Company is the United States dollar. The change in functional currency resulted in a permanent foreign currency translation reserve amount of $1,511,737.

Transactions and balances in currencies other than the United States dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period-end exchange rate, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of profit/(loss) and comprehensive profit/(loss).

The financial results and position of foreign operations, whose functional currency is different from the reporting currency are translated as follows:

I. assets and liabilities are translated at period-end exchange rates prevailing at that reporting date;
II. income and expenses are translated at average exchange rates for the period; and
III. equity items are translated at historical rates.

Exchange gains and losses are included as part of the foreign currency translation reserve on the statement of financial position.

H. LEASES LIABILITIES AND RIGHT-OF USE ASSETS

The Group leases various mining machines and a fuel farm at its operation in DRC. Rental contracts are typically made for fixed periods of 3 to 5 years. The Company's lease contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Leased assets may not be used as security for borrowing purposes. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis, using the incremental borrowing rate as the discount rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liabilities are initially measured at the present value of the lease payments payable over the term of the lease and are discounted at the incremental borrowing rate. Lease payments are determined in accordance with contracts.

I. EXPLORATION AND EVALUATION ASSETS

Recognition and measurement

Exploration and Evaluation Costs are those costs required to find a mineral property and determine technical feasibility and commercial viability. Exploration and Evaluation costs include costs to establish an initial mineral resource and determine whether inferred mineral resources can be upgraded to measured and indicated mineral resources and whether measured and indicated mineral resources are commercially viable. Costs incurred before the Company has obtained the legal right to explore an area are recognised in the consolidated statement of profit/(loss) and comprehensive profit/(loss).

Exploration and Evaluation Costs relating to the acquisition of, exploration for and development of mineral properties are capitalised and include, but are not restricted to: drilling, trenching, sampling, surveying and gathering exploration data; tunnelling and development, calculation and definition of mineral resource; test work on geology, metallurgy, mining, geotechnical and geophysical; and conducting geological, geophysical, engineering, environmental, marketing and financial studies.

Administration costs that do not relate directly to specific exploration and evaluation activity for capitalised projects are expensed as incurred.

Impairment

All capitalised Exploration and Evaluation Expenditures are monitored for indications of impairment. Indicators of impairment include, but are not limited to:

I. the period for which the right to explore is less than one year;
II. further exploration expenditures are not anticipated;
III. a decision to discontinue activities in a specific area; and
IV. the existence of enough data indicating that the carrying amount of an Exploration and Evaluation Asset is unlikely to be recovered from the development or sale of the asset.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that Exploration and Evaluation Assets are not expected to be recovered, they are charged to the consolidated statement of profit/(loss) and comprehensive profit/(loss).

J. PLANT AND EQUIPMENT

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
Land and assets under construction are stated at cost and are not depreciated. Buildings, including certain non-mining residential buildings, and all other items of property, plant and equipment are reflected at cost less accumulated depreciation and accumulated impairment losses.

Capitalised mine development and infrastructure costs (shown as mining property) are depreciated on a unit-of-production basis. Depreciation is charged on mining assets from the date on which the assets are available for use as intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is charged on a systematic basis over the estimated useful lives of the assets after taking into account the estimated residual values of the assets. Useful life is either the period of time over which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of the asset.
The estimated useful lives of items of property, plant and equipment are:

Mining property	Units of production
Plant and equipment	2 - 12.5 years
Land	Not depreciated
Buildings	12.5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

K. SHARE-BASED PAYMENTS AND SHARE APPRECIATION RIGHTS EQUIVALENT SHARES

The Company's omnibus incentive plan allows for issue of stock options which in turn allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognised as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to capital stock.

The fair value is measured at grant date and each tranche is recognised over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted.

At each financial position reporting date, the amount recognised as an expense is adjusted to reflect the number of stock options that are expected to vest. Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognised in the statement of profit/(loss) over the vesting period, described as the period during which all the vesting conditions are to be satisfied. Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of profit/(loss). Amounts related to the issuance of shares are recorded as a reduction of capital stock. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value of the shares or equity instruments issued is used.

During the financial year ended December 31, 2022 the Company amended the previous Stock Option plan and replaced it with the Omnibus Incentive Plan. Under the plan the Company can award various other types of long term incentive including Share Appreciation Rights Equivalent Shares. Such shares are a subclass of shares with no voting rights that entitles the holder to be paid dividends on dates determined by the board, based on certain share price criteria to the extent that the 5 day VWAP share price prior to the dividend date is higher than the “Reference price”, or share price on date of issue.

The Company accounts for SARES as a share based payment under IFRS 2. A share based payment liability is raised for the cash settlement expected to fall due at each period end.

L. INCOME TAXES

Current tax

Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company reconciles the tax charge for the year to the parent Company’s tax rate, which in Mauritius is an effective rate of 3%. The Companies earnings are derived from the DRC where the corporate tax rate under the mining code is 30%. An additional “superprofit tax” could raise the effective tax rate depending on a number of factors including the average tin price achieved during any given year.

Deferred tax

The estimation of income taxes, includes evaluating the recognition of deferred tax assets based on an assessment of the Company’s ability to utilise the underlying future tax deductions against future taxable income, prior to expiry of those deductions. Management assesses whether it is probable that some, or all of the recognised or unrecognised deferred income tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialisation of mineral reserves. To the extent that management's assessment of the Company's ability to utilise future tax deductions changes, the Company would be required to recognise more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected. Management believes that future profits will allow realization of the deferred tax asset. Please see note 9.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

M. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE

The basic earnings/(loss) per share is computed by dividing the net earnings/(loss) attributable to ordinary shareholders of the parent company by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. For this purpose, the "treasury stock method" is used for the assumed proceeds upon the exercise of stock options and warrants that are used to purchase common shares at the average market price during the period.

N. PROVISION FOR ENVIRONMENTAL REHABILITATION

The Company recognises liabilities for legal or constructive obligations associated with the retirement of Exploration and Evaluation Assets and plant and equipment. The net present value of future rehabilitation costs is capitalised to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflects the time value of money, are used to calculate the net present value. The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. Changes in the rehabilitation liability will be added to or deducted from the cost of the related asset and in the event the amount to be deducted exceeds the carrying amount of the asset the excess shall be recognised immediately in profit or loss.

O. CAPITAL STOCK

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and stock options are recognised as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The Company first values the warrants at their fair value using option pricing methodologies. The balance is allocated to the common shares.

P. FINANCIAL INSTRUMENTS

Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:
Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as separate line item in the statements of comprehensive profit/(loss).

FVTPL: Assets that do not meet the criteria for amortised cost or fair value through Other Comprehensive Income (FVOCI) are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss.

Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Accounts receivable since June 2021, with a provisional tin pricing arrangement, were accounted for as fair value through profit or loss.

From January to May 2021 the Company was fixing tin prices prior to delivery, resulting in recognition of trade receivables at amortised cost as laid out above, when material. From June 2021 provisional pricing was applied and therefore accounted for as fair value through profit or loss. Provisional pricing receivable is recognised when the Company has satisfied its performance obligation relating to delivery of the product and has unconditional right to consideration that is due. All fair value adjustment relating to the movements in this balance are recognised within revenue from fair value adjustments.

The designation determined the method by which the financial assets were measured on the statement of financial position subsequent to inception and how changes in value were recorded.

Financial liabilities
The Company classifies its financial liabilities into one of the following categories:

Fair value through profit or loss – this category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognised in profit or loss.

Other financial liabilities – this category consists of liabilities carried at amortised cost using the effective interest method.

Q. DEBT AND BORROWING COSTS
Debt is initially recorded at fair value, less transaction costs and is subsequently measured at amortised cost, calculated using the effective interest rate method.

Borrowing costs are expensed as incurred except where they relate to the financing of construction or development of qualifying assets in which case they are capitalized up to the date when the qualifying asset is ready for its intended use.

R. IMPAIRMENT OF NON-FINANCIAL ASSETS
At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Fair value less costs to sell (FVLCS) is the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. INVENTORY

	June 30 2023 USD	December 31 2022 USD
Tin concentrate	3,133,656	2,868,085
Consumable stores	24,002,151	21,946,275
	27,135,807	24,814,360

Tin concentrate consists of final product at the Company's premises. There were no write downs of tin concentrate during the period. An amount of $265,572 (June 30, 2022: ($2,241,437)) was credited to the cost of sales during the six months relating to tin concentrate inventory movement.

Consumable stores consist of items such as inventories of diesel, explosives, cement, mine construction materials, fleet maintenance materials, personal protective equipment and other mining and process plant consumables and spares. An amount of $15,833,344 (June 30, 2022: $11,846,540) was debited to cost of sales from consumable stores during the period. No inventory is carried at net realisable value.
Inventory is pledged as security under the Company's credit facility.

4. ACCOUNTS RECEIVABLE

	June 30 2023 USD	December 31 2022 USD
Trade receivables	28,523,423	27,819,491

Accounts receivable are amounts due from the customer for tin concentrate sold in the ordinary course of business. They are generally due for settlement within 30 – 180 days and are therefore classified as current. Accounts receivable are measured at fair value through profit or loss from the date of recognition up to date of settlement, as it fails the IFRS 9 amortised cost requirement of cash flows representing solely payments of principal and interest.

The fair value changes due to non-market variability (that is changes based on quantity and quality of the tin concentrate) is considered to be variable consideration within the scope of IFRS 15 as the Company's right to consideration is contingent upon the physical attributes of the tin concentrate.

The fair value changes due to market variability (that is changes in the commodity prices and exchange rates) are not in the scope of IFRS 15 and are therefore not presented as revenue from contracts with customers. The changes in commodity prices are accounted for as other revenue and disclosed separately from revenue from contracts with customers in note 19. Any negative movement in the tin price subsequent to payments being received will result in a payable to the customer. Subsequent to the quotational price, the selling price is finalised and any amounts that are required to be refunded are accounted for as provisional pricing payable.

5. PREPAIDS AND OTHER RECEIVABLES

Item	June 30 2023 USD	December 31 2022 USD
Current		
Supplier prepayments[1]	39,972,252	19,133,979
VAT receivable[2]	6,472,056	5,613,130
Tax prepayment[3]	469,205	469,205
Deferred expenses[4]	4,744,212	2,274,636
	51,657,725	27,490,950
Non-current		
Environmental deposit in DRC[5]	972,895	972,893
VAT receivable[2]	19,416,166	16,839,389
	20,389,061	17,812,282

[1] *Supplier prepayments primarily relate to orders for the Mpama South development project, as well as consumables and equipment ordered for the existing mine.*

[2] *VAT receivable was reclassified from mine under construction in 2019 due to increased confidence in recovery resulting from VAT refunds being received in 2019 and the option to off-set against future taxes subject to regulatory approval. Due to slow repayment of the VAT receivable, 75% of the outstanding balance at June 30, 2023 and December 31, 2022 has been assessed as receivable in greater than one year.*

[3] *The tax prepayment relates to costs incurred by the Company's subsidiary in the DRC on upgrading a public road in the DRC. It has been agreed that this expenditure can be offset against future provincial taxes due by the Company's subsidiary in the DRC.*

[4] *Deferred expenses relate to royalty and export tax invoices received relating to product not yet recognised as revenue.*

[5] *The environmental deposit in the DRC relates to funds deposited with the central bank in the DRC. These funds will be utilised towards any future environmental rehabilitation activities. The deposit will be returned to the Company in the event that the funds are not utilised.*

6. CASH AND CASH EQUIVALENTS

	June 30 2023 USD	December 31 2022 USD
Cash at bank	51,358,463	44,684,808
Short term deposits	-	74,700,000
Cash on hand	3,493	3,879
	51,361,956	119,388,687

	June 30 2023 USD	December 31 2022 USD
Bank Overdraft	26,123,377	-

Under the terms of the credit facility (see Note 14) all bank accounts of the Company are pledged as security.

Short term deposits are placed on a two-to-three-month basis and earn interest ranging from 1.5% to 2% per annum.

In Q2, 2023 the Company secured a bank overdraft from Trust Merchant Bank in the DRC in the amount of $26,000,000. The overdraft is unsecured for a 1 year term (renewable at election of the Bank) and carries an interest rate of 6% (plus VAT) per annum plus a quarterly commission of 0.25% (plus VAT) per annum. Post period end the overdraft was supplemented with a further $14m three month (renewable) facility on the same terms.

7. PLANT AND EQUIPMENT

Description	Mining Property costs $	Construction in progress $	Right of use assets $	Land & buildings $	Plant & Equipment $	Total $
Cost						
Closing balance December 31, 2021	164,650,204	-	10,581,079	1,034,193	113,444,556	289,710,032
Transfer from exploration and evaluation	-	21,049,338	-	-	-	21,049,338
Additions during the year	7,832,748	18,526,031	2,394,097	6,686,058	7,637,664	43,076,598
Closing balance December 31, 2022	172,482,952	39,575,369	12,975,176	7,720,251	121,082,220	353,835,968
Additions during the period	1,358,167	10,410,917	-	1,095,263	1,962,751	14,827,098
Closing balance March 31, 2023	173,841,119	49,986,286	12,975,176	8,815,514	123,044,971	368,663,066
Additions during the period	1,024,833	25,037,787	-	457,279	1,790,546	28,310,445
Closing balance June 30, 2023	174,865,952	75,024,073	12,975,176	9,272,793	124,835,517	396,973,511
Accumulated Depreciation						
Closing balance December 31, 2021	(33,026,781)	-	(3,636,202)	(193,049)	(25,133,542)	(61,989,574)
Depreciation expense during the year	(14,659,987)	-	(2,089,329)	(100,434)	(11,955,923)	(28,805,673)
Closing balance December 31, 2022	(47,686,768)	-	(5,725,531)	(293,483)	(37,089,465)	(90,795,247)
Depreciation expense during the period	(4,032,947)	-	(574,772)	(27,629)	(3,289,062)	(7,924,411)
Closing balance March 31, 2023	(51,719,715)	-	(6,300,303)	(321,112)	(40,378,527)	(98,719,658)
Depreciation expense during the period	(4,031,798)	-	(574,608)	(27,621)	(3,288,125)	(7,922,153)
Closing balance June 30, 2023	(55,751,514)	-	(6,874,912)	(348,734)	(43,666,652)	(106,641,811)
Net closing value						
December 31, 2021	131,623,423	-	6,944,877	841,144	88,311,014	227,720,458
December 31, 2022	124,796,184	39,575,369	7,249,645	7,426,768	83,992,755	263,040,721
March 31, 2023	122,121,404	49,986,286	6,674,873	8,494,402	82,666,444	269,943,408
June 30, 2023	119,114,438	75,024,073	6,100,264	8,924,060	81,168,865	290,331,700

All of the Company's assets are secured by the lenders of the Company's credit facility. From 2015, the Company focussed exclusively on the development of the Bisie Tin Mine, its principal project in the Democratic Republic of Congo (DRC).

Construction in progress relates to the development of the Mpama South project. The Mpama South development project, which is adjacent to the producing Mpama North mine and comprises a new underground development portal, processing plant and associated equipment and undergound infrastructure, is expected to increase Alphamin's annual tin production to approximately 20,000 tonnes from just over 12,500 tonnes currently. The project is targeted for commissioning from December 2023.

Right of use assets relate to underground mining equipment and a fuel storage facility.

A. IMPAIRMENT ASSESSMENT

International Financial Reporting Standards (IFRS) require long-lived assets to be assessed for impairment when there is an indication of impairment. The Company considered a combination of factors such as the headroom between the Company's net asset value and its market capitalization on an annual basis, as well as the volatility of commodity prices. During the period ended June 30, 2023 and year ended December 31, 2022, there were no indicators of impairment.

8. INCOME TAX

The income tax expense differs from the amount that would result from applying the Mauritian income tax rates to earnings before income taxes. These differences result from the following items;

	June 30, 2023 USD	December 31, 2022 USD
Profit/(Loss) before income tax	59,307,563	184,663,746
Mauritian statutory rate	3%	3%
Expected income tax (expense)/credit	(1,779,227)	(5,539,912)
(Increase)/decrease due to:		
Non-deductible expenses	(2,750,666)	(4,805,595)
Taxation rate differential	(17,067,408)	(52,441,832)
Deferred tax not recognised	(53,571)	(145,672)
Tax (expense)/credit	(21,650,872)	(62,933,011)
Income tax (expense)/credit consists of the following:		
Current income tax	(21,620,471)	(66,091,150)
Deferred income tax	(30,401)	3,158,139

The tax rate differential relates to the difference between the effective tax rate of Mauritius of 3% and that of the operating subsidiary in DRC, which is 30%.

Non-deductible expenses relate to various Income Statement expenses which are not allowable for income tax purposes in the various jurisdictions in which the Company operates and include warrant expenses (at parent company level) and various operating expenditures which are not allowable in terms of DRC tax law such as transport of concentrate.

Superprofit taxes (SPT) in DRC are triggered where the average sales price for the year exceeds the tin price used in the DRC feasibility study by more than 25%. In the case of superprofit tax applying a calculation using ABM's "Excédent Brut d'Exploitation (EBT)", an OHADA or Francophone Africa accounting term that is loosely equivalent to EBITDA for the year. Where the EBT is greater than 25% higher than that stipulated in the feasibility study then a superprofit tax of an additional 20% applies, taking the effective tax rate on that incremental portion of profit from 30% to 50%.

In 2021 the Company submitted a revised feasibility study as required under Congolese law due to the substantial changes in operation since the original feasibility study. The revised feasibility study assumed a tin price of $40,000 per ton compared to the original of $18,000 per ton. Following the approval of the Company's revised feasibility study in Q3, 2022 the incremental effect of SPT was $Nil for the year ended December 31, 2022 (FY2021: $14,858,592). Following approval of the previously submitted feasibility study, a further updated feasibility study was submitted to incorporate the Mpama South project with updated tin price forecasts. Under DRC tax law, provisional payments of 80% of the prior year's tax bill are due each year. There is no allowance for estimated profits. In 2022, provisional payments were relatively low due to the 2021 tax bill being reduced by losses carried forward and the tax deductibility of the SPT calculated in 2021.

9. DEFERRED TAX

The net deferred tax liabilities as at June 30, 2023 and net deferred tax assets as at December 31, 2022 are presented as follows;

Movement in deferred tax	Balance as at 1 January 2022	Recognised in profit or loss	Balance as at December 31 2022	Recognised in profit or loss	Balance as at March 31 2023	Recognised in profit or loss	Balance as at June 30 2023
Plant and equipment	(14,068,761)	1,440,000	(12,628,761)	360,000	(12,268,761)	360,000	(11,908,761)
Assessed losses	-	-	-	-	-	-	-
Inventory	1,796,045	121,846	1,917,891	304,612	2,222,503	(305,102)	1,917,401
Accounts receivable	(7,846,949)	(11,948,234)	(19,795,183)	(736,462)	(20,531,645)	242,231	(20,289,414)
Accounts payable and accrued liabilities	(1,498,439)	13,544,527	12,046,088	(126,354)	11,919,734	(129,326)	11,790,408
Net deferred tax assets/liabilities	(21,618,104)	3,158,139	(18,459,965)	(198,204)	(18,658,169)	167,803	(18,490,366)

Deferred tax assets and liabilities are only offset when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. Deferred tax assets are expected to realise through profits. Deferred tax is recognised only in respect of the DRC operating subsidiary.

10. EXPLORATION AND EVALUATION ASSETS

	Mpama South	Mpama North	Regional exploration	Total
Balance as at December 31, 2021	11,821,298	1,634,044	103,875	13,559,217
Additions	9,228,040	2,439,869	5,557,800	17,225,709
Transfers	(21,049,338)	-	-	(21,049,338)
Balance as at December 31, 2022	-	4,073,913	5,661,675	9,735,588
Additions	-	-	2,585,113	2,585,113
Balance as at March 31, 2023	-	4,073,913	8,246,788	12,320,701
Additions	-	-	1,460,896	1,460,896
Balance as at June 30, 2023	-	4,073,913	9,707,684	13,781,597

Exploration costs incurred year to date relate to the regional exploration drilling campaign on the Company's mining and exploration licenses.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Current	June 30, 2023 USD	December 31, 2022 USD
Accounts payable	8,239,120	7,374,972
Accrued liabilities	12,880,091	11,099,193
Payroll accruals	1,398,760	5,350
Payroll tax liabilities	746,427	2,804,496
Corporate and other tax liabilities	10,672,634	60,845,664
	33,937,032	82,129,675

Accounts payable and accrued liabilities is mainly comprised of mine consumables, services provided and other operating expenses. The credit term for purchases typically ranges from 30 to 60 days. Other tax liabilities include government royalties and withholding taxes.

12. LEASE LIABILITIES

	June 30, 2023 USD	December 31, 2022 USD
Current	4,274,954	2,394,497
Non-current	5,004,845	3,000,602
	9,279,799	5,395,099

Summary of lease liabilities by period of redemption		
Less than one year	4,274,954	2,394,497
Between one and two years	3,176,470	1,974,602
Between two and three years	1,828,375	1,026,000
Total lease liabilities	9,279,799	5,395,099

Analysis of movement in lease liabilities		
At the beginning of the year	5,395,099	4,196,563
New leases	5,327,815	3,761,250
Capital repayments	(1,443,115)	(2,562,714)
- Lease payments	(1,845,211)	(2,924,110)
- Interest charged to profit and loss	149,037	361,396
- Interest capitalised	253,059	361,396
At the end of the period/year	9,279,799	5,395,099

The lease liabilities relate to the right-of-use assets disclosed in note 7. Interest is based on incremental borrowing rates between 8.95% and 12.94%.

13. RELATED PARTY TRANSACTIONS

KEY MANAGEMENT PERSONNEL

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that the key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Remuneration attributed to key management personnel can be summarized as follows:

Item	Relationship	June 30, 2023 USD	December 31, 2022 USD
Director and Officer fees	Directors, officers	567,346	1,415,153
Secretarial and administrative fees	Corporate Secretary	19,950	36,000
Management fees	Directors	69,450	138,900
Share based payments	Directors, officers	119,318	2,156,503

Accounts payable related parties of $846,552 (2022: $1,357,020) relates to provisions made for dividend payments relating to Share Appreciation Rights Equivalent Shares (SARES). SARES are marked to market at each period end and adjusted through share-based payments in the profit and loss account.

Debt finance due to related parties of $2,698,208 (December 31, 2022: $2,502,240) are due to Tremont Master Holdings. Tremont Master Holdings is the majority shareholder of the Company. See Note 14 for further details relating to the related party debt owed to Tremont Master Holdings. All related party transactions are carried out on an arms'-length basis.

In line with the DRC mining code, the Company's subsidiary Alphamin Bisie Mining SA (ABM) granted 5% of its share capital to the Government of the DRC during the 2015 financial year. To facilitate this, ABM divided their share capital into two classes, "A" shares and "B" shares. The "B" shares are intended to be held solely by the Government of the DRC and are non-dilutable at 5% of total share capital ("A" plus "B") in issue. "B" class shares have normal voting rights on a pro rata basis and the DRC Government has a right to appoint one director to the ABM board. The 5% is a free carry under the terms of the DRC mining code, hence the DRC Government is not required to contribute on granting of their initial holding or further issues to maintain their stake at 5%.

In November 2015, the Company entered into an agreement with the Industrial Development Corporation of South Africa Limited (IDC) pursuant to which the IDC could invest up to $10,000,000 directly into ABM, in three tranches, subject to the completion of certain milestones. As at the 2016 financial year end the Company had received all tranches, resulting in an ownership in ABM of 14.25% by the IDC. Under the terms of the shareholders' agreement the IDC were granted an "offtake option". Under the offtake option the IDC is entitled, as long as it owns 11% or more of ABM's "A" class shares, to an option to purchase from ABM a portion of its tin concentrate production. The percentage of production that the IDC may acquire under this option, cannot exceed their percentage holding in the "A" class shares of ABM at the date of exercise. The IDC shall only be able to benefit from the "offtake option" if the relevant percentage of the Company's production is not already committed to other buyers in respect to the relevant period. The offtake acquired can only be for a minimum of six months and a maximum of twelve months and must be purchased at the same average price and other terms as ABM is able to, and would otherwise intend to, sell its product to other third-party purchasers. The "offtake option" is not transferrable. The IDC waived this right to allow ABM to enter into an arm's-length offtake agreement with the Gerald Metals group in Q1 2018.

Under the terms of the IDC shareholders' agreement, a qualifying "seller", defined as a shareholder, or two or more shareholders acting together, holding more than 50% of the "A" class shares of ABM, has drag along and tag along rights that are normal in transactions of this nature. The IDC has also granted pre-emption rights to the other "A" class shareholders, entitling them to a right of first refusal on any partial or full sale of their shares. The IDC may propose (but is not obliged) at any time during the "Exit Period" that Alphamin Resources acquire all, but not less than all of its shares in exchange for shares in Alphamin Resources (the Share Swap), which shall be based on the then fair market value of the "A" class shares, and on terms to be mutually agreed to by Alphamin Resources and the IDC. The "Exit Period" originally referred to the earlier of five years from the date of signature, or one year from the date the Bisie Tin Mine Project reached 90% of its intended maximum production, having been fully funded and fully implemented. This expired on February 28, 2023 without any impact on the Company. The agreement may be reimplemented by mutual agreement going forward.

The debt reduction in May 2020 resulted in a new intercompany loan being created between Alphamin Resources Corp. and ABM. This was due to parent Company settling the subsidiary's debt in exchange for an intercompany loan. In Q4, 2020 the parent Company indirectly converted into equity its shareholder loan resulting in an increase in its ownership of ABM from 80.75% to 84.14% (and a consequential dilution in the

IDC's proportional shareholding). See note 18 for further disclosures with respect to non-controlling interests.

On August 26, 2022 ABM completed a capital reduction in the amount of $36,848,400, whereby the nominal value of an ordinary share was reduced from $105 per share to $5 per share. Alphamin group companies received 84.14% of the proceeds and non controlling interests received 15.86% for a total of $5,843,700.

14. DEBT

Debt	Related party debt USD	Non-related party debt USD	Total USD
Balance, December 31, 2021	**3,328,941**	**13,705,801**	**17,034,742**
Repayment	(1,449,256)	(12,971,382)	(14,420,638)
Interest accrued	392,859	475,537	868,396
Amortisation of capitalised fees	229,696	710,004	939,700
Balance, December 31, 2022	**2,502,240**	**1,919,960**	**4,422,200**
Interest accrued	94,048	81,022	175,070
Amortisation of capitalised fees		235,683	235,683
Balance, March 31, 2023	**2,596,288**	**2,236,665**	**4,832,953**
Interest accrued	101,920	87,801	189,721
Balance, June 30, 2023	**2,698,208**	**2,324,466**	**5,022,674**

On November 9, 2017 the Company entered into a credit facility of up to $80 million from a syndicate of lenders, which consists of Tremont Master Holdings, Sprott Private Resource Lending (Collector) LP (settled 2022) and Barak Mikopo Structured Credit Fund, for the construction of the Bisie Tin Mine. As at June 30, 2022 the Company owed $5,022,674 to the lenders. The Company expects to renegotiate the debt further in Q2, 2023 and has put payments on hold.

During 2022, the Company agreed modified terms including a lower interest rate of 10% plus LIBOR, relaxing of certain covenants including restrictions on dividends, the elimination of the political risk insurance requirement, and a prolonged repayment period.

The key terms of the credit facility (after completion of the 2022 amendment) are:

- Senior secured, non-revolving term credit facility.
- Capital repayments of $370,206 per month from January 1, 2022. The debt contractually matures on June 30, 2023
- Effective Coupon of 10.00% plus the greater of US dollar 3-month LIBOR and 1 percent per annum from January 1, 2022.
- A security package typical for a transaction of this nature including a mortgage over the Company's shares in each subsidiary, cash balances, moveable assets, consumable stores and the mining license PE1355 covering the Mpama North Tin Project.
- Material adverse change clauses typical of transactions of this nature.
- Covenants including but not limited to the below effective from commencement of capital repayments:
    - (i) From January 2021, net working capital excluding credit facility amounts due and warrant liabilities, is in excess of $10,000,000 and the amount of its Unrestricted Cash is greater than $5,000,000;

(ii) the Debt Service Cover Ratio is greater than or equal to 1.5 to 1.00 from July 2021;
(iii) the Total Debt to Equity Ratio is less than 60 to 40;
(iv) Loan Life Cover Ratio is greater than 2.00 to 1.00; and
(v) the Reserve Tail Ratio is greater than 30%.

The Company monitors overall debt levels and proximity to breaching of covenants on a monthly basis. This is formally confirmed with the lenders on a quarterly basis. As a result of the significant reduction in debt, improvement in financial condition, commodity prices and production and sales in 2022 and Q1 2023 the Company is satisfied that covenants have not been breached, the risk of breach of covenants is low and overall debt levels are low.

Interest Rate Benchmark Reform ("IBOR") – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) – effective date 1 January 2021: The Group's facility has various linked rates including US LIBOR (three month). The facility has various maturity dates. At present, no material impact is anticipated on the Group's financial results when the remaining facility transitions to alternative benchmark rates take place.

NET CASH/(DEBT) RECONCILIATION

	June 30, 2023 USD	December 31, 2022 USD
Bank overdraft	(26,123,377)	-
Current portion of lease liabilities	(4,274,954)	(2,394,497)
Current portion of debt	(5,022,674)	(4,657,882)
Non-current portion of lease liabilities	(5,004,845)	(3,000,602)
Total debt	(40,425,850)	(10,052,981)
Less: cash and cash equivalents	51,361,956	119,388,687
Net cash/(debt)	10,936,106	109,335,706

Net cash/(debt) is cash less interest-bearing debt.

15. WARRANTS

The Company issues warrants from time to time as part of Units offered in private placements. In line with IAS 32, as a result of the currency of the warrants (CAD$) being different to that of the Company's functional and presentation currency (USD), coupled with the fact that warrants have been issued as part of private placements, rather than rights issues, the warrants are accounted for as a financial liability with fair value through profit and loss.

All remaining warrants were exercised in Q1, 2022. The Company has no current plans to issue further warrants.

The table below sets out the movement in warrants during the period:

Warrant liability	**June 30, 2023 USD**	**December 31, 2022 USD**
Opening balance	-	4,574,743
Warrants expired during the year	-	-

Warrant revaluations during the year	-	482,351
Warrant exercises during the year	-	-
Warrant amounts transferred to equity	-	(5,057,094)
Closing balance	-	-

16. PROVISION FOR CLOSURE AND RECLAMATION

The Company recognises a provision related to its constructive and legal obligations in the Democratic Republic of Congo to restore its properties. The cost of this obligation is determined based on the expected future level of activity and costs related to decommissioning the mines and restoring the properties.

A long-term inflation rate of 4.4% (2021:2%) and a discount rate of 4% (2021:3%) has been applied in calculating the present value of the future obligation. The period applied aligns to the estimated life of mine of 11 years, with most rehabilitation activities scheduled within the 3 years post completion of mining activities. The assumptions used are consistent with the prior year. New provision has been made for rehabilitation required relating to the Mpama South development project.

	BISIE
Balance, December 31, 2021	6,786,933
Unwind of provision during the period	228,320
Provision raised during the year	1,913,326
Impact of increased inflation assumption*	1,180,893
Balance, December 31, 2022	10,933,203
Retirement provision raised during the period	351,783
Unwind of provision during the period	57,080
Balance, March 31, 2023	11,342,066
Unwind of provision during the period	57,080
Balance, June 30, 2023	11,399,146

*During the year ended December 31, 2022 the Company reassessed the inflation and discount assumptions used which increased from 2% to 4.4% and 3% to 4% respectively.

17. CAPITAL STOCK AND RESERVES

A. CAPITAL STOCK

The authorised capital stock of the Company consists of an unlimited number of common shares without par value, of which 1,275,343,813 common shares were issued and outstanding as at June 30, 2023.

B. CHANGES IN ISSUED CAPITAL STOCK AND RESERVES DURING THE PERIOD/YEAR ENDED JUNE 30, 2023 AND DECEMBER 31, 2022

The table below sets out the movement in capital stock during the period/year ended June 30, 2023 and December 31, 2022:

	Shares	Price per share	CAD	USD	Warrants	Share issue costs	Equity
Balance as at December 31, 2021	1,262,655,970		25,124,986	246,229,623	20,974,410	(1,568,310)	265,635,723
Exercise of warrants during the year	9,203,600	0.30	2,761,080	2,169,412	5,057,094	-	7,226,506
Exercise of options during the year	759,038	0.20	151,808	117,510	-	-	117,510
Exercise of options during the year	1,178,623	0.26	306,442	226,311	-	-	226,311
Balance as at December 31, 2022 and March 31, 2023	1,273,797,231		28,344,316	248,742,856	26,031,504	(1,568,310)	273,206,050
Exercise of options during the period	246,582	0.26	64,111	47,922	-	-	47,922
Exercise of options during the period	1,300,000	0.20	260,000	195,641	-	-	195,641
Balance as at June 30, 2023	1,275,343,813		28,668,427	248,986,419	26,031,504	(1,568,310)	273,449,613

Three and six months ended June 30, 2023

In Q2 2023 246,582 options were exercised at a strike price of CAD0.26 per share and 1,300,000 options were exercised at a strike price of CAD0.20 per share.

There were no issues of equity during the period ended March 31, 2023.

Year ended December 31, 2022

In Q1, 2022, 9,203,600 warrants were exercised at a strike price of CAD30 cents per share (USD24 cents per share).
In Q3, 2022, 759,038 stock options were exercised at an exercise price of CAD20 cents per share (USD15 cents per share).
In Q3, 2022, 1,178,623 stock options were exercised at an exercise price of CAD26 cents per share (USD19 cents per share).

C. STOCK OPTIONS

On July 8, 2022 the shareholders approved the replacement of the previous Stock Option Plan with the Omnibus Equity Incentive Plan (OEIP).

Under the OEIP a number of different equity compensation mechanisms became available, including Options, Restricted Share Units (RSUs), Share Appreciation Rights (SARs), SAR Equivalent Shares (SARES)

The Plan provides that the number of common shares that may be purchased under the Plan is a rolling maximum which shall not exceed 5% of the issued and outstanding shares of the Company at any time, with appropriate substitutions and/or adjustments in accordance with regulatory policies.

If there is a change in the number of issued and outstanding shares resulting from a share split, consolidation, or other capital or corporate reorganisation, the options in issue are adjusted accordingly. Per TSX Venture Exchange (TSX-V) policies, the total amount of shares reserved for issuance to any one optionee within a period of 12 months shall not exceed 1% of the outstanding common shares at the time of grant, the total amount of shares reserved for issuance to any one Consultant (as defined by the Plan) within a period of 12 months shall not exceed 1% of the outstanding common shares at the time of grant, and the total amount of shares reserved for all persons conducting Investor Relations Activities (as defined by the Plan) within a period of 12 months shall not exceed 1% of the outstanding common shares at the time of the grant.

The Plan provides that it is solely within the discretion of the Board of Directors (the “Board”) to determine which directors, employees and other service providers may be awarded options under the Plan, and under what terms they will be granted, as well as any amendments or variations to these terms in the event of an Accelerated Vesting Event (as defined by the Plan). Options granted under the Plan will be for a term not exceeding ten years from the day the option is granted, as in line with TSX-V policies. Subject to such other terms or conditions that may be attached to the particular option granted, an option shall only be exercisable so long as the optionee shall continue to hold office or provide services to the Company and shall, unless terminated earlier, or extended by the Board, terminate immediately if said optionee is terminated for cause, terminate at the close of business on the date which is no later than 90 calendar days after cessation of office or employment, or in the case of the optionee's death, terminate at the close of business on the date which is no later than one year after the date of death, as the case may be. Subject to a minimum price of CAD$0.10, the options will be exercisable at a price which is not less than the Market Price (as defined in the policies of the TSX-V) of the Company's shares at the time the options are granted.

The instruments are non-assignable. Shares will not be issued pursuant to options granted under the Plan until they have been fully paid for. The Company will not provide financial assistance to option holders to assist them in exercising their options. A summary of stock option activity and information concerning currently outstanding and exercisable options as at June 30, 2023 are as follows:

	Options outstanding		
	Number of options #	Weighted average exercise price CAD$	Weighted average exercise price USD$
Balance, December 31, 2021	17,490,985	0.39	0.31
Options forfeited during the year	(2,000,000)	0.73	0.54
Options exercised during the year	(1,937,661)	0.24	0.18
Options surrendered during the year	(8,006,742)	0.21	0.16
Options issued during the year	6,100,000	0.68	0.50
Balance, December 31, 2022	11,646,582	0.65	0.48
Options forfeited during the period	(1,000,000)	0.68	0.50
Balance, March 31, 2023	10,646,582	0.65	0.48
Options exercised during the period	1,546,582	.021	0.16
Balance, June 30, 2023	9,100,000	0.72	0.55

The following table summarises information concerning outstanding and exercisable options at June 30, 2023:

Number outstanding #	Number Exercisable #	Expiry Date	Weighted average Exercise Price CAD$	Weighted average Exercise Price USD$	Remaining life (Years)
4,000,000 5,100,000	2,500,000 -	September 2, 2028 November 10, 2029	0.78 0.68	0.59 0.52	5.18 6.37
9,100,000	2,500,000		0.65	0.48	

2,500,000 options issued on September 3, 2021 vest 50% after 16 months and 50% after 22 months. The other options issued in Q3 2021 vest 33% after two years, 33% after three years and 33% after four years.

The Company recorded a share-based payment expense to the statement of profit/(loss) and comprehensive profit/(loss) of $1,001,353 for the period ended June 30, 2023 ($513,332 for the six months ended June 30, 2022). The share-based payments expense related to options granted was determined using the Black-Scholes option pricing model and the following weighted average assumptions:

	November 2022	September 2021
Forfeiture rate	-	-
Risk free interest rate	3.43%	0.32%
Expected life of options in years	2 – 4	16 months – 4
Volatility	70%	70%
Dividend rate	0.00%	0.00%

**Calculated as standard deviation of the Company's historical share price. From June 2020 the Company applied a cap of 70% on volatility. As the Company enters a more stable phase of its life cycle being that of an operating producer rather than an explorer or developer, management believe that historic volatility is a less suitable indicator for likely volatility going forward.*

D. SHARE PURCHASE WARRANTS

A summary of warrants activity and information concerning outstanding warrants as at June 30, 2023 are as follows:

	Number of warrants #	Weighted average exercise price CAD$	Weighted average exercise price USD$
Balance, December 31, 2021	9,203,600	0.30	0.30
Warrants exercised during the year	(9,203,600)	0.30	0.31
Balance, December 31, 2022 and June 30, 2023	-	-	-

All warrants issued in private placements were accounted for as a financial liability. See Note 15 for further details.

E. SHARE APPRECIATION RIGHTS EQUIVALENT SHARES

Pursuant to the changes in the Company's equity incentive arrangements approved on July 8, 2022 the Company issued 8,006,742 SARES under and Offer to Exchange made to all Option holders at the time. This qualified as a modification in terms of IFRS 2. The SARES constitutes as cash settled. SARES holders are entitled to cash payments on given dates based on the appreciation of the share price calculated as the difference between the 5 day VWAP prior to the settlement date and the Reference price on the date of issue. Initial dividend payments of CAD2,268,246 (USD1,655,654) and CAD354,742 (USD260,974) were made to holders on October 17, 2022 and December 14, 2022 respectively. A final dividend payment on these SARES was made on June 11, 2023 applying to 1,750,000 SARES in the amount of CAD1,107,560 (USD 832,782).

The exchange of Options for SARES represents a modification in terms of IFRS 2, as the original option scheme is an equity settled share based payment, where SARES represent a cash settled share based payment. The Options were revalued upon the finalisation of the Offer to Exchange, and the balance relating to SARES was reclassified from the Reserve to the Share based payment liability.

On November 11, 2022 a further 3,500,000 SARES were issued with a reference price of CAD0.68 per SARES. Dividends will fall due on 1,416,667, 1,041,667 and 1,041,667 SARES on each of November 11, 2023, November 11, 2024 and November 11, 2025 respectively. As at 30 June 2023, the Company accrued $846,552 for this dividend liability on the basis of the period end share price to Reference price differential.

F. TRANSACTIONS WITH NON-CONTROLLING INTEREST

On December 12, 2020 the Company increased its ownership of ABM from 80.75% to 84.14% through a capital raise in ABM in which the minority shareholders did not participate. The transaction was accounted for as a shareholder transaction resulting in a decrease of the non-controlling interest in an amount of $4,144,121. The full amount was taken to equity in line with IFRS 10. Following the transaction, the IDC and the DRC government own 10.86% (2019: 14.25%) and 5% (2019: 5%) of ABM respectively.

18. SIGNIFICANT OPERATING SUBSIDIARIES WITH NON-CONTROLLING INTEREST

The table below shows details of the non-wholly owned subsidiary of the Company that had material non-controlling interests:

	Proportion of ownership and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
Company	**June 30, 2023 USD**	**December 31, 2022 USD**	**June 30, 2023 USD**	**June 30, 2022 USD**	**June 30, 2023 USD**	**December 31, 2022 USD**
Alphamin Bisie Mining SA	15.86%	15.86%	6,583,039	14,397,893	53,563,014	46,979,975

Summarised financial information in respect of the above subsidiaries is set out below. The summarised financial information below presents amounts before intra-group elimination.

	June 30, 2023	**December 31, 2022**
Current assets	168,840,846	177,985,859
Non-current assets	254,468,961	221,042,916
Total assets	**423,309,807**	**399,028,775**
Current liabilities	69,353,758	89,053,330
Non-current liabilities	16,403,991	13,933,805
Equity	337,552,058	296,041,640
Total liabilities and equity	**423,309,807**	**399,028,775**
Revenue	158,713,181	391,052,402
Operating expenses	(95,573,892)	(196,970,119)
Income tax (expense)/credit	(21,628,869)	(62,888,642)
Net profit for the year	**41,510,420**	**131,193,641**

Attributable to owners of the Company	34,927,381	110,387,954
Attributable to non-controlling interest	6,583,039	20,805,687

19. REVENUE

REVENUE	Six months ended June 30, 2023 US$	Six months ended June 30, 2022 US$
Revenue from contracts with customers	158,713,181	254,987,754
Other revenue	-	2,714,010
Total Revenue	158,713,181	257,701,764

Other revenue refers to price movements between provisional and final invoices which applied up until May 2020 and again since June 2021 (refer to note 4 for additional background). There were no price movements in H1, 2023 as pricing was finalised at Logu.

20. COST OF SALES

COST OF SALES	Six months ended June 30, 2023 US$	Six months ended June 30, 2022 US$
Treatment costs	(11,718,844)	(14,158,198)
Transport and selling costs	(22,543,561)	(28,836,178)
Mine operating costs	(33,409,432)	(29,621,747)
Inventory movement	265,572	(2,241,437)
Royalties	(4,053,372)	(6,745,156)
Depreciation, depletion and amortization	(15,595,434)	(13,867,372)
Cost of Sales total	(87,055,071)	(95,470,088)

Royalties are payable to various branches of the DRC government in line with the DRC mining code and calculated on 3.5% of revenue, as determined by the DRC government agency's assays results and tin price tables which are published on a weekly basis.

Mine operating costs include the costs of mining and processing material from underground, maintaining the mining fleet and process plant in good order, labour incurred directly related to the production process and storing of tailings from the mine, and are broken down below:

Mine operating costs	Six months ended June 30, 2023 US$	Six months ended June 30, 2022 US$
Wages and salaries	(13,566,730)	(12,785,384)
Mining consumables	(5,004,320)	(4,219,350)
Transport and Import duties	(3,257,055)	(2,913,155)
Fuel & Lubricants	(6,796,820)	(5,116,363)
Mineral resources management	(568,861)	(777,844)
Processing and tsf costs	(1,082,017)	(837,133)
Site infrastructure	(3,133,629)	(2,972,518)
Mine operating costs total	(33,409,432)	(29,621,747)

21. GENERAL AND ADMINISTRATIVE

GENERAL AND ADMINISTRATIVE	Six months ended June 30, 2023 US$	Six months ended June 30, 2022 US$
Accounting, legal and secretarial	196,959	186,132
Audit fees	121,510	114,950
Political risk insurance	-	32,300
Administrative	394,789	349,864
Bank charges and interest	582,196	1,163,902
Consulting fees	644,020	973,990
Fines and penalties	228,555	300,000
Taxes and duties	467,395	464,214
Directors fees	151,402	154,298
Depreciation (Note 7)	251,130	252,065
Management fees and salaries	733,388	825,356
Share-based payments (Note 17)	1,001,353	513,332
Telecommunication costs	524,122	419,516
Insurance	899,543	877,033
Investor relations, filing and transfer fees	244,612	228,225
Safety, Security & Environment	653,647	491,759
Medical expenses	1,360,981	1,791,852
Community development	1,790,616	1,742,545
Travel and accommodation	1,415,889	1,378,241
Total General & Administrative costs	11,662,107	12,259,574

General and administrative expenses consist of costs that do not relate directly to production activities such as head office costs, community development expenditures, security and travel costs.

22. FOREIGN EXCHANGE (LOSS)/PROFIT

	June 30, 2023 USD	June 30, 2022 USD
Foreign exchange profit /(loss)	1,814,434	(60,258)

23. FINANCE COST

	June 30, 2023 USD	June 30, 2022 USD
Debt interest payable in cash	364,791	517,575
Amortisation of senior debt fees	235,683	516,366
Trader finance	1,765,116	1,322,423
Bank overdraft interest	185,558	-
Lease interest	149,037	189,038
Unwind of environmental discount	114,160	114,160
Other interest	26,754	6,052
Total Finance cost	2,841,099	2,665,614

24. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, and to maintain a flexible capital structure which optimises the costs of capital at an acceptable risk. The capital structure of the Company currently consists of common shares, stock options and debt. Changes in the equity accounts of the Company are disclosed in Note 17 and changes in debt is disclosed in Note 14. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, obtain additional 3rd party loan financing or renegotiate/refinance existing debt. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets, which are approved by the Board of Directors and updated as necessary depending on various factors, including operating conditions and production and general industry conditions. In addition, the Group maintains monthly cashflow forecasts and carries out detailed reviews of management information.

25. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity and foreign exchange risks. The Company has established active policies to manage these risks, as detailed below. The Company places its cash with high credit quality financial institutions.

A. CREDIT RISK

EXPOSURE TO CREDIT RISK

The risk that counterparties or customers will not perform as expected, resulting in a loss to the Group, is defined as credit risk. The Group evaluates customers prior to the granting of credit. Exposure is evaluated by granting credit limits and constant evaluation of credit behaviour and considering credit ratings (where available), financial position and past experience.

Credit risk is the risk that a counterparty to a financial instrument will not discharge its obligations, resulting in a financial loss to the Company. Company management evaluates credit risk on an ongoing basis, including evaluation of counterparty credit rating. The primary source of credit risk for the Company arises from the following financial assets: (1) cash and cash equivalents and (2) trade debtors. The Company has not had any credit losses in the past, nor does it expect to have any credit losses in the future. As at June 30, 2023 and December 31, 2022, the Company has no financial assets that are past due or impaired due to credit risk defaults.

100% of the Company's revenue is derived from a contract with one customer. The credit risk from concentration of revenue is mitigated by receipt of 95% of revenue within between 2 and 30 days of delivery of product to delivery points as agreed with the customer.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst others is considered indicators of no reasonable expectation of recovery. To date, the Company has not experienced any overdue nor unrecoverable trade receivables.

The expected credit loss on environmental deposits was also assessed as immaterial. The majority of the cash and cash equivalents balance was concentrated with Standard Bank group. Standard Bank's average credit rating is B. The Company's DRC cash balances are generally held with Trust Merchant Bank and Standard Bank DRC. These banks do not have external credit agency credit ratings. The Company does not expect any credit losses on cash balances. The Company's maximum exposure to credit risk at the reporting date is as follows:

Item	June 30, 2023 USD	December 31, 2022 USD
Cash and cash equivalents	51,361,956	119,388,687
Accounts receivable	28,523,423	27,819,491
Total	79,885,379	147,208,178

B. LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities are comprised of debt, accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. There is no guarantee that the Company will generate enough revenue to meet these obligations.

The Company manages its liquidity risk by maintaining a sufficient cash balance, taking into account ongoing operations cashflow, to meet its anticipated operational needs. When there are not sufficient funds, the Company has the ability to reduce or delay its working capital position through increasing accounts payable and reducing revenue cycle time. The Company's debt was obtained to facilitate the development of the mining properties (refer to Note 7). Refer to Note 14 for additional information on repayment terms. The Company's accounts payable and accrued liabilities arose as a result of development, mine operating expenses, DRC taxes and corporate expenses. In Q2, 2023 the Company secured a $26m bank overdraft, see Note 6 for further details. Payment terms on these liabilities are typically 30 to 60 days from receipt of invoice. The following table summarises the remaining contractual maturities of the Company's financial liabilities:

	Within 1 Year June 30, 2023 USD	Between 1 and 2 Years June 30, 2023 USD	Between 2 and 5 Years June 30, 2023 USD	Greater than 5 Years June 30, 2023 USD
Long term debt	2,698,208	-	-	-
Long term debt – related parties	2,324,466	-	-	-
Bank overdraft	26,123,337	-	-	-
Lease payments	4,274,954	3,176,470	1,828,375	-
Accounts payable and accrued liabilities	33,937,032	-	-	-

	Within 1 Year December 31, 2022 USD	Between 1 and 2 Years December 31, 2022 USD	Between 2 and 5 Years December 31, 2022 USD	Greater than 5 Years December 31, 2022 USD
Long term debt	2,155,643	-	-	-
Long term debt – related parties	2,502,240	-	-	-
Lease payments	2,394,496	1,974,602	1,206,000	-
Accounts payable and accrued liabilities	82,129,675	-	-	-

C. MARKET RISK

Market risk is the risk that the fair value for assets or future cash flows will fluctuate, because of changes in market conditions. The Company evaluates market risk on an ongoing basis.

The fair value movements accounted for warrants (refer Note 15) are non-cash in nature.

Commodity Price Risk
The Company is exposed to commodity price risk on the market price of tin.

Foreign Exchange Risk
The Company operates on an international basis and therefore, foreign exchange risk exposures arise from transactions denominated in foreign currencies. The Company is exposed to foreign currency risk on fluctuations related to financial instruments that are denominated in Canadian dollars (CAD$) and South African Rand (ZAR).

Interest Rate Risk
As at June 30, 2023 the Company owed US$5,022,674 towards its credit facility (refer Note 14) and $26,123,377 on its bank overdraft in the DRC. These loans are exposed to variable interest rates.

D. FAIR VALUE MEASUREMENT

At June 30, 2023 and December 31, 2022, the carrying values and the fair values of the Company's financial instruments are shown in the following table.

	Fair value Hierarchy Level	June 30, 2023	June 30, 2023	December 31, 2022	December 31, 2022
		Carrying value USD	Fair value USD	Carrying value USD	Fair value USD
Financial assets					
Accounts receivable	2	28,523,423	28,523,423	27,819,491	27,819,491
Financial liabilities					
Bank overdraft	2	26,123,377	26,123,377	-	-
Leases	2	9,279,799	9,279,799	5,395,099	5,395,099
Debt – related parties	2	2,698,208	2,698,208	2,502,240	2,502,240
Debt	2	2,324,466	2,324,466	2,155,642	2,155,642

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.
- Level 3 – inputs that are not based on observable market data.

The fair value of the Company's financial assets and financial liabilities approximate their carrying values.

26. BASIC AND DILUTED PROFIT/(LOSS) PER SHARE AS WELL AS HEADLINE AND DILUTED HEADLINE PROFIT/(LOSS) PER SHARE

Profit/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of common shares issued during the period. Diluted profit/(loss) per share is determined by adjusting the weighted average number of shares for all potential dilutive effects. The following table summarises the components of the calculation of the basic and diluted loss per share:

	June 30, 2023 US$	June 30, 2022 US$
Profit attributable to equity shareholders	31,073,652	72,254,927
Weighted average number of shares issued and outstanding	1,273,978,169	1,270,748,102
Profit in US cents per share	2.44	5.69

	June 30, 2023 US$	June 30, 2022 US$
Diluted Profit attributable to equity shareholders	31,073,652	72,254,927
Number of shares		
Weighted average number of shares in issue	1,273,978,169	1,271,859,570
Potential dilutive effect of outstanding share options	10,465,644	17,490,986
Diluted Weighted average number of shares issued and outstanding	1,284,443,813	1,289,350,556
Diluted Profit/(Loss) in US cents per share	2.42	5.60

The Company's shares are also listed on the Johannesburg Stock Exchange Alt.X which requires the Company to present headline and diluted headline profit per share. Headline profit per share is calculated by dividing headline profit attributable to equity holders of the Company by the weighted average number of common shares issued and outstanding during the year. Diluted headline profit per share is determined by adjusting the weighted average number of shares for all potential dilutive effects.

There were no material adjustments to profit attributable to equity shareholders for the purposes of calculating headline profit attributable to equity shareholders and hence the profit/(loss) per share is the same as the headline profit per share.

27. COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	June 30, 2023	December 31, 2022
Property, plant and equipment	6,196,122	1,185,159
Exploration	-	1,014,429
Mpama South development project	20,217,036	21,945,462
	26,413,158	24,145,050

28. SEGMENTED INFORMATION

The Company considers its business to consist of one reportable operating segment, being the production and sale of tin from its Bisie tin mine. As at reporting date, substantially all of the Company's operations and assets are located in the Democratic Republic of the Congo. In assessing potential operating segments, the Company has considered the information reviewed by the Chief Operating Decision Maker (CODM). The Company has identified the Board of Directors as the CODM and is satisfied that the information as presented in the financial statements is the same as that assessed by the CODM for management reporting purposes. The Company has one asset, in one commodity in one country. The Company sells its product to one customer, Gerald Metals SA.

29. CONTINGENT LIABILITIES

	June 30, 2023	December 31, 2022
Fines & penalties	500,000	500,000

A number of significant fines and penalties have been received from various governmental tax authorities. The Company is disputing these as it believes it to be substantially compliant and does not expect material settlements.

30. SUBSEQUENT EVENTS

Post period end an interim dividend of CAD3c per share was announced.