



Trading Symbols
AIM: UFO
FWB: I3A1

1 June 2022



Alien Metals Ltd
("Alien" or "the Company")

Ongoing Development towards Mining of the Hancock Iron Ore Project

Alien Metals Ltd (LSE AIM:UFO), a global minerals exploration and development company, is pleased to update the market on the Company's progress regarding the Hancock Iron Ore Project and first production commencing in 2023.

Highlights:

- Metallurgical test work programme completed and flow sheet finalised
 - Results further highlight the high-grade and low impurity nature of the Hancock deposit
- Due to the ratio of fines to lumps and low impurities of the DSO material at Hancock, Alien is in advanced discussions with potential offtake partners. These discussions have led to the delivery of marketing samples
- The Company is in preliminary discussions with a number of potential funding partners
 - Alien has been presented with a range of funding options, both equity and debt, to ensure optimum financing structure and minimal dilution
- Engagement with key stakeholders during the development and mining stages has commenced
- Key approvals and permitting advancing on schedule, overseen by experienced consultants, Greenvalues

Bill Brodie Good, Chief Executive Officer & Technical Director of Alien Metals, commented: *"The development aspects of the Hancock Iron Ore Project to be shovel ready for early 2023 are progressing very well. We are on track to have all the permitting in place, and will soon be in a position to commence mining next year. Additionally, in-depth discussions with third party contractors and potential offtake partners to enable us to get into production in 2023 are continuing".*

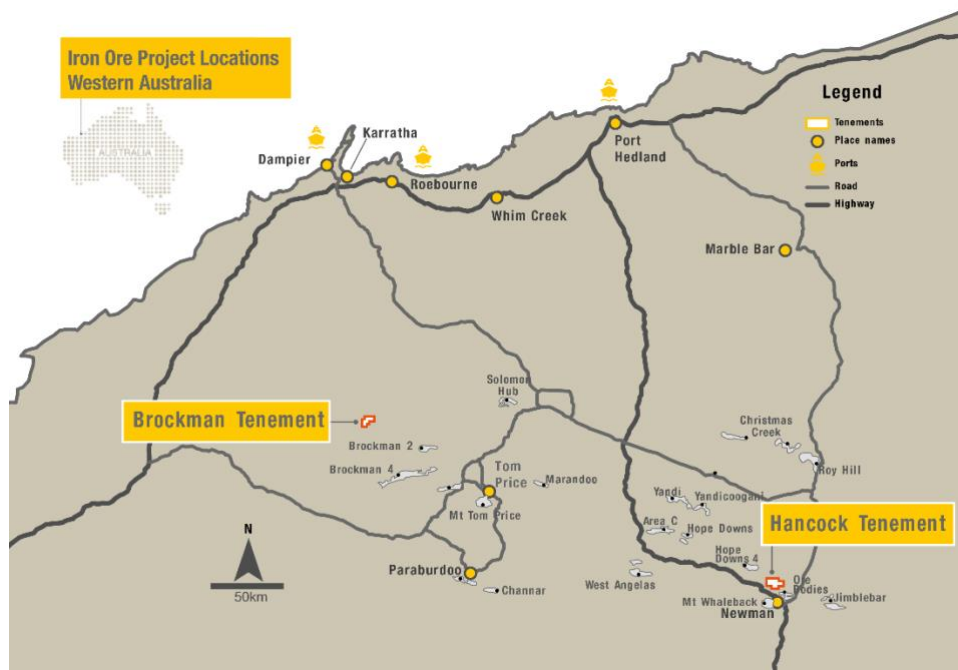


Figure 1: Location of Hancock Iron Ore Project, Western Australia

The Company continues to advance the Hancock Project towards being mine ready in early 2023. On 22 September 2021, the Company delivered a maiden JORC compliant inferred Mineral Resource Estimate at Hancock of 10.4Mt @ 60.4% Fe. The Company believes there is significant potential to grow the size of the DSO grade resource at Hancock (*see announcement dated 30 March 2022*), with three 1,400m+ long high grade targets on ridge F, and two targets on ridge G of 900m and 600m. In addition, there remains ~6.5 kilometres of additional ridges to test across the central and eastern areas of the project.

Table 1: Mineral Resource Statement, Hancock Iron Ore Project, Alien Metals, September 2021

Classification Category	Target	Mass (Million tonnes)	Average Value					
			Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %	MnO %
Inferred	Sirius Extension	7.8	60.1	4.1	3.72	0.17	5.2	0.05
	Ridge E	1.5	61.2	4.8	3.38	0.13	3.5	0.02
	Ridge C	1.1	61.9	4.4	2.93	0.12	3.5	0.03
Total		10.4	60.4	4.2	3.6	0.16	4.8	0.04

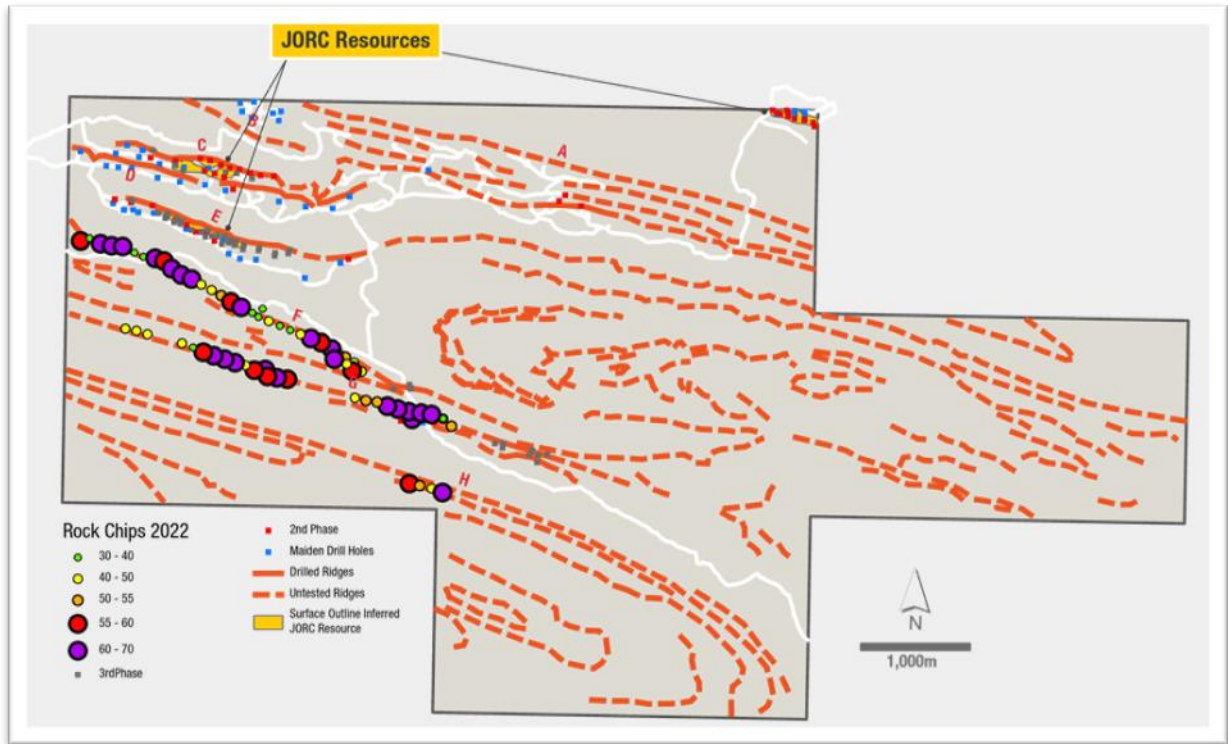


Figure 2: Location and results of rock chip sampling programme, Hancock Iron Ore Project, Western Australia, March 2022

Resource and Mine Planning

A 10cm vertical accuracy Digital Elevation Model (DEM) has been received along with a 5cm vertical accuracy photo imagery dataset of the central area of the tenement and the proposed haul road corridor. This provides the Company with detailed topography that is being incorporated into the resource update, as well as the technical planning and routing for the haul road. We expect this will aid in further exploration work as the detail in the imagery makes targeting high grade areas even more efficient.

Mining Plus Pty Ltd, in conjunction with IOCA's Geologist and Competent Person, Howard Baker, are progressing an updated scoping study incorporating the Ridge C and E resources, including updated JORC compliant pit shell, to include the current phase 4 drilling programme and mine plan optimisation work.



Figure 3: Wide flat lying depression DSO potential on Ridge H, May 2022

The Company's exploration team has re-mobilised to the site this month to conduct the Phase 4 drilling campaign that will both continue to increase the confidence and quantity of the existing JORC Resource whilst continuing to expand the potential of the project.

Howard Baker, IOCA's Resource Geologist and Competent Person, completed a site visit in May 2022. Following the visit of Mr Baker and Alien's CEO, the Company believes there is further potential across the Hancock Project. More detailed mapping will take place over the coming field season to further increase confidence in both the resources and the new drill targeting.

Metallurgical Test Work

The Company is pleased to advise that the initial bulk metallurgical test work conducted on the Hancock Project Ridge C, comprising 2.5 tonnes of excavated bulk material, has been used to add detail to the process flow sheet for the crushing and screening circuit designs once mining begins.

The test work was conducted using 2,563kg of bulk samples at the ALS laboratory in Perth. The test work's success to date confirms the quality of the iron ore to be produced from the resource area.

The test work produced a high-grade 'Fines' product with a nominal 10% lump product yield. In terms of onsite processing, the vast majority of product will be fines, meaning minimal processing will be required, resulting in lower operating costs to prepare the product for shipment.

The final report is still awaited from ALS, but provisional results are highly encouraging, with the key 62% Fe grade from preliminary results being reported with associated low deleterious elements to confirm the excellent quality of the material.

Offtake, Marketing and Funding

The ALS NATA Certified laboratory has prepared marketing samples from the Bulk Sample of about 100Kg each, soon shipped to interested parties. This allows potential buyers and offtake partners to do their own technical due diligence on the product.

The Company is currently continuing discussions with several interested potential offtake partners to support the development of the Hancock Project, including options for funding to support the path to production and guaranteed purchase of the product for a set period.

Engagement with Key Stakeholders

IOCA's development team continues to engage with all key stakeholders.

The Company continues to engage with the Pilbara Ports Authority for potential access to the Utah Point Public User Facility at Port Hedland, Western Australia. An initial meeting with the CEO of the Shire of East Pilbara to update them on the project and understand the support that IOCA could offer in the local community going forward recently took place. Alien will continue to keep these parties updated on the Company's progress.



Figure 4: Utah Point Public User Facility, Port Hedland, Western Australia

The Main Roads Department of Western Australia (MRWA) has recently approved the concept design for the intersection of the Hancock Project's haul road and the Great Northern Highway. This is a significant step, being a key aspect for permitting to transport product to port. This is now significantly advanced, allowing IOCA to proceed to a final intersection design.

Contractor Engagement

Early contractor engagement is continuing with civil construction, mining and haulage contractors to optimise the likely CAPEX and OPEX for the project and develop good working relationships with potential long-term partners. Due to the quality of the product and its relative proximity to the port in comparison to other projects in the area, the Company is receiving interest from several highly

experienced and competitive contractors, and continues to discuss options that would suit the project development.

Pleasingly, provisional pricing from likely contracting partners continues to be in line with the Scoping Study assumptions from October 2021.

The Company notes that the road transport of bulk materials, such as Iron Ore and Manganese in this region to the Utah Point facility at Port Hedland, is already a tried and tested method. From recent discussions, the Company understands this will continue to be the case. This further reduces haulage risks of the product to market, as well as providing more competitive options for the haulage of the product to market.



Figure 5: Typical 'Quad' Road Train for bulk haulage to Port Hedland

Approvals and Permitting

Work continues on permitting and approvals, with the Company's target to commence production and first ore stockpiling in early 2023.

All studies to support the permitting process are progressing well, including:

- The seasonal Flora and Fauna Studies
- Hydrogeological and Hydrological Study
- Soil and Waste Characterisation Studies

The Heritage Agreement has been lodged with the Karlka Nyiyaparli Aboriginal Corporation (KNAC), the Native Title representative group for the Nyiyaparli People. The Company is progressing for heritage survey works to be completed in the next quarter.

An initial Mining Lease area within the tenement has been surveyed, and an application has been made. A Miscellaneous Licence application for the Haul Road corridor is being finalised, and an application is in preparation.

Ongoing work

Planned activities from the IOCA development team during the September quarter include:

- Planned geotechnical ground assessment of access road and intersection
- Progress MRWA intersection design
- Water bore drilling
- Finalise crushing & screening plant flowsheet design and plant selection
- Finalise CAPEX and OPEX inputs, including pricing for intersection, haul road, mining, haulage and site establishment
- Secure offtake agreement and funding for early works
- Further resource drilling
- Upgrade JORC Resource, including maiden measured and/or indicated resources to support a maiden mining reserves

The Company looks forward to updating the market in the coming months on the progress of the Hancock Project and continues to be on track to be shovel ready in early 2023.

For further information please visit the Company's website at www.alienmetals.uk, or contact:

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Competent Person

The information in the announcement which relates to Exploration Targets, Exploration Results and the Scoping Study has been approved by Mr. Allen Maynard, who is a Member of the Australian Institution of Geoscience (“AIG”), a Corporate Member of the Australasian Institute of Mining & Metallurgy (“AusIMM”) and independent consultant to the Company. Mr. Maynard is the Director and Principal Geologists of Al Maynard & Associates Pty Ltd and have over 40 continuous years of exploration and mining experience in a variety of mineral deposit styles. Mr. Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2021 Edition of the “Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves” (JORC Code). Mr. Maynard consents to inclusion in the announcement of the matters based on this information in the form and context in which it appears.

Notes to Editors

Alien Metals Ltd is a mining exploration and development company listed on the AIM market of the London Stock Exchange (LSE: UFO). The Company's focus is on precious and base metal commodities, with its operations located in proven mining jurisdictions. It has embarked upon an acquisition-led strategy headed by a high-quality geological team to build a strong portfolio of diversified assets. In 2019, the Company acquired 51% of the Brockman and Hancock Ranges high-grade (Direct Shipping Ore) iron ore projects and with a conditional agreement to increase its interest to 90% in May 2021 also being put in place.

The Company acquired 100% of the Elizabeth Hill Silver Project, which consists of the Elizabeth Hill Historic Silver Mine Mining Lease and the 115km² exploration tenement around the mine. The Company also holds two silver projects, San Celso and Los Campos, located in Zacatecas State, Mexico, Mexico's largest silver producing state, which produced over 190m Oz of silver in 2018 alone, accounting for 45% of the total silver production of Mexico for that year. The Company also holds a Copper Gold Project in the same region, Donovan 2.

In March 2022, the Company acquired 100% of the former joint venture interest in the Munni Munni Platinum Group Metals and Gold Project in the West Pilbara, Western Australia, one of Australia's major underexplored PGE and base metals projects. Munni Munni holds a historic deposit containing 2.2Moz 4E PGM: Palladium, Platinum, Gold, and Rhodium.

Glossary

Mineral Resource - A concentration or occurrence of solid or liquid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

Inferred Mineral Resource - that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resources and must not be converted to an

Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Reverse Circulation Drilling - Often referred to as RC drilling, is a method of drilling which uses dual wall drill rods that consist of an outer drill rod with an inner tube. These hollow inner tubes allow the drill cuttings to be transported back to the surface in a continuous, steady flow. Drill results using this method with adequate QA/QC can be used in Mineral Resource Calculations

DSO – Direct Shipping Ore

Deleterious Elements – Elements that can be detrimental to the overall product, such as Phosphorus.

Green Iron Ore – High Grade > 60% Iron Ore needing lease processing for the manufacture of steel

Fe - Iron

Al – Aluminium

Ca – Calcium

K – Potassium

Mg – Magnesium

Mn – Manganese

Na – Sodium

P – Phosphorus

S – Sulphur

Si₂O₃ – Silica

Mt – Million Tonnes

BIF – Banded Iron Formation