UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019 AND 2018

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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 RESOURCE CORP. **Consolidated Statements of Financial Position** **As at** **(Expressed in US dollars)**	**September 30 2019** **$**	**December 31, 2018** **$**
ASSETS		
Current assets		
Inventory (Note 4)	13,048,407	3,235,080
Accounts receivable	4,141,523	-
Prepaids and other receivables (Note 3)	5,617,459	3,738,294
Cash and cash equivalents	765,360	17,105,121
Total current assets	23,572,749	24,078,495
Non-current assets		
Plant and equipment (Note 5)	263,526,196	3,937,903
Prepaids and other receivables (Note 3)	264,066	265,566
Mine under construction (Note 6)	-	226,687,700
Exploration and evaluation assets (Note 7)	2,301,450	2,201,450
Total non-current assets	266,091,712	233,092,619
Total assets	289,664,461	257,171,114
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	19,447,065	6,734,612
Accounts payable and accrued liabilities - related parties (Note 10)	439,650	295,833
Long term debt - due within one year - related parties (Note 13)	7,679,973	-
Long term debt - due within one year (Note 13)	16,828,976	-
Warrants (Note 11)	6,458,686	5,711,219
Total current liabilities	50,854,350	12,741,664
Non-current liabilities		
Provision for closure and reclamation (Note 12)	6,698,579	6,698,579
Long term debt (Note 13)	47,005,827	55,543,156
Long term debt - related parties (Note 13)	21,455,935	25,352,945
Total non-current liabilities	75,160,341	87,594,680
Stockholders' Equity		
Capital stock (Note 9)	180,772,545	173,134,433
Reserves (Note 9)	9,813,463	9,500,151
Foreign Currency Translation Reserve	(1,511,737)	(1,511,737)
Accumulated deficit	(53,198,193)	(49,209,135)
Stockholders' equity	135,876,078	131,913,712
Non-controlling interest	27,773,692	24,921,058
Total equity	163,649,770	156,834,770
Total liabilities and equity	289,664,461	257,171,114

Approved and authorised by the Board of Directors on November 11, 2019.

(Signed) **(Signed)**

BRENDON JONES, DIRECTOR **RUDOLF PRETORIUS, DIRECTOR**

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

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

ALPHAMIN RESOURCES CORP. Consolidated Statements of Loss For the periods ended (Expressed in US dollars)	For the Nine Months Ended 30 September 2019 US$	For the Nine Months Ended 30 September 2018 US$	For the Three Months Ended 30 September 2019 US$	For the Three Months Ended 30 September 2018 US$
Revenue	7,426,887	-	7,426,887	-
Costs and Expenses				
Cost of sales	(5,876,045)	-	(5,876,045)	-
General and administrative expenses	(9,241,963)	(7,659,829)	(3,335,412)	(4,080,672)
Income before finance costs and income taxes	(7,691,121)	(7,659,829)	(1,784,570)	(4,080,672)
Warrants	3,550,128	5,982,264	3,267,541	3,450,302
Finance income	3,578	1,751	-	279
Finance costs	(1,512,975)	-	(1,512,975)	-
Income before taxation	(5,650,390)	(1,675,814)	(30,004)	(630,091)
Income tax expense	(74,269)	-	(74,269)	-
Net loss and total comprehensive loss for the period	(5,724,659)	(1,675,814)	(104,273)	(630,091)
Loss and total comprehensive loss attributable to ;				
Equityholders	(3,989,058)	(235,425)	494,131	1,164,071
Non-controlling interests	(1,735,601)	(1,440,389)	(598,404)	(533,701)
	(5,724,659)	(1,675,814)	(104,273)	(630,091)
Net Loss Per Share – Basic and Diluted (Note 18)	(0.01)	(0.00)	(0.00)	(0.00)
** Weighted average number of shares used in the calculation of net loss per share	837,575,905	715,652,393	866,033,993	786,233,993

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 Nine Months Ended September 30 2019	For the Nine Months Ended September 30 2018	For the Three Months Ended September 30 2019	For the Three Months Ended September 30 2018
Cash Flows From Operating Activities				
Net loss before for the period/year	(5,728,237)	(1,677,565)	(104,273)	630,091
Adjustments for items not involving cash				
Share-based payments	313,312	239,110	96,170	61,438
Warrants	(3,550,128)	(5,982,264)	(3,267,541)	(3,450,302)
Loss on write off of assets	-	503,345	-	-
Interest expense	1,282,734		1,282,734	-
Depreciation	1,673,162	313,086	1,646,296	108,506
Change in working capital items:				
Accounts receivable	(4,141,523)	-	(3,247,591)	-
Prepaids and other receivables - current	(1,831,715)	496,777	(1,793,880)	269,298
Change in inventory	(9,813,327)	(948,406)	(3,793,652)	(470,553)
Accounts payable and accrued liabilities	8,712,453	3,102,562	1,093,337	1,224,649
Due to related parties	143,817	(52,635)	63,394	28,000
Cash used in operations	(12,939,452)	(4,005,990)	(8,025,006)	(1,598,873)
Interest income	3,578	1,751	-	279
Net Cash Used in Operating Activities	(12,935,874)	(4,004,239)	(8,025,006)	(1,598,594)
Cash Flows From Investing Activities				
Purchase of equipment	(777,578)	(970,624)	138,568	(250,600)
Investing in mine under construction	(19,004,301)	(81,052,749)	2,016,200	(26,790,678)
Prepaids and other receivables - non current	(45,950)	(97,275)	1,500	(30,912)
Net Cash Used in Investing Activities	(19,927,829)	(82,120,648)	2,056,268	(27,072,190)
Cash Flows From Financing Activities				
Issue of shares by subsidiary company (Note 7)	4,588,235	7,086,834	4,588,235	-
Proceeds from drawdown of long term debt	-	25,000,000	-	-
Proceeds from common stock and warrants	11,935,707	55,235,377	-	-
Net Cash Provided by Financing Activities	16,523,942	87,322,211	4,588,235	-
(Decrease)/Increase in cash and cash equivalents	(16,339,761)	1,197,324	(1,380,503)	(28,670,784)
Cash and cash equivalents at beginning of period	17,105,121	7,236,425	2,145,863	37,104,533
Cash and cash equivalents at end of period/year	765,360	8,433,749	765,360	8,433,749

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

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

ALPHAMIN RESOURCES CORP.

Condensed Consolidated Interim Statement of Changes in Stockholders' Equity

(Expressed in US dollars)

	Capital Stock		Reserves					
	Shares	Amount	Share-based Payment Reserve	Foreign Currency Translation Reserve	Deficit	Total Stockholders' Equity (Deficiency)	Non-Controlling Interests	Total Equity
	#	$	$	$	$	$		
Balance, December 31, 2017	522,251,209	122,298,092	9,200,050	(1,511,737)	(46,166,910)	83,819,495	17,970,282	101,789,777
Loss for the period	-	-	-	-	(1,104,407.00)	(1,104,407)	(488,387)	(1,592,794)
Private placement	169,793,397	32,482,882	-	-	-	32,482,882		32,482,882
Share based payment	-	-	88,836	-	-	88,836		88,836
Balance, March 31, 2018	692,044,606	154,780,974	9,288,886	(1,511,737)	(47,271,317)	115,286,806	17,481,895	132,768,701
Loss for the period	-	-	-	-	(295,089.00)	(295,089)	(418,301)	(713,390)
Private placement	76,800,000	14,957,094	-	-	-	14,957,094		14,957,094
Shares for debt	17,389,387	3,396,365	-	-	-	3,396,365		3,396,365
Issue of shares by subsidiary company	-	-	-	-	(1,671,362.00)	(1,671,362)	8,758,196	7,086,834
Share based payment	-	-	88,836	-	-	88,836		88,836
Balance, June 30, 2018	786,233,993	173,134,433	9,377,722	(1,511,737)	(49,237,768)	131,762,650	25,821,790	157,584,440
Loss for the period	-	-	-	-	1,164,071	1,164,071	(533,701)	630,370
Share based payment	-	-	61,438	-	-	61,438		61,438
Balance, September 30, 2018	786,233,993	173,134,433	9,439,160	(1,511,737)	(48,073,697)	132,988,159	25,288,089	158,276,248
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)	(417,727)	(1,157,834)
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)	(49,949,242)	132,270,995	24,503,331	156,774,326
Loss for the period	-	-	-	-	(3,743,082)	(3,743,082)	(719,470)	(4,462,552)
Share based payment	-	-	107,302	-	-	107,302	-	107,302
Issue of shares in pricate 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	23,783,861	159,069,638
Loss for the period	-	-	-	-	494,131	494,131	(598,404)	(104,273)
Share based payment	-	-	96,170	-	-	96,170	-	96,170
Issue of shares by subsidiary company	-	-	-	-	-	-	4,588,235	4,588,235
Balance, September 30, 2019	866,033,993	180,772,545	9,813,463	(1,511,737)	(53,198,193)	135,876,078	27,773,692	163,649,770

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 extraction and sale of tin concentrate from the Bisie Tin Project 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 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. 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.

As at September 30, 2019, the Company had accumulated losses of $53,198,193, stockholders’ equity of $135,876,078 and working capital of ($27,281,602). The Company achieved commercial production on September 1, 2019.

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 levels.

These unaudited condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying value and classification of assets and liabilities, should the Company be unable to continue as a going concern. Such adjustments could be material.

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 financial instruments classified at fair value through profit or loss, which have been measured at fair value. In addition, the 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.

2. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)*

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)
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)

**These subsidiaries were incorporated as part of the acquisition of Alphamin Bisie Mining SA (formerly called Mining and Processing Congo, SARL).*

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 Class B shares of Alphamin Bisie Mining SA, were issued to the Government of the Democratic Republic of the Congo.

The Industrial Development Corporation of South Africa Limited (IDC) has direct ownership of 14.25% of Alphamin Bisie Mining SA ("ABM"). The Government of the Democratic Republic of the Congo owns a non-diluting 5% resulting in a Company ownership of 80.75%.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 9.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

recognise more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected. No deferred tax assets have been recognised by the Company at this stage.

Impairment

Assets, including property, plant and equipment, exploration and evaluation and mine under construction, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts, which is the higher of fair value less cost of disposal ("FVLCD") and value in use. The assessment of the recoverable amounts often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, rehabilitation and restoration costs, future capital requirements and future operating performance. Changes in such estimates could impact recoverable values of these assets. Estimates are reviewed regularly by management.

Going concern

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as disclosed in Note 1. As at September 30, 2019 the Company had working capital of ($26,946,693). Achieving commercial production at sufficient grades and quantities of tin will be required for the Company to continue as a going concern.

D. CASH AND CASH EQUIVALENTS

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

E. 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 Unite States dollar on January 1, 2015, the functional currency of all group entities is the United States dollar.

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 loss and comprehensive loss.

Prior to the change in functional currency of the parent entity, the financial results and position of foreign operations, whose functional currency was different from the reporting currency were translated as follows:

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

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

F. 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 loss and comprehensive loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 sufficient 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 loss and comprehensive 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.

G. PLANT AND EQUIPMENT

Plant and equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. Depreciation is recognised using the straight-line method at the following annual rates:

Motor vehicle	3-5 years
Computer equipment	2 years
Plant and machinery	5-10 years
Land	not depreciated

H. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 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.

I. 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.

J. 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.

K. 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.

L. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. 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 amortized on a unit of production basis which is measured by the portion of the mine's economically recoverable ore reserves produced during the period.

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.

N. FINANCIAL INSTRUMENTS

Financial assets

Classification

From January 1, 2018, 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 three 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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

in profit or loss. Impairment losses are presented as separate line item in the statements of comprehensive income.

- 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
From January 1, 2018, 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 receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Until December 31, 2017, 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.

O. 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. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. NEW STANDARDS AND INTERPRETATIONS

The following new standards, amendments to standards and interpretations have been issued but are not effective during the period ended June 30, 2019. The Company has not yet adopted these new and amended standards.

IFRS 3 – Business Combinations. The amendment to the definition of a business confirmed that a business must include inputs and a process and clarified that the process must be substantive and that the inputs and process must together significantly contribute to creating outputs. Furthermore, the amendment narrowed the definition of a business by focusing the definition of outputs on goods and services provided to customers andother income from ordinary activities, rather than providing dividends or other economic benefits directly to investors or lowering costs. (i)

The Company has considered the amendment and assessed that it will have no material impact on adoption.

IAS 1 – Presentation of Financial Statements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards. (i)

The Company has considered the amendment and assessed that it will have no material impact on adoption.

(i) Effective for annual periods beginning on or after January 1, 2020

Application of new and revised standards

Newly adopted accounting standards

The following standards became effective for annual periods beginning on or after January 1, 2019.

The Company adopted these standards in the current period.

IFRS 9 – Financial instruments. The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met, instead of at fair value through profit or loss.

IFRS 16 – Leases. IFRS 16 was issued in January 2016 and will result in almost all leases being recognized on the statement of financial position by lessees, as the distinction between operatingnd finance leases has been removed. An asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases.

IAS 19 – Employee benefits on plan amendment, curtailment or settlement. The amendment uses updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IAS 28 – Investments in associates and joint ventures – long-term interests in associates and joint ventures. The amendments clarified that companies account for long-term interests in an associate or joint venture, to which the equity method is not applied, using IFRS 9.

Amendments to IFRS 2 – Share-based payments. This amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled.

Annual improvements 2015-2017 Cycle: IFRS 3 – Business Combinations and IFRS 11 – Joint arrangements. The amendment clarifies that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

Annual improvements 2015-2017 Cycle: IAS 12 – Income Taxes. The amendment clarifies that all income tax consequences of dividends should be recognized in profit or loss, regardless of how the tax arises.

Annual Improvements 2015-2017 Cycle: IAS 23 – Borrowing Costs. The amendment clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

IFRIC 23 – Uncertainty over income tax treatments. The interpretation specifies how an entity should reflect the effects of uncertainties in accounting for income taxes.

3. PREPAIDS AND OTHER RECEIVABLES

Item	September 30 2019 USD	December 31 2018 USD
Current		
Supplier prepayments	4,171,865	2,859,583
Tax prepayment**	269,205	269,205
Deferred expenses	1,176,204	
Deposits and other receivables	185	609,506
	5,617,459	3,738,294
Non-current		
Environmental deposit in DRC***	264,066	265,566
Tax prepayment**	-	-
	264,066	265,566

** Supplier prepayments relate to contractors and equipment and consumables ordered for the mine.*
***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.*

4. INVENTORY

	September 30 2018 USD	December 31 2018 USD
Tin concentrate	9,966,368	-
Consumable stores	3,082,039	3,235,080
	13,048,407	3,235,080

Consumable stores consist of items such as inventories of diesel, personal protective equipment, road building supplies, explosives and other mine and process plant related consumables.

5. PLANT AND EQUIPMENT

Description	Mining Property costs $	Buildings plant & Equipment	Total $
Cost			
Opening balance January 1, 2018	-	4,581,261	4,581,261
Additions during the year	-	1,201,400	1,201,400
Write off during the year	-	(503,345)	(503,345)
Closing balance December 31, 2018	-	5,279,316	5,279,316
Additions during the period		3,967,510	3,967,510
Transfers during the period	161,722,126	96,185,562	257,907,688
Closing balance September 30, 2019	161,722,126	105,432,388	267,154,514
Accumulated Depreciation			
Opening balance January 1, 2018	-	(513,434)	(513,434)
Depreciation expensed during the period	-	(20,040)	(20,040)
Depreciation capitalised during the period	-	(807,939)	(807,939)
Closing balance December 31, 2018	-	(1,341,413)	(1,341,413)
Depreciation during the period	(996,586)	(676,576)	(1,673,162)
Depreciation capitalised during the period	-	(590,716)	(590,716)
Closing balance June 30, 2019	(996,586)	(2,608,705)	(3,605,291)
Net closing value			
December 31, 2018	-	3,937,903	3,937,903
September 30, 2019	160,725,540	102,823,683	263,549,223

6. MINE UNDER CONSTRUCTION

	September 30, 2019 USD	December 31, 2018 USD
Opening balance	226,687,700	99,504,474
Capital additions	25,408,761	115,662,666
Capitalised pre commercial production net revenue	-2,537,838	-
Capitalised depreciation	417,855	807,939
Capitalised interest and ammortised finance fees	7,931,210	5,988,936
Rehabilitation and closure asset (Note 12)		4,723,685
Transfer to Plant and equipment	-257,907,688	
	-	226,687,700

6. MINE UNDER CONSTRUCTION (CONTINUED)

The Company achieved commercial production at the Bisie Tin Mine in the DRC on September 1, 2019. Mine under construction assets capitalized at that point were transferred to plant and equipment.

7. EXPLORATION AND EVALUATION ASSETS

Exploration and Evaluation Assets consist of:

MPAMA SOUTH	USD
Capitalised exploration costs:	
December 31, 2018	2,201,450
Costs incurred during the year	100,000
September 30, 2019	2,301,450

Exploration and evaluation assets remaining on the balance sheet at year end primarily relate to drilling expenses at the Company's Mpama South deposit. Limited infrastructure development took place at Mpama South during the year with a view to additional exploration in 2020.

MPAMA SOUTH PROJECT

The Mpama South deposit lies approximately 2 kilometers south of the Company's flagship Mpama North asset. The deposit lies in mining permit PE13155 which is valid until 2045.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2019 USD	December 31, 2018 USD
Accounts payable	14,387,765	4,096,766
Accrued liabilities	3,180,678	1,607,896
Payroll accruals	691,985	50,446
Payroll and other tax liabilities	1,186,637	210,707
	19,447,065	6,734,612

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

9. 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 866,033,993 common shares were issued and outstanding at September 30, 2019.

B. CHANGES IN ISSUED CAPITAL STOCK AND RESERVES DURING THE THREE AND NINE MONTHS ENDED SEPTEMBER 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.

C. CHANGES IN ISSUED CAPITAL STOCK AND RESERVES DURING THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 WERE AS FOLLOWS:

i. On January 22, 2018, the Company raised gross proceeds of CAD$52,815,138 ($41,261,827) via brokered and non-brokered private placements of 165,047,306 units (the "Units") at a price of CAD$0.32 per Unit. Each Unit consisted of one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of CAD$0.40 until January 22, 2021. In addition, the Company settled fees relating to the Credit Facility in the amount of $1,215,000 through the issue of 4,746,091 Units. Accordingly, a total of 84,896,692 warrants were issued in the private placements. All securities sold in the offering were subject to a hold period which expired on May 23, 2018. Share issue costs of $983,543 were incurred and offset against Capital Stock. The exercise price of the Warrants is CAD$0.40.

ii. On June 7, 2018, the Company issued 17,389,387 shares in consideration for fees relating the credit facility of $3,396,365.

iii. On June 18, 2018, the Company issued 76,800,0000 shares at CAD0.25c per share raising gross proceeds of $15,000,000. Share issue costs of $42,906 were offset against Capital Stock.

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.

9. CAPITAL STOCK AND RESERVES (CONTINUED)

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 September 30, 2019 are as follows;

	Options outstanding	
	Number of options #	**Weighted average exercise price CAD$**
Balance, December 31, 2017	8,411,754	0.29
Options issued during the year	7,235,861	0.25
Options forfeited during the year	(1,505,200)	0.35
Balance, December 31, 2018 and September 30, 2019	14,142,415	0.27

The following table summarises information concerning outstanding and exercisable options at September 30, 2019:

			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	0.87
759,038	759,038	Oct 19, 2020	0.20	1.05
759,038	759,038	Apr 15, 2021	0.20	1.54
390,801	195,400	Oct 15, 2021	0.30	2.04
3,479,600	1,739,800	July 25, 2022	0.35	2.82
7,235,861	-	Dec 3, 2025	0.25	6.18
14,142,415	4,971,353		0.27	

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 loss and comprehensive loss of $313,312 for the nine months ended September 30, 2019 ($239,110 for the nine months ended September 30, 2018).

9. CAPITAL STOCK AND RESERVES (CONTINUED)

The share-based payments expense related to options granted was determined using the Black-Scholes option pricing model and the following weighted average assumptions:

	December 2018	July 2017	October 2016	April 2016
Forfeiture rate	-	-	-	-
Risk free interest rate	2.07%	1.38%	0.67%	0.58%
Expected life of options in years	4.00	3.00	3.00	3.00
Volatility	70%	114.20%*	137.61%*	138.50%*
Dividend rate	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 September 30, 2019 are as follows:

	Warrants outstanding	
	Number of warrants #	**Weighted average exercise price CAD$**
Balance, December 31, 2017	46,232,654	0.4335
Warrants issued on January 22, 2018	84,896,692	0.4000
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, September 30, 2019	210,929,346	0.37

All warrants issued in private placements were accounted for as a financial liability. See Note 11 for further details.

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 10 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. The IDC and the DRC government maintained their 14.25% and 5% interests in ABM following the 2017 and 2018 transactions. During the period ended September 30, 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.

10. 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

10. RELATED PARTY TRANSACTIONS (CONTINUED)

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	September 30 2019 USD	December 31 2018 USD
Director and Officer fees	Directors, officers	918,155	1,230,050
Secretarial and administrative fees	Corporate Secretary	27,000	36,000
Management fees	Directors	104,175	-
Share based payments	Directors, officers	133,520	154,003

Debt due to related parties of $29,135,908 (December 31, 2018 – $25,352,945) are due to Tremont Master Holdings. The amount includes debt of $25,000,000, capitalized interest due of $5,300,113 and unamortized fees. See Note 13 for further details.

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 its mineral 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 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.

11. *WARRANTS*

On April 8, 2019 the Company issue 79,800,000 warrants in the private placement as outlined in Note 9.

The Company assessed the conditions of these warrants in terms of IAS 32 and IAS 39 and concluded that, 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 the warrants were issued as part of a private placement, rather than a rights issue, that the warrants need to be accounted for as a financial liability with fair value through profit and loss. The warrants were valued on the date of issue and the related fair value of $4,297,595 was raised as a liability (the balance of the cash received in the respective private placements was accounted for in equity as Capital Stock).

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 were revalued on September 30, 2019 using the same valuation methodology as described above and, on that date, the fair value of the warrants in issue was calculated at $6,458,686. The movement in the warrant liability was credited to the statement of loss and comprehensive loss (nine months ended September 30, 2019: Credit of $3,550,128) (Nine months ended September 30, 2018: Credit of $5,982,264). 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.

12. 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. The Company recognized a corresponding asset classified as plant and equipment. 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 2 years post completion of mining activities.

	BISIE
Balance, December 31, 2015 and 2016	-
Additions during the year	1,974,894
Balance, December 31, 2017	1,974,894
Unwind of discounted liability (capitalized)(Note 6)	59,247
Additions during the year (capitalized) (Note 6)	4,664,438
Balance, December 31, 2018 and September 30, 2019	6,698,579

13. LONG TERM DEBT

Long-term debt	Related party debt	Non-related party debt	Total
	USD	USD	USD
Balance, December 31, 2017	3,150,071	6,920,731	10,070,802
Drawdowns during the year	21,875,000	48,125,000	70,000,000
Capitalised interest	1,734,124	3,591,174	5,325,298
Fees capitalised	(1,613,637)	(3,550,000)	(5,163,637)
Amortisation of capitalised fees	207,387	456,251	663,638
Balance, December 31, 2018	25,352,945	55,543,156	80,896,101
Capitalised interest	3,540,918	7,759,144	11,300,062
Amortisation of capitalised fees	242,045	532,503	774,548
Balance, September 30, 2019	29,135,908	63,834,803	92,970,711
Due within one year	7,679,973	16,828,976	24,508,949
Due in greater than one year	21,455,935	47,005,827	68,461,762
	29,135,908	63,834,803	92,970,711

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. The credit facility provided for an initial advance of $10 million, which was drawn down in December 2017. The remaining $70 million was drawn down during 2018.

The key terms of the credit facility are:

- $80 million senior secured, non-revolving term credit facility.
- Five-year term commencing on the initial advance date.
- Coupon of 14 percent plus the greater of US dollar 3-month LIBOR and 1 percent per annum.
- Interest to be capitalized November 2019.
- Principal repayments commence on March 31, 2020, with repayments thereafter in 11 equal quarterly instalments. The Company has an option to commence repayments from July 2019 at a cost of $400,000, should the need arise
- Cash sweep of 30 percent of excess cash flow with effect from April 30, 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.

14. 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 plant and equipment, Exploration and Evaluation Assets and Mine Under Construction were 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.

15. INCOME TAX

In Mauritius, Alphamin Resources Corp. is a *Category 1 Global Business License Company* for the purpose of the Financial Services Act 2007. The Company is subject to income tax at 15%. It is, however, entitled to a tax credit equivalent to the higher of foreign taxes paid and 80% of the Mauritius tax on its foreign source income, leaving a maximum effective tax rate of 3%. Capital gains of the Company are exempt from tax in Mauritius.

The Company achieved commercial production on September 1, 2019. In the DRC, Alphamin Bisie Mining is exposed to a tax rate for mining companies of 30%. This is the main operating subsidiary of the group. At September 30, 2019, the Company had accrued for the legally legislated minimum tax of 1% of revenue. The Company expects to raise a deferred tax asset in Q4 2019.

16. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern while ramping up to target produciton and to maintain a flexible capital structure which optimises the costs of capital at an acceptable risk. The Company currently depends on shareholder equity and a credit facility of $80,000,000. The capital structure of the Company currently consists of common shares, stock options, share purchase warrants and long-term debt. Changes in the equity accounts of the Company are disclosed in Note 9 and changes in long term debt is disclosed in Note 13. 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 dispose of assets. 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.

17. 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 does not currently have in place any active hedging or derivative trading policies to manage these risks, since the Company's management does not believe that the current size, scale and pattern of its operations would warrant such hedging activities. 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 September 30, 2019, the Company has no financial assets that are past due or impaired due to credit risk defaults. 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:

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Item	September 30, 2019 USD	December 31, 2018 USD
Cash and cash equivalents	765,360	17,105,121
Other receivables – current	185	609,506
Other receivables – non-current	264,066	265,566
Total	1,029,611	17,980,193

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 long-term 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 the Company generate enough revenue 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 long-term debt was obtained to facilitate the development of the mining properties (refer to Note 6). Refer to Note 13 for additional information on repayment terms. The Company's accounts payable and accrued liabilities arose as a result of exploration, evaluation, development and corporate expenses. Payment terms on these liabilities are typically 30 to 120 days from receipt of invoice and do not generally bear interest. The following table summarises the remaining contractual maturities of the Company's financial liabilities:

	Within 1 Year 2019 USD	Between 1 and 2 Years 2019 USD	Between 2 and 5 Years 2019 USD	Greater Than 5 years 2019 USD
Long term debt	16,849,902.96	22,466,537	28,083,172	-
Long term debt – related parties	7,659,046.80	10,212,062	12,765,078	-
Future Interest on Long term debt	9,400,361	6,870,170	3,436,340	-
Future Interest on Long term debt - related parties	4,272,891	3,122,805	1,561,973	-
Unidscounted provision for closure and reclamation	-	-	-	7,830,000
Accounts payable and accrued liabilities	19,447,065	-	-	-
Accounts payable and accrued liabilities – related parties	439,650	-	-	-

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.
Other than the possible impact on the recoverable amount of the Company's mining properties carried under non-current assets, the Company's operating cash flows and financial instruments are not currently exposed to commodity price risk. The fair value movements accounted for warrants (refer Note 11) are non-cash in nature.

The Company is exposed to tin price risk on approximately one month between the time of provisional pricing on delivery of cargo and the final invoice price which is based on the average of the calendar month post delivery.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

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$). A 10% fluctuation in the USD against the Canadian dollar would affect the net loss by insignificant amounts.

Interest Rate Risk

As at September 30, 2019 the Company had drawn down US$ 80,000,000 against its long-term debt facility (refer Note 13). 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 September 30, 2019 and December 31, 2018, the carrying values and the fair values of the Company's financial instruments are shown in the following table.

	June 30, 2019	June 30, 2019	December 31, 2018	December 31, 2018
	Carrying value USD	Fair value USD	Carrying value USD	Fair value USD
Financial assets				
Cash and cash equivalents	765,360	765,360	17,105,121	17,105,121
Other receivables – current	185	185	609,506	609,506
Other receivables – non-current	264,066	264,066	265,566	265,566
Financial liabilities				
Long term debt	47,230,961	47,230,961	55,543,156	55,543,156
Long term debt – related parties	21,588,736	21,588,736	25,352,945	25,352,945
Provision for closure and reclamation	6,698,579	6,698,579	6,698,579	6,698,579
Accounts payable and accrued liabilities	18,260,428	18,260,428	6,235,789	6,235,789
Accounts payable and accrued liabilities – related parties	439,650	439,650	295,833	295,833
Warrants	6,458,686	6,458,686	5,711,219	5,711,219

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).

18. BASIC AND DILUTED LOSS PER SHARE AS WELL AS HEADLINE AND DILUTED HEADLINE LOSS PER SHARE

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 period ended September 30, 2019, the Company's diluted loss per share is identical to the basic loss per share as inclusion of stock options and warrants would be anti-dilutive.

18. BASIC AND DILUTED LOSS PER SHARE AS WELL AS HEADLINE AND DILUTED HEADLINE LOSS PER SHARE (CONTINUED)

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

	September 30, 2019 USD	December 31, 2018 USD
Loss attributable to equity shareholders	3,989,058	1,370,863
Weighted average number of shares issued and outstanding	837,575,905	732,912,958
Loss and diluted headline loss per share	0.01	0.00

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 September 30, 2019, the Company's diluted headline loss per share is identical to the headline loss per share as inclusion of stock options and warrants would be anti-dilutive.

The following table summarises the adjustments to loss attributable to equity shareholders for the purposes of calculating headline loss attributable to equity shareholders.

	2019 USD	2018 USD
Loss attributable to equity shareholders	3,989,058	1,370,863
Adjusted for;		
Loss on write off of property, plant and equipment	-	(503,346)
Headline loss attributable to equity shareholders of the company	3,989,058	867,517
Weighted average number of shares issued and outstanding	837,575,905	732,912,958
Headline loss and diluted headline loss per share	0.01	0.00

19. *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, 2019**	**December 31, 2019**	**September 30, 2019 USD**	**September 30, 2018 USD**	**September 30, 2019 USD**	**December 31, 2018 USD**
Alphamin Bisie Mining SA	19.25%	19.25%	(1,735,601)	(906,688)	27,773,692	24,921,058

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

	September 30, 2019 USD	**December 31, 2018 USD**
Current assets	23,449,443	23,789,299
Non-current assets	217,738,700	185,491,128
Total assets	**241,188,143**	**209,280,427**
Current liabilities	46,310,465	21,540,898
Non-current liabilities	103,417,767	92,094,678
Equity	93,459,911	95,655,851
Total liabilities and equity	**241,188,143**	**209,280,427**
Revenue	7,426,887	-
Operating expenses	(16,442,997)	(9,389,201)
Net loss for the year	**(9,016,110)**	**(9,389,201)**
Attributable to owners of the Company	(7,280,509)	(7,581,781)
Attributable to non-controlling interests	(1,735,601)	(1,807,420)

20. SUBSEQUENT EVENTS

Post quarter end the Company entered into an amendment to the repayment profile on its credit facility. The revised terms give the Company an option to commence capital repayments in July 2020. Should the option be exercised a cash payment of $400,000 will be payable. Capital repayments of $8.2m were previously due in March and June 2020.

The Company also revised the terms of its offtake agreement to allow for invoicing ex mine. Under normal logistical conditions this amendment will provide improved liquidity.

In late October 2019, the Maiko bridge collapsed. The bridge is on the primary export route for all of the Company's sales.