UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2020 AND 2019

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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consolidated financial statements.

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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, 2020** **USD**	**December 31, 2019** **USD**
ASSETS			
Current assets			
Inventory	3	14,859,859	27,754,774
Accounts receivable	4	-	1,485,687
Prepaids and other receivables	5	17,885,842	17,633,472
Cash and cash equivalents	6	7,009,202	5,941,243
Total current assets		39,754,903	52,815,176
Non-current assets			
Plant and equipment	7	243,503,350	255,125,453
Prepaids and other receivables	5	264,066	264,066
Mine under construction	8	-	-
Deferred tax	10	8,499,404	8,056,626
Exploration and evaluation assets	11	2,467,338	2,310,934
Total non-current assets		254,734,158	265,757,079
Total assets		294,489,061	318,572,255
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	12	14,231,816	22,815,128
Lease agreements due within one year	13	1,080,103	531,149
Trader advances	14	401,576	12,600,000
Accounts payable and accrued liabilities - related parties	15	94,413	671,588
Due within one year - related parties	15 & 16	2,506,484	5,119,982
Debt - due within one year	15	15,476,769	11,219,318
Warrants	17	1,589,936	3,159,082
Total current liabilities		35,381,097	56,116,247
Non-current liabilities			
Provision for closure and reclamation	18	6,753,897	6,720,861
Lease agreements due in greater than one year	13	1,053,375	1,444,887
Accounts payable and accrued liabilities greater than one year	12	1,297,733	1,475,280
Debt - related parties	15 & 16	8,542,445	24,516,389
Debt	16	38,458,583	53,712,843
Total non-current liabilities		56,106,033	87,870,260
Stockholders' Equity			
Capital stock	19	211,680,806	180,772,545
Reserves	19	10,099,705	9,902,849
Foreign Currency Translation Reserve		(1,530,457)	(1,513,181)
Accumulated deficit		(46,321,775)	(43,947,529)
Stockholders' equity		173,928,279	145,214,954
Non-controlling interest	20	29,073,652	29,370,794
Total equity		203,001,931	174,585,748
Total liabilities and equity		294,489,061	318,572,255

Approved and authorised by the Board of Directors on August 7, 2020.

(Signed) **(Signed)**

MARITZ SMITH, DIRECTOR **EOIN O'DRISCOLL, DIRECTOR**

CONSOLIDATED STATEMENTS OF PROFIT/(LOSS) AND COMPR EHENSIVE PROFIT/(LOSS)

ALPHAMIN RESOURCES CORP. Consolidated Statements of Income/(Loss) For the periods ended (Expressed in US dollars)	Notes	For the Six Months Ended 30 June, 2,020 USD	For the Six Months Ended 30 June, 2,019 USD	For the Three Months Ended 30 June, 2,020 USD	For the Three Months Ended 30 June, 2,019 USD
REVENUE	21	100,170,944	-	40,137,641	-
COST OF SALES	22	(86,047,861)	-	(29,917,032)	-
GROSS PROFIT		14,123,083	-	10,220,609	-
General and administrative	23	(9,722,397)	(5,950,956)	(5,128,576)	(3,749,242)
Operating Loss		4,400,686	(5,950,956)	5,092,033	(3,749,242)
OTHER					
Warrants	17	1,569,146	282,857	23,197	(713,692)
Profit on foreign exchange		469,192	44,188	176,433	35
Interest expense		(8,537,874)	-	(3,312,561)	-
Interest income		1,126	3,578	404	309
(Loss)/ profit before taxes		(2,097,724)	(5,620,333)	1,979,506	(4,462,590)
Current income tax expense	9	(1,016,712)	-	(416,379)	-
Deferred tax movement	10	442,778	-	(303,005)	-
NET PROFIT/(LOSS)		(2,671,658)	(5,620,333)	1,260,122	(4,462,590)
Other Comprehensive income					
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations		(17,276)	-	(751,409)	-
Total comprehensive profit/(loss) for the period		(2,688,934)	(5,620,333)	508,713	(4,462,590)
Profit/(loss) and total comprehensive profit/(loss) attributable to ;					
Equityholders		(2,374,516)	(4,483,189)	805,855	(3,743,082)
Non-controlling interests	20	(297,142)	(1,137,414)	454,267	(719,508)
		(2,671,658)	(5,620,603)	1,260,122	(4,462,590)
Losses/Earnings per share for profit attributable to the ordinary equity holders of the company (Note 21)		(0.25)	(0.54)	(0.08)	(0.44)

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 2020 USD	For the Six Months Ended June 30 2019 USD	For the Three Months Ended June 30 2020 USD	For the Three Months Ended June 30 2019 USD
Cash Flows From Operating Activities				
Net (loss)/ profit for the year before tax	(2,097,724)	(5,620,603)	1,979,506	(4,462,590)
Adjustments for items not involving cash;				
Share-based payments	196,856	217,142	108,396	107,301
Warrants	(1,569,146)	(282,587)	(23,197)	713,692
Interest expense	8,537,874	-	3,312,561	-
Depreciation	18,450,698	26,866	5,987,276	21,142
Exchange differences on translation of foreign oprerations	(17,276)	-	3,843	-
Amortisation of bad debts	516,366	-	258,183	-
Unwind of environmental discount	33,036	-	16,518	-
Income tax paid	-	-	-	-
Interest paid	(5,962,335)	-	(1,639,566)	-
Change in working capital items:				
Accounts receivable	219,362	(893,932)	(702,761)	(893,932)
Trader advances	(12,198,424)	-	401,576	-
Prepaids and other receivables - current	(252,370)	(37,835)	(57,265)	(215,861)
Change in inventory	7,712,397	(6,019,675)	(2,421,657)	(6,576,780)
Accounts payable and accrued liabilities	(7,356,118)	7,619,116	(3,771,685)	8,019,520
Due to related parties	(577,175)	80,423	1,425	32,911
Net Cash generated/used in Operating Activities	5,636,021	(4,911,085)	3,453,153	(3,254,597)
Cash Flows From Investing Activities				
Purchase of equipment	(1,646,077)	(915,929)	(1,114,928)	(734,262)
Investing in exploration and evaluation assets	(156,404)	-	(36,402)	-
Investing in mine under construction	-	(21,020,501)	-	(8,413,099)
Prepaids and other receivables - non current	-	(47,450)	-	-
Net Cash Used in Investing Activities	(1,802,481)	(21,983,880)	(1,151,330)	(9,147,361)
Cash Flows From Financing Activities				
Accounts payable and accrued liabilities - non current	(177,547)	-	(778,640)	-
Lease payments - capital	(296,295)	-	-	-
Debt repayments - capital	(12,200,000)	-	(12,200,000)	-
Proceeds from common stock and warrants	9,908,261	11,935,707	9,908,261	10,948,157
Net Cash Provided by Financing Activities	(2,765,581)	11,935,707	(3,070,379)	10,948,157
(Decrease)/Increase in cash and cash equivalents	1,067,959	(14,959,258)	(768,556)	(1,453,801)
Cash and cash equivalents at beginning of period	5,941,243	17,105,121	7,777,758	3,599,664
Cash and cash equivalents at end of period/year	7,009,202	2,145,863	7,009,202	2,145,863

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 Statement of Changes in Stockholders' Equity (Expressed in US Dollars)	Shares	Amount	Share-based Payment Reserve	Foreign Currency Translation Reserve	(Loss)/Profit	Total Stockholders' Equity (Deficiency)	Non-Controlling Interest	Total Equity
	#	$	$	$	$	$	$	$
Balance, December 31, 2018	786,233,993	173,134,433	9,500,151	(1,511,737)	(49,209,135)	131,913,712	24,921,058	156,834,770
Loss for the period	-	-	-	-	(740,107)	(740,107)	(414,370)	(1,154,477)
Share based payment	-	-	109,840	-	-	109,840	-	109,840
Equity received in advance*	-	987,550	-	-	-	987,550	-	987,550
Balance, March 31, 2019	786,233,993	174,121,983	9,609,991	(1,511,737)	(49,494,242)	132,270,995	24,506,688	156,777,683
Loss for the period	-	-	-	-	(3,743,082)	(3,743,082)	(409,507)	(4,152,589)
Share based payment	-	-	107,302	-	-	107,302	-	107,302
Issue of shares in private placement on April 7, 2019	79,800,000	6,650,562	-	-	-	6,650,562	-	6,650,562
Balance, June 30, 2019	866,033,993	180,772,545	9,717,293	(1,511,737)	(53,692,324)	135,285,777	24,097,181	159,382,958
Balance, December 31, 2019	866,033,933	180,772,545	9,902,849	(1,513,181)	(43,497,259)	145,214,954	29,370,794	174,585,748
Loss for the period	-	-	-	(21,119)	(3,180,371)	(3,201,490)	(751,409)	(3,952,899)
Share based payment	-	-	88,460	-	-	88,460	-	88,460
Balance, March 31, 2019	866,033,993	180,772,545	9,991,309	(1,534,300)	(42,127,630)	142,101,924	28,619,385	170,721,309
Profit for the period	-	-	-	3,843	805,855	809,698	454,267	1,263,965
Share based payment	-	-	108,396	-	-	108,396	-	108,396
Issue of shares in private placement on May 13, 2020	314,333,823	30,907,261	-	-	-	30,908,261	-	30,908,261
Balance, June 30, 2020	1,180,367,816	211,680,806	10,099,705	(1,530,457)	(46,321,775)	173,928,279	29,073,652	203,001,931

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 unaudited condensed consolidated interim 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. DEVELOPMENT IN THE CURRENT YEAR

The 2020 financial year will be the Company's first full year of tin concentrate production and sales.

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 was completed at Bisie in H1 2019.

The mine reached commercial production on 1 September 2019. Up to this date, costs directly related to the development of the Bisie tin mine, including pre-commercial production revenue and costs of sales, were capitalised to the mine under construction asset. These costs were reclassified from mine work-in-progress to the different classes of assets and depreciation commenced in accordance with IAS 16. Accordingly, the company commenced accounting for revenue and associated costs.

B. GOING CONCERN

As at June 30, 2020, the Company had accumulated losses of $46,321,775, stockholders' equity of $173,928,279 and working capital of $4,373,806.

The Company's ability to continue as a going concern is dependent upon the Company consistently maintaining commercial levels of production, successfully exporting finished product to its customer without incurring any prolonged logistical delays and the tin price remaining above break-even and debt servicing levels.

The sudden outbreak and spread of COVID-19, or the novel coronavirus has created uncertainty in global markets. In addition, it has impacted commodity prices and the availability and cost of imported goods required for mining operations. To date the coronavirus outbreak has not prevented the Company meeting and exceeding its production and sales guidance and generating positive operational cash flows

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.

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	Mineral exploration (80.75% owned by Alphamin Resources (BVI) Ltd at period end*)
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) had direct ownership of 14.25% of ABM at period end. The Government of the Democratic Republic of the Congo owns a non-diluting 5% resulting in a Company ownership of AMB of 80.75%.

* Post period end the Alphamin Resources (BVI) Ltd's interest in ABM increased to 84.14% and the IDC's interest was reduced to 10.86%.

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 (IFRIC)* 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, impact decisions as to when exploration and evaluation costs should be capitalised or expensed and affects estimates for rehabilitation provisions. 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. 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 a site and subsequent commencement of development activity, the Company estimates 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 utilization 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. The recoverability of the amounts shown for Exploration and Evaluation Assets and/or Mine under construction are dependent upon the successful future development of the project, the ability of the Company to obtain necessary financing to complete the development of the project and upon future production or proceeds from the disposition thereof.

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.

Reclassification of mine under construction to property, plant and equipment

In order to determine whether a project is ready to operate as intended by management, judgement is applied taking into account commercial production indicators such as the level of expenditure incurred compared to the total capital cost to completion, pre-production output having reached a nominated percentage, the majority of the assets necessary for the mining project having been substantially completed and ready for use and the project's ability to sustain commercial levels of production. These indicators provide guidance to recognise when the mine development phase will cease, and the production phase will commence.

In 2019 the mine reached commercial production. Refer to note 8 for further details.

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 and share-based issuance costs, included in shareholders' equity. 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 19.

Income taxes
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.

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 amortization 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.

Going concern

The preparation of these unaudited condensed consolidated interim financial statements requires management to make judgments regarding the going concern of the Company as disclosed in Note 1. As at June 30, 2020 the Company had working capital of $4,373,806. Maintaining production at sufficient grades and quantities of tin, as well as being able to sell product to customers at or above break even and debt service prices will be required for the Company to continue as a going concern.

D. CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of IFRS 16 on the annual financial statements and discloses the new Leases accounting policies that have been applied from 1 January 2019.

Overview of changes resulting from the adoption of IFRS 16

IFRS 16 replaces *IAS 17 Leases (IAS 17), IFRIC 4 Determining whether an Arrangement contains a Lease (IFRIC 4), SIC 15 Operating Leases-Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The standard establishes a new definition and criteria to identify whether a contract is, or contains, a lease as well as principles for the recognition, measurement, presentation and disclosure of leases. For lessee accounting, a single accounting model is introduced that requires lessees to recognise assets and liabilities for all leases. The standard, however, allows an optional exemption to recognise leases with a lease term of less than 12 months (short-term leases) or leases of low value assets in profit or loss on a straight-line basis.

Leasing activities

The Company leases various buildings and equipment as the need arises. Lease contracts are typically made for fixed periods between 12 months and 5 years. Lease contracts are negotiated on an individual basis and contain different terms and conditions. The lease contracts do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Transition method, exemptions and practical expedients applied

IFRS 16 has been adopted using the cumulative effect method. In terms of this method, comparative information has not been restated. Instead, the cumulative effect of initially applying IFRS 16 would be recognised as an adjustment to the opening balance of retained earnings on date of initial application (being 1 January 2019).

In applying IFRS 16 for the first time, the group has elected the following:

(a) In applying the definition of a lease:

- The group has elected not to re-assess whether a contract is, or contains, a lease at the date of initial application. Instead, the group has applied this standard, at date of initial application, to all contracts previously identified as leases in terms of IAS 17 and IFRIC 4. Therefore, the definition of a lease in terms of IFRS 16 will only be applied to contracts entered into or changed on or after 1 January 2019.

(b) In determining the transition adjustments of leases previously classified as operating leases:

- Leases with a lease term of less than 12 months on initial application were excluded and accounted for as short-term leases from 1 January 2019 (i.e. recognised through profit or loss on a straight-line basis)

Impact on retained earnings at 1 January 2019

There was no impact on retained earnings at 1 January 2019.

Impact on the statement retained earnings at 1 January 2019

Note 7 shows the reclassifications and adjustments recognised on initial application of IFRS 16

Lease liabilities recognised on initial application

For leases previously classified as finance leases, the Company recognised the carrying amount of the lease liability immediately before transition as the carrying amount of the lease liability at the date of initial application. Therefore, no adjustment was required for finance lease liabilities at 1 January 2019

The measurement principles of IFRS 16 have been applied since 1 January 2019.

Right-of-use-assets recognised on initial application

For assets acquired in terms of finance leases, as previously classified under IAS 17, the Company recognised the carrying amount of these assets immediately before transition as the carrying amount of the right-of-use asset at 1 January 2019. Therefore, no adjustment was required except that the carrying amount of these assets has been reclassified from plant and equipment to right-of-use assets.

The measurement principles of IFRS 16 have been applied since 1 January 2019.

Accounting policies applied from 1 January 2019

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- The contract involves the use of an identified asset, this may be specified explicitly or implicitly, and must be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what

purpose the asset is used. In rare cases where all the decisions about how and for what purpose the asset is used are predetermined, the group has the right to direct the use of the asset if either:

- The Company has the right to operate the asset; or
- The Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company has applied this definition to contracts entered into or changed on or after 1 January 2019.

(a) Recognition

Leases are recognised as a lease liability and corresponding right-of-use asset at the commencement date of the leases. Each lease payment is allocated between the settlement of the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis, except, when there is a purchase option which is expected to be exercised, in which case it is depreciated over the asset's useful life.

(b) Measurement

1. Initial measurement

Right-of-use assets	**Lease liabilities**
Measured at cost which is:	Measured as the present value of the following lease payments:
The amount of the initial measurement of the lease liability	Fixed payments (including in-substance fixed payments), less any lease incentives receivable
Plus any lease payments made at or before the commencement date	Variable lease payments that are based on an index or a rate
Less any lease incentives received	Amounts expected to be payable by the Company as a lessee, under residual value guarantees
Plus any initial direct costs	The exercise price of a purchase option if the group, as a lessee, is reasonably certain to exercise that option; and
Plus estimated restoration costs.	Payments of penalties for terminating the lease, if the lease term reflects the group, as a lessee, exercising that option.
	The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, an incremental borrowing rate is applied.

2. Subsequent measurement

Right-of-use assets	**Lease liabilities**
After commencement date of the lease, the group measures the right-of-use asset applying the cost model where a right-of-use asset falls within the scope of IAS 16 Property, Plant and Equipment.	After commencement date of the lease, the group measures the lease liability by:
Measured at:	
Cost less	Increasing the carrying amount to reflect interest on the lease liability
Any accumulated depreciation and any accumulated impairment losses; and	Reducing the carrying amount to reflect the lease payments made, and
Adjusted for any remeasurements or modifications of the lease liability.	Remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised in-substance fixed lease payments.
Useful lives: Machinery, plant and equipment: five years	Incremental borrowing rates 8.95%

3. Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis, over the lease term, as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Judgements and assumptions made by management in applying the related accounting policies

Useful lives of right-of-use assets
In determining the useful lives of right-of-use assets, management considers all available information about the lease term as well as the asset's useful life itself. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

E. CASH AND CASH EQUIVALENTS
Cash consists of cash on hand and of deposits in banks.

F. 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 minimum specifications. The table below illustrates at what point control passes for this performance obligation.

Revenue type	Inco terms	Performance obligation	Timing of when performance obligation is satisfied	Payment terms
Tin Concentrate	FOT	Supply of tin concentrate at contractually agreed specifications at delivery point.	On delivery of the tin concentrate to the customer.	80% upon delivery, 15% upon the concentrate crossing the DRC border and the balance between

				90 and 150 days upon final smelter assay finalisation.

During the period ended March 31, 2020 the Company commenced selling under a revised offtake contract whereby product can be delivered at the Company's mine site.

Contractually, revenue is recorded based on the three-month LME spot price on the day prior to invoice date. The final price is based on the average three-month LME price in the month following delivery, with final invoices being raised upon receipt of final assays at the point of smelting. Price adjustments are separately disclosed in the revenue note (note 21). As a result of COVID-19 related price volatility the Company commenced final pricing it's product prior to delivery basis the spot tin price at that time and envisages continuing with this policy which eliminates price risk between delivery and finalisation.

Where management have reason to believe there may be a difference between provisional and final assays on tin concentrate, a provision is made against provisional revenue recognised.

G. INVENTORIES

Inventory consists of tin concentrate which has been produced to contracted specifications. Concentrate inventories are carried at the lower of cost or net realizable value. The Company does not value run of mine ore produced from underground as inventory due to expected low levels and values of such stockpiles at any given point in time.

Net realizable 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.

H. 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.

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).

Reclassification to Mine under construction
Capitalised Exploration and Evaluation Costs for a project are classified as such until the project demonstrates technical feasibility and commercial viability. Upon demonstrating technical feasibility and commercial viability, and subject to an impairment analysis, capitalised exploration costs are transferred/reclassified to Mine under construction within non-current assets. Demonstration of technical feasibility and commercial viability generally coincide with a board decision and approval to commence development and construction of a mine. This assessment also includes an assessment of initial development funding required, as well as the availability of such funds. In addition, the assessment includes the estimation of projected future operating cash flows based on a detailed mine design plan supporting the extraction and production of established proven and probable reserves and an estimate of mineral resources expected to be converted into reserves in the future and includes initial construction and sustaining capital expenditures. However, this determination may also be impacted by management's assessment of certain modifying factors including legal, environmental, social and governmental factors. All subsequent expenditures on the development, construction, installation or completion of infrastructure facilities are capitalised as part of Mine under construction within non-current assets.

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

The stock option plan 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.

L. INCOME TAXES

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 or 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. MINE UNDER CONSTRUCTION

Upon completion of a technical feasibility study determining the commercial viability of extracting a mineral resource, as well as a board decision to mine and project finance being substantially in place, exploration and development expenditures are transferred to Mine under construction. All subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized to mine under construction until the commencement of commercial production.

Development expenditures are net of proceeds from sale of ore extracted during the development phase. After commercial production starts, all assets included in Mine under construction are transferred to Property, Plant and Equipment. Capitalized development expenditures are not depreciated until the assets are ready for their intended use. Upon completion of construction, mining assets are depreciated either over 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 Company assesses the stage of each mine under construction to determine when a mine has moved into the commercial production phase. Capitalization of costs, including certain mine development and construction costs, ceases when the related mining property has reached a pre-determined level of operating capacity intended by management. Costs incurred prior to this point, including depreciation of related plant and equipment, are capitalized and proceeds from sale of ore extracted during this period are offset against capitalized costs.

Q. 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 amortized 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:

Amortized 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 amortized 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 recognized 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 amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss.

Impairment

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

For trade receivable, with a provisional pricing arrangement, is 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 the consideration that is due. All fair value adjustment relating to the movements in this balance are recognised within revenue from fair value adjustments.

All financial instruments are initially recorded at fair value. Financial assets were designated upon inception as either (i) held-to-maturity, (ii) at fair value through profit or loss, (iii) available-for-sale, or (iv) loans and receivables. 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.

R. DEBT AND BORROWING COSTS

Debt is initially recorded at fair value, less transaction costs and is subsequently measured at amortized 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.

S. 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 2020 USD	December 31 2019 USD
Tin concentrate	7,682,758	23,989,399
Consumable stores	7,177,101	3,765,375
	14,859,859	27,754,774

Tin concentrate consists of final product at the Company's premises. There were no write downs of tin concentrate during the year. An amount of $16,306,641 was debited to the statement of profit and loss during the period ended June 2020 relating to the reduction in tin concentrate on hand following significant sales. The inventory balance includes $2,492,958 of capitalised depreciation.

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. No inventory is carried at net realisable value.

4. ACCOUNTS RECEIVABLE

	June 30 2020 USD	December 31 2019 USD
Sales receivables	-	1,485,687

Accounts receivable are amounts due from the customer for goods sold in the ordinary course of business. They are generally due for settlement within 60 – 90 days and are therefore classified as current. Accounts receivable is 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 Alphamin's right to consideration is contingent upon the physical attributes of the tin concentrate.

There is no balance receivable as at June 30, 2020 as a result of overpayments received as a result of smelter assay differences between provisional invoicing and likely final amounts.

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 21.

Amounts received in advance for tin concentrate deliveries during the quotation period results in a contract liability. 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 is required to be refunded is accounted for as a provisional pricing payable.

Due to significant volatility in the tin price caused by the COVID-19 outbreak the Company has started to final price product basis the tin spot price prior to delivery to the customer in order to eliminate price risk between delivery and finalisation.

5. PREPAIDS AND OTHER RECEIVABLES

Item	June 30 2020 USD	December 31 2019 USD
Current		
Supplier prepayments	2,576,944	2,645,957
VAT receivable**	14,004,245	12,262,589
Tax prepayment***	469,205	469,205
Deferred expenses	835,448	2,255,721
	17,885,842	17,633,472
Non-current		
Environmental deposit in DRC****	264,066	264,066
	264,066	264,066

** Supplier prepayments primarily relate to consumables and equipment ordered for the mine.*
*** VAT receivable has been reclassified from mine under construction 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.*
****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.*
*****The environmental deposit in the DRC relates to funds deposited with the central bank in the DRC. These funds will be utilised toward 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 2020 USD	December 31 2019 USD
Cash at bank	7,001,597	5,936,518
Cash on hand	7,605	4,725
	7,009,202	5,941,243

7. PLANT AND EQUIPMENT

Description	Mining Property costs	Rights of use assets	Land & buildings	Buildings plant & equipment	Total
	USD	USD	USD	USD	USD
Cost					
Opening balance January 1, 2019	-	-	775,104	4,504,212	5,279,316
Additions during the year	-	1,770,500	259,089	1,099,102	3,128,691
Transfers during the year	160,381,967	2,470,775	-	93,751,023	256,603,765
Closing balance December 31, 2019	160,381,967	4,241,275	1,034,193	99,354,337	265,011,772
Additions during the year	-	253,632	-	277,517	531,149
Closing balance March 31, 2020	160,381,967	4,494,907	1,034,193	99,631,854	265,542,921
Addition during the period	-	714,572	-	400,356	1,114,928
Closing balance June 30, 2020	160,381,967	5,209,479	1,034,193	100,032,210	266,657,849
Accumulated Depreciation					
Opening balance January 1, 2019	-	-	-	(1,341,413)	(1,341,413)
Transfers during the year	-	(379,165)	-	379,165	-
Depreciation capitalised during the year	-	(329,437)	(27,578)	(260,567)	(617,582)
Depreciation expense during the year	(4,668,080)	(184,035)	-	(3,075,209)	(7,927,324)
Closing balance December 31, 2019	(4,668,080)	(892,637)	(27,578)	(4,298,024)	(9,886,319)
Depreciation expense during the period	(3,503,745)	(173,797)	(20,684)	(3,126,101)	(6,824,327)
Closing balance March 31, 2020	(8,171,825)	(1,066,434)	(48,262)	(7,424,125)	(16,710,646)
Depreciation expense during the period	(3,503,745)	(229,026)	(20,684)	(2,690,898)	(6,443,853)
Closing balance June 30, 2020	(11,675,570)	(1,295,460)	(68,946)	(10,114,523)	(23,154,499)
Net Closing Value					
December 31, 2019	155,713,887	3,348,638	1,006,615	95,056,313	255,125,453
June 30, 2020	148,706,397	3,914,019	965,247	89,917,687	243,503,350

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 was completed at Bisie in H1 2019.

The mine reached commercial production on 1 September 2019. Up to this date, costs directly related to the development of the Bisie tin mine, including pre commercial production revenue and costs of sales, were capitalised to the mine under construction asset. These costs were reclassified from mine work-in-progress to the different classes of assets and depreciation commenced in accordance with IAS 16.

The production phase was determined to be the point at which the required operational infrastructure was in place and ore reserves were developed to sustain a production ore output of 1,000 tons per month at a grade of ~4%. By the second half of 2019 the required life of mine infrastructure had been commissioned and proven to be operationally robust with sufficient ore reserves developed to confidently transition the operation to commercial status as of 1 September 2019. At this point, the total expenditure expected to be incurred to complete the project versus the total capital expenditure on the project was in excess of 90%, the project progress against schedule was in excess of 90%.

A. IMPAIRMENT ASSESSMENT

On 1 September 2019 costs related to acquisition, exploration, evaluation and development of the Bisie project amounting to USD 256 million were transferred from Mine under construction to Property and equipment.

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 marginal headroom between the Company's net asset value and its market capitalization, various tin price scenarios in a volatile market, the change in planned mining method and increase in planned cost of mining. Based on the aforementioned factors, an impairment test of the carrying value of the property, plant and equipment was performed. , The recoverable amount of the assets were determined under the 'Income Approach' using a Discounted Cash Flow (DCF) model based on the latest feasibility studies and most up to date management information available supported by geological studies and input from independent mining engineers and competent persons.

The following are the key assumptions to the impairment testing:

- Life of mine of 12.5 years
- Average long-term real tin price of US$ 15,000 per ton
- Real post-tax discount rate of 8%.

Based on the above base case assumptions, no impairment provision was required.

8. MINE UNDER CONSTRUCTION

	June 30, 2020 USD	December 31, 2019 USD
Opening balance	-	226,687,700
Capital additions	-	46,686,998
Capitalised pre commercial production net revenue	-	(17,053,960)
Capitalised depreciation	-	617,582
Capitalised interest and amortised finance fees	-	10,017,326
Rehabilitation and closure asset	-	14,855
Reallocation of vat receivable	-	(10,366,736)
Transfer to Plant and equipment	-	(256,603,765
Closing Balance	-	-

Mine under construction relates to the Company's Bisie Tin Mine Project in the DRC. This asset was reclassified from Exploration and Evaluation assets during December 2017. Upon declaring commercial production on September 1, 2019, the Company transferred the balance in mine under construction to plant and equipment and started depreciating the asset.

Mines under construction are not depreciated until construction is completed. This is signified when the mining project has reached a pre-determined level of operating capacity as intended by management. Revenues realized before commencement of commercial production ("pre-commercial production revenue") are recorded as a reduction of the respective mining asset.

9. INCOME TAX

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, 2020 USD	**December 31, 2019 USD**
(Loss) before income tax	(2,097,724)	(2,631,838)
Mauritian statutory rate	3%	3%
Expected income tax recovery	(62,932)	(78,955)
Increase/(decrease) due to:		
Non-deductible expenses	1,596,146	6,849,732
Taxation rate differential	(1,078,388)	(6,799,978)
Turnover tax in the Democratic Republic of Congo	(1,001,760)	(272,210)
Current income tax	(573,934)	(301,411)
Income tax expense consists of the following:		
Current income tax	(1,016,712)	-
Deferred income tax recovery	442,448	-

Non-deductible expenses refer to the warrant revaluations.

10. DEFERRED TAX

The deferred tax assets and liabilities as at June 30, 2020 and December 31, 2019 are presented as follows;

	June 30, 2020 USD	**December 31, 2019 USD**
Deferred income tax assets	13,908,227	13,346,423
Deferred income tax liabilities	(5,408,823)	(5,289,797)

Movement in deferred tax	**Balance as at 1 January 2020**	**Recognised in profit or loss**	**Recognised in Other comprehensive profit or loss**	**Balance as at 31 March 2020**
Plant and equipment	(5,289,797)	(119,026)	-	(5,408,823)
Assessed losses	13,346,423	561,804	-	13,908,227
Net deferred tax assets/liabilities	8,056,626	442,778	-	8,499,404

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. Alphamin has entered into an offtake agreement with Gerald Metals (the customer) where Gerald metals is obliged to take the tin produced by Alphamin.

11. EXPLORATION AND EVALUATION ASSETS

	June 30 2020 USD	December 31 2019 USD
Mpama South exploration project	2,467,338	2,2,310,934

The Mpama South deposit lies approximately 1 kilometer south of the Company's flagship Mpama North asset. The deposit lies in mining permit PE13155 which is valid until 2045. The Company approved a drilling campaign post quarter end.

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Current	**June 30, 2020 USD**	**December 31, 2019 USD**
Accounts payable	8,858,720	17,933,696
Accrued liabilities	2,879,055	2,554,024
Payroll accruals	968,863	177,897
Payroll tax liabilities	584,021	1,146,762
Other tax liabilities	941,157	942,749
	14,231,816	22,815,128
Non-current	**USD**	**USD**
Accounts payable	1,297,733	1,475,280

Accounts payable and accrued liabilities are mainly comprised of amounts outstanding for purchases relating to development activities incurred before the mine achieved commercial production, amounts payable for mine consumables and other operating expenses. The credit term period for purchases typically ranges from 30 to 180 days.

Other tax liabilities include government royalties, turnover tax and withholding taxes.

Non-current accounts payable relate to mining assets purchased from the Company's former mining contractor which will be paid off over 18 months commencing in July 2020. The balance carried an interest rate of 8.95%.

13. LEASE LIABILITIES

	June 30, 2020 USD	December 31, 2019 USD
Current	1,080,103	531,149
Non-current	1,053,375	1,444,887
	2,133,478	1,976,036
Summary of lease liabilities by period of redemption		
Less than one year	1,080,103	1,119,362
Between one and two years	726,150	531,150
Between two and three years	327,225	325,524
Total lease liabilities	2,133,478	1,976,036
Analysis of movement in lease liabilities		
At the beginning of the year	1,976,036	1,242,241
New leases	552,500	1,504,924
Capital repayments	(482,281)	(771,129)
- Lease payments	(395,058)	(898,827)
- Interest charged	(87,223)	127,698
At the end of the period/year	2,133,478	1,976,036

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

14. TRADER ADVANCES

	June 30, 2020 USD	December 31, 2019 USD
Trader advances	401,576	12,600,000

On December 9, 2019, following disruption to the Company's supply chain caused by the collapse of the Maiko bridge on the outbound provincial road, the Company entered into a spot contract for the sale of $20m of tin concentrate.

Under the terms of the sale the full $20m was received pre year end and the Company returned $7.4m to the customer as a deposit return. The Company was obliged to ensure that the tin concentrate had entered into Uganda within 30 days of the repair of the bridge or Gerald could demand a refund.

The transaction was accounted for as trader financing, was secured against 2,964 tons of tin concentrate and carried an interest rate of 15% plus libor while the lots remained in the DRC. The 2019 advance was extinguished during the quarter through the delivery of these lots to the designated delivery point in Uganda.

In late May 2020, a number of batches of smelter assays were received and some discrepancies have been noted compared to the Company's independent on-site lab operated by ALS. As a consequence, a provision of $3.1m in Q1 2020 and an additional $2.2m in Q2 2020 (representing 5% of revenue and payable tin tons sold for the period January 2020 to May 2020) were recorded related to this uncertainty. Indications are that the Q1 2020 provision is reasonable compared to additional smelter assays received. The provision for Q2 2020 is an estimate and will be adjusted once smelter assays are received for Q2 2020 deliveries.

ALS, the independent operator of the on-mine lab, has changed its assay method of tin concentrate to a wet chemical method by manual titration, which method was successfully validated to a 2,5% accuracy level and applied to the assay of concentrate despatched from 1 June 2020. Accordingly, no further provisions were made against revenue and tin tons sold effective June 2020.

15. 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 2020 USD	December 31 2019 USD
Director and Officer fees	Directors, officers	674,935	1,665,985
Secretarial and administrative fees	Corporate Secretary	18,000	36,000
Management fees	Directors	69,450	138,900
Share based payments	Directors, officers	106,593	159,889

Debt due to related parties of $11,971,087 (December 31, 2019 – $29,636,371) are due to Tremont Master Holdings. See Note 16 for further details.

Accounts payable due to related parties of $94,413 (December 31, 2019: $671,588) relates primarily to management fees due.

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 wishes to acquire, 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" refers to the earlier of five years from the date of signature, or one year from the date the Bisie Tin Mine Project reaches 90% of its intended maximum production, having been fully funded and fully implemented.

Post period end, the Company capitalised ABM with the proceeds of the private placement completed on May 13, 2020, resulting in an increase in its ownership of ABM from 80.75% to 84.141%.

16. DEBT

Debt	**Related party debt**	**Non-related party debt**	**Total**
	USD	**USD**	**USD**
Balance, December 31, 2018	25,352,945	55,543,156	80,896,101
Interest charged	4,778,104	10,492,079	15,280,183
Interest payments made	(827,406)	(1,813,078)	(2,640,484)
Amortisation of capitalised fees	322,728	710,004	1,032,732
Balance, December 31, 2019	29,636,371	64,932,161	94,568,532
Amortisation of capitalised fees	80,682	177,501	258,183
Balance, March 31, 2020	29,717,053	65,109,662	94,826,715
Capital repayment	(19,000,000)	(12,200,000)	(31,200,000)
Interest accrued	646,367	2,054,998	2,701,365
Interest repaid	(395,173)	(1,206,808)	(1,601,981)
Amortisation of capitalised fees	80,682	177,501	258,183
Balance, June 30, 2020	**11,048,929**	**53,935,353**	**64,984,282**
Capital balance at June 30, 2020	11,971,087	55,964,095	67,935,182
Unamortised fees capitalised	(922,158)	(2,028,743)	(2,950,901)
Balance at June 30, 2020	**11,048,929**	**53,935,352**	**64,984,281**
Due within one year	2,506,484	15,476,769	17,983,253
Due in greater than one year	8,542,445	38,458,583	47,001,028
	11,048,929	**59,935,352**	**64,984,281**

On November 9, 2017 the Company entered into a credit facility of up to $80 million from a syndicate of lenders for the construction of the Bisie Tin Mine. As at June 30, 2020 the Company owed $67,935,182 to the lenders.

On May 15, 2020 the Company concluded a private placement of $31m which was applied to reduce the debt balance. Concurrently with the debt reduction the Company signed an amended and restated credit agreement with improved terms.

The key terms of the credit facility (after completion of the debt restructure) are:

- Senior secured, non-revolving term credit facility.
- Capital repayments commence on July 31, 2020 for an amount of $845k, going to $2.1m from January 2021.
- Effective Coupon of 10.56% (down from 14%) plus the greater of US dollar 3-month LIBOR and 1 percent per annum until December 2021
- Partial interest holiday from May 2020 to December 2020.
- Cash sweep of 50 percent of excess cash flow with effect from July 31, 2020.
- 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 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 is in excess of $10,000,000 and the amount of its Unrestricted Cash is greater than $5,000,000:
    - (iii) the Debt Service Cover Ratio is greater than or equal to 1:5 to 1.00 from July 2021:
    - (iv) the Total Debt to Equity Ratio is less than 60 to 40:
    - (v) Loan Life Cover Ratio is greater than 2.00 to 1.00; and
    - (vi) the Reserve Tail Ratio is greater than 30%.

17. 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.

The Company valued the warrants using the Black-Scholes pricing model with the assumptions below:

	April 8, 2019	**January 22, 2018**	**December 15, 2017**	**July 19, 2017**
Strike price	CAD$0.30	CAD$0.40	CAD$0.40	CAD$0.4375
Risk free interest rate	1.593%	1.24%	1.24%	1.24%
Expected life of options in years	3.00	3.00	3.00	3.00
Annualised volatility	70%	70%	70%	70%
Dividend rate	0.00%	0.00%	0.00%	0.00%

All warrants in issue are revalued on a quarterly basis using the same valuation methodology as described above. The fair value of the warrants in issue at June 30, 2020 was calculated at $1,589,936 (December 31, 2019: $3,159,082). The movement in the warrant liability of $1,569,146 for the six months (2019: 282,587) was credited to the statement of Profit/(loss) and comprehensive profit/(loss). The use of an option pricing model to determine the fair value of these warrants falls within Level 3 of IFRS 13's fair value hierarchy: Level 3 – Inputs that are not based on observable market data.

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

	June 30, 2020 USD	**December 31, 2019 USD**
Opening balance	3,159,082	5,711,219
Warrants issued during the year	-	4,297,595

Warrant revaluation during the period	(1,569,146)	(6,849,732)
Closing balance	1,589,936	3,519,082

18. PROVISION FOR CLOSURE AND RECLAMATION

The Company recognizes 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 2% and a discount rate of 3% has been applied in calculating the present value of the future obligation. The period applied aligns to the estimated life of mine of 12.5 years, with most rehabilitation activities scheduled within the 3 years post completion of mining activities.

During the six months ended June 30, 2020 the Company reassessed its provision for closure and reclamation through specialist studies

	BISIE
Balance, December 31, 2018	6,698,579
Unwind of provision during the year	65,673
Reassessment of provision value 2019	(43,391)
Balance, December 31, 2019	6,720,861
Unwind of provision during the period	33,036
Balance, June 30, 2020	6,753,897

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19. 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 1,180,367,816 common shares were issued and outstanding at June 30, 2020.

B. CHANGES IN ISSUED CAPITAL STOCK AND RESERVES DURING THE SIX MONTHS ENDED JUNE 30, 2020

On May 13, 2020 the Company issued for cash on a non-brokered private placement basis 100,819,541 common shares at a price of C$0.14 for gross proceeds of approximately C$14,114,736 (approximately US$10.01 million). The Company also completed concurrent shares for debt transactions of C$29,610,000 (approximately US$21 million) that resulted in the issuance of 211,499,998 additional common shares at a deemed price of C$0.14 per share. Of this amount, 191,357,143 common shares were issued to Tremont for the assignment and transfer by Tremont to Alphamin of US$19 million of the amount owning to Tremont under the senior secured credit facility made to Alphamin's 80.75% subsidiary, Alphamin Bisie Mining S.A. A further 20,142,856 common shares were issued to arm's length third-party creditors of AFM under similar debt settlements. An aggregate of 312,319,539 common shares were issued in the Offering (approximately US$31.01 million).

As partial consideration for the amendments to the Credit Facility, Alphamin issued to two arm's length lenders, Sprott Private Resource Lending (Collector), L.P. and Barak Fund SPC Limited, an aggregate of 2,014,284 common shares at a deemed price of C$0.14 per share

Share issue costs of $102,930 were incurred and offset against Capital stock in connection with the placement.

C. CHANGES IN ISSUED CAPITAL STOCK AND RESERVES DURING THE SIX MONTHS ENDED JUNE 30, 2019

On April 8, 2019 the Company raised gross proceeds of US$12 million by issuing 79,800,000 equity units (the "Units").

Each Unit was priced at C$0.20 and consists of one common share in the capital of the Company (each a "Share") and one common share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder to purchase one additional Share (a "Warrant Share") at a price of C$0.30 per Warrant Share for a period of 36 months from the closing.

Share issue costs of $64,293 were incurred and offset against Capital Stock in connection with the placement.

D. STOCK OPTIONS

A summary of the stock option plan and principal terms is set out below.

The Plan provides that the number of common shares that may be purchased under the Plan is a rolling maximum which shall not exceed 10% 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. 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 5% 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 2% 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 2% 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 options 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, 2020 are as follows:

	Options outstanding	
	Number of options #	Weighted average exercise price CAD$
Balance, December 31, 2018 and December 31, 2019	14,142,415	0.29
Options forfeited during the period	(1,887,699)	0.27
Balance, March 31, 2020	12,254,716	0.27
Options issued during the period	10,050,000	0.20
Balance, June 30, 2020	22,304,716	0.24

The following table summarises information concerning outstanding and exercisable options at June 30, 2020:

			Options outstanding and exercisable	
Number outstanding #	Number exercisable #	Expiry date	Weighted average exercise price CAD$	Remaining life (years)
1,518,077	1,518,077	Aug 15, 2020	0.20	0.12
759,038	759,038	Oct 19, 2020	0.20	0.30
293,101	293,101	Oct 15, 2021	0.30	1.29
2,762,600	1,381,300	July 25, 2022	0.35	2.07
6,921,900	-	Dec 3, 2025	0.26	5.43
10,050,000	-	June 11, 2027	0.20	6.95
22,304,716	6,235,744		0.24	

All options issued prior to the 2018 financial year vest over a three-year period (15% after one year, 35% after two years and 50% after three years). These options expire five years after the date of issue. Options issued during the 2018 financial year vest over a four-year period (33% after two years, 33% after three years and 33% after four years). These options expire seven years after the date of issue.

The Company recorded a share-based payment expense to the statement of profit/(loss) and comprehensive profit/(loss) of $196,856 for the six months ended June 30, 2020 ($217,142 for the six months ended June 30, 2019). The share-based payments expense related to options granted was determined using the Black-Scholes option pricing model and the following weighted average assumptions:

	June 2020	December 2018	July 2017	October 2016	April 2016
Forfeiture rate	-	-	-	-	-
Risk free interest rate	0.32%	2.07%	1.38%	0.67%	0.58%
Expected life of options in years	3 – 4	4.00	3.00	3.00	3.00
Volatility	70%	70%	114.20%*	137.61%*	138.50%*
Dividend rate	0.00%	0.00%	0.00%	0.00%	0.00%

**Calculated as standard deviation of the Company's historical share price*

E. SHARE PURCHASE WARRANTS

A summary of warrants activity and information concerning outstanding warrants as at June 30, 2020 are as follows:

	Warrants outstanding	
	Number of warrants **#**	Weighted average exercise price **CAD$**
Balance, December 31, 2018 and March 31, 2019	131,129,346	0.4117
Warrants issued on April 8, 2019	79,800,000	0.3000
Balance, December 31, 2019 and June 30, 2020	210,929,346	0.37

All warrants issued in private placements were accounted for as a financial liability. See Note 17 for further details. 41,257,065 warrants expired post quarter end. Of the remaining warrants 89,872,281 expire in January 2021 and 79,800,000 expire in June 2022.

F. TRANSACTION WITH NON-CONTROLLING INTEREST

The issue of shares in Alphamin Bisie Mining SA (ABM) to the Industrial Development Corporation of South Africa (IDC) for $7,000,000 during the year ended December 31, 2015 was accounted for as a shareholder transaction resulting in an increase of the non-controlling interest of $6,996,951. The balancing $3,049 was taken to equity in line with IFRS 10. The receipt of the third tranche from the IDC in the amount of $3,000,000 in May 2016 resulted in an additional increase in the non-controlling interest of $2,798,969. The balancing $201,031 was taken to equity in line with IFRS 10. See Note 15 for additional information. The IDC invested an additional $6,613,152 in ABM in December 2017. The transaction was accounted for as a shareholder transaction resulting in an increase of the non-controlling interest of $8,229,107. The balancing $1,615,955 was taken to equity in line with IFRS 10. During the year ended December 31, 2018 the IDC invested a further $7,086,834 in ABM, resulting in an increase in non-controlling interest of $8,982,021. The balancing $1,895,187 was taken to equity. During the year ended December 31, 2019 the IDC contributed an additional $4,588,235 to maintain their pro rata shareholding pursuant to the Company equity raised in June 2018 and April 2019 which were injected into ABM as equity financing. The transaction was accounted for as a shareholder transaction resulting in an increase in the non-controlling interest of $4,305,778. The balancing $282,457 was taken to equity. The IDC and the DRC government maintained their 14.25% and 5% interests in ABM following the transactions.

Post quarter end the Alphamin increased its stake in ABM to 84.14% through the capitalisation of ABM following on from the capital raise completed in May 2020.

20. 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/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
Company	**June 30, 2020**	**December 31, 2019**	**June 30, 2020 USD**	**June 30, 2019 USD**	**June 30, 2020 USD**	**December 31, 2019 USD**
Alphamin Bisie Mining SA	19.25%	19.25%	(297,142)	(1,137,414)	29,073,652	29,370,794

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, 2020	December 31, 2019
Current assets	39,159,302	40,104,585
Non-current assets	209,890,549	218,974,012
Total assets	**249,049,851**	**258,898,597**
Current liabilities	64,555,656	40,580,213
Non-current liabilities	59,056,934	91,337,527
Equity	125,437,261	126,980,857
Total liabilities and equity	**249,049,851**	**258,898,597**
Revenue	100,170,944	27,221,062
Operating expenses	(101,155,559)	(34,257,646)
Income tax expense	(573,934)	(7,784,416
Net loss for the period/year	**(1,558,549)**	**747,832**
Attributable to owners of the Company	(1,261,407)	603,874
Attributable to non-controlling interest	(297,142)	143,958

21. REVENUE

REVENUE	June 30, 2020 US$	June 30, 2019 US$
Revenue from contracts with customers	100,149.056	-
Other income	21,888	-
Total Revenue	100,170,944	-

Revenue consists of sales of tin concentrate and is recognised when the product is delivered to the customer. The Company amended the terms of its contract in November 2019 to allow for delivery at the mine site. Control and risk pass to the customer under the terms of this amendment at the mine site. The first sales delivered to the customer under these revised terms were made in February 2020.

A provision of 5% of provisional invoice sales for the first five months of the year has been made against the revenue number due to uncertainty created by discrepancies between smelter assays and the onsite independent ALS laboratory assays first noted in late May 2020.

Other income refers to price differences between provisional invoicing and final invoicing. Provisional invoices are raised at spot based on the LME 3 month Offer price on the day prior to invoicing. Final invoice prices are determined by the average of the calendar month 3-month LME Offer price in the month following delivery. Post quarter end, the Company commenced fixing final prices before delivery to reduce tin price exposure during the COVID-19 period. There were no invoice finalisations in the quarter ended June 30, 2020.

22. COST OF SALES

COST OF SALES	Six months ended June 30, 2020	Six months ended June 30, 2019	Three months ended June 30, 2020	Three months ended June 30, 2019
Treatment costs	(11,247,079)	-	(4,188,290)	-
Transport and selling costs	(15,316,768)	-	(5,573,839)	-
Mine operating costs	(26,972,019)	-	(13,967,278)	-
Inventory movement	(16,306,641)	-	1,223,393	-
Royalties	(3,178,066)	-	(1,076,900)	-
Depreciation, depletion and amortization	(13,027,288)	-	(6,334,118)	-
Cost of Sales total	(86,047,861)	-	(29,917,032)	-

The Company achieved commercial production on September 1, 2019. As a result, there is no corresponding cost of sales in the first quarter of 2019. The inventory movement balance includes depreciation of $5,639,095.

23. GENERAL & ADMINISTRATIVE

GENERAL AND ADMINISTRATIVE	Six months Ended June 30, 2020 USD	Six months Ended June 30, 2019 USD	Three months Ended June 30, 2020 USD	Three months Ended June 30, 2019 USD
Accounting, audit and legal	359,983	344,922	214,057	44,898
Political risk insurance	1,285,066	-	573,937	-
Administrative	535,622	396,021	195,997	263,121
Bank charges and interest	553,747	214,676	270,696	97,123
Consulting fees	358,086	1,326,280	187,142	1,291,356
Directors fees	139,412	154,235	69,706	79,117
Depreciation (Note 3)	240,982	26,886	109,735	21,142
Management fees and salaries	817,265	2,634,567	390,538	1,466,059
Share-based payments (Note 6)	196,856	217,142	108,396	107,302
Telecommunication costs	226,913	127,016	114,938	68,893
Insurance	503,401	29,321	247,955	14,359
Investor relations, filing and transfer fees	66,063	75,004	36,139	40,998
Safety & security	571,351	-	303,968	-
Medical expenses	683,152	-	334,147	-
Medical expenses	683,152	-	334,147	-
Community development	1,205,226	-	602,250	-
Environmental provision unwind	33,036	-	16,518	-
Other borrowing costs	1,152,618	-	1,138,765	-
Travel and accommodation	793,708	404,906	213,662	254,874
Total General & Administrative costs	9,722,397	5,950,956	5,128,576	3,749,242

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.

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, share purchase warrants and debt. Changes in the equity accounts of the Company are disclosed in Note 19 and changes in debt is disclosed in Note 16 and 29. 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

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. The Company has procedures in place to minimise its exposure to credit risk. Company management evaluates credit risk on an ongoing basis, including evaluation of counterparty credit rating and counterparty concentrations measured by amount and percentage. 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. At June 30, 2020, 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 2-5 days of delivery of product to delivery points as agreed with the customer.

As at year end substantially all of the cash and cash equivalents balance was concentrated with Standard Bank group. Standard Bank's average credit rating is Ba1. The Company's maximum exposure to credit risk at the reporting date is as follows:

Item	June 30, 2020 USD	December 31, 2019 USD
Cash and cash equivalents	7,009,202	5,941,243
Accounts receivable	-	1,485,687
Environmental deposits	264,066	264,066
Total	7,273,268	7,690,996

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 generate enough revenue to meet these obligations.

The Company manages its liquidity risk by maintaining a sufficient cash balance 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 16 for additional information on repayment terms. The Company's accounts payable and accrued liabilities arose as a result of development, mine operating expenses and corporate expenses. Payment terms on these liabilities are typically 30 to 120 days from receipt of invoice. The following table summarises the remaining contractual maturities of the Company's financial liabilities:

	Within 1 Year June 30, 2020 USD	**Between 1 and 2 Years June 30, 2020 USD**	**Between 2 and 5 Years June 30, 2020 USD**	**Greater than 5 Years June 30, 2020 USD**
Long term debt	15,476,769	20,803,467	20,803,467	-
Long term debt – related parties	2,506,484	5,012,968	5,012,968	-
Future Interest on Long term debt	5,082,631	3,899,129	1,373,144	-
Future Interest on Long term debt – related parties	519,678	706,097	248,664	-
Lease payments	1,080,103	726,150	327,225	-
Trader advances	401,576	-	-	-
Accounts payable and accrued liabilities	14,231,816	1,053,375	-	-
Accounts payable and accrued liabilities – related parties	94,413	-	-	-

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 and has established policies and procedures for mitigating its exposure to foreign exchange fluctuations.

The fair value movements accounted for warrants (refer Note 17) are non-cash in nature.
The Company was previously exposed to tin price risk on the time of provisional pricing on delivery of cargo and the final invoice price which was based on the average of the calendar month post delivery.

Post period end the Company eliminated provisional pricing and is currently final pricing product prior to delivery to the customer.

The Company requires tin prices to be at or above break-even levels to continue as a going concern.

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). A 10% fluctuation in the USD against the Canadian dollar or ZAR would affect the net result by insignificant amounts.

Interest Rate Risk
As at June 30, 2020 the Company owed US$ 67,935,183 towards its debt facility (refer Note 16). These loans are exposed to variable interest rates. A 1% change in the variable interest rates would not have had a material impact on the finance cost incurred during the year. The Company does not earn significant interest on cash balances.

D. FAIR VALUE MEASUREMENT

At June 30, 2020 and December 31, 2019, the carrying values and the fair values of the Company's financial instruments are shown in the following table.

	June 30, 2020	June 30, 2020	December 31, 2019	December 31, 2019
	Carrying value USD	Fair value USD	Carrying value USD	Fair value USD
Financial assets				
Cash and cash equivalents	7,009,202	7,009,202	5,941,243	5,941,243
Environmental deposits in DRC	264,066	264,066	264,066	264,066
Financial liabilities				
Debt	11,048,929	11,048,929	29,636,371	29,636,371
Debt – related parties	53,935,352	53,935,352	64,932,161	64,932,161
Accounts payable and accrued liabilities	12,713,717	12,713,717	20,547,720	20,547,720
Accounts payable and accrued liabilities – related parties	94,413	94,413	671,588	671,588
Warrants	1,589,936	1,589,936	3,159,082	3,159,082

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 (all within Level 3 of the fair value hierarchy).

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

Profit/(loss) per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of common shares issued during the year. Diluted loss per share is determined by adjusting the weighted average number of shares for all potential dilutive effects. For the year ended June 30, 2020.

The following table summarises the components of the calculation of the basic and diluted loss per share:

	June 30, 2020 USD	June 30, 2019 USD
Loss attributable to equity shareholders	(2,439,277)	(4,483,189)
Weighted average number of shares issued and outstanding	949,393,239	823,030,660
Loss in cents per share	(0.26)	(0.54)

The Company's shares are also listed on the Johannesburg Stock Exchange Alt.X which requires the Company to present headline and diluted headline loss per share. Headline loss per share is calculated by dividing headline loss attributable to equity holders of the Company by the weighted average number of common shares issued and outstanding during the year. Diluted headline loss per share is determined by adjusting the weighted average number of shares for all potential dilutive effects. For the period ended June 30, 2020.

There were no adjustments to loss attributable to equity shareholders for the purposes of calculating headline loss attributable to equity shareholders and hence the loss/profit per share is the same as the headline loss/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, 2020	December 31, 2019
Property, plant and equipment	1,583,654	2,213,654

28. SEGMENTED INFORMATION

The Company considers its business to consist of one reportable operating segment, being the extraction 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.

29. SUBSEQUENT EVENTS

1. Increase in ownership of subsidiary

Pursuant to the Company capital raise and debt restructure completed in May 2020, post quarter end the Company completed the capitalization of subsidiary ABM resulting in an increased ownership from 80.75% to 84.14%.

2. COVID-19 update

The Company has continued uninterrupted throughout the Covid-19 pandemic. In the unlikely event that operations cease at the Bisie tin mine due to a COVID related stoppage, it could have a material impact on the Company's ability to service its debt and accounts payable.

3. Approval of a fine tin recovery plant and a drilling campaign at Mpama South

Subsequent to period end, the Board approved $4,6 million to erect a fine tin recovery plant to treat the tailings stream from the current gravity plant at the Bisie tin mine in order to recover fine tin particles. The fine tin recovery plant has the potential to increase payable tin production by 400-800 tons per year at a low incremental operating cost. The project is expected to be completed in 11 months' time.

The Board also approved a 6,000 metre drilling campaign at the Company's Mpama South prospect located one kilometre south of the existing processing plant. The aim is to delineate a maiden mineral resource for Mpama South in approximately 9 months' time.
The directors are not aware of any other significant matter or circumstance arising after the reporting period up to the date of these financial statements.