



Trading Symbols
AIM: UFO
FWB: I3A1

11 May 2020

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

Alien to raise £275,000 to expedite precious metals exploration

Alien Metals Ltd ("Alien Metals" or "the Company"), a minerals exploration and development company, is pleased to announce that it has conditionally raised £275,000, before expenses, in a Placing and Subscription of 343,750,000 new ordinary shares ("Placing Shares") at a price of 0.08 pence per share (the "Placing"). One warrant is to be issued with every two Placing Shares, exercisable at 0.15 pence for a period of three years from Admission of the Placing Shares (the "Placing Warrants").

In addition, the Company has allotted 3,333,333 new ordinary shares of no par value in the capital of the Company at a price of 0.15 pence per share ("New Ordinary Shares") in part consideration for services provided that were invoiced in March 2020.

The proceeds from the Placing, coupled with funds raised earlier this year, will help drive exploration activities in Mexico and Western Australia and will allow the Company to examine strategic opportunities being presented to the Company in the current market.

Highlights:

- **£275,000, before expenses, raised through a Placing of new ordinary shares of no-par value**
- **Proceeds of the Placing to be utilised for high-impact exploration in Mexico and Australia**
 - **Initial scout drilling to define strike and depth potential and grades of known mineralised veins at Los Campos, following finalisation of drill permit applications**
 - **Underground sampling at the San Celso silver project to confirm high-grade zones to aid final drill planning**
 - **Completion of Elizabeth Hill acquisition ahead of detailed geological mapping and trenching program**
 - **Commission independent interpretation of all data from the Donovan 2 copper gold project to finalise priority next step field work on highly prospective targets**
 - **Finalise planning for field work on both Iron Ore projects in Australia**
- **Funds will also be used to evaluate strategic opportunities and to conduct detailed reviews on prospective new projects**

THE PLACING

The Company is pleased to announce that it has conditionally raised £275,000 (before expenses), through a Placing of 343,750,000 new ordinary shares of no-par value each in the capital of the Company (the "Placing Shares") at an issue price of 0.08 pence per share (the "Issue Price") (the "Placing"). One warrant is to be issued with every two Placing Shares, exercisable at 0.15 pence for a period of three years from Admission of the Placing Shares (the "Placing Warrants").

The Placing was arranged by Turner Pope Investments (TPI) Limited ("Turner Pope") and undertaken with a combination of certain new and existing investors.

Bill Brodie Good, Technical Director of Alien Metals, commented:

"I am pleased with the placing result and support from Turner Pope as the Company's Joint Broker.

"The proceeds of this Placing will facilitate the planned next stage exploration work in Mexico, including an independent review of all historic work on the Donovan 2 gold and copper targets, an updated underground mapping and sampling program at the San Celso silver project, further to completing a review of recently sourced valuable underground sampling data. This will be followed by initial drilling of prioritised targets within the system.

"In Australia, funds will be used to conduct further data compilation work on the Hamersley Iron Ore projects in order to plan detailed, focussed field work once access is possible. Additionally, the acquisition of the Elizabeth Hill Silver project will be completed and the Company will finalise a trenching and mapping field program.

"We believe that with careful budgeting, we can deliver high-impact exploration programs across our existing and proposed licences as soon as safe field work becomes possible both in Mexico and Australia. This placing will also allow us to actively review strategic opportunities that present themselves during the current environment."

USE OF PROCEEDS FOR WORK PROGRAMME

The net proceeds secured from the Placing will be utilised towards exploration and development of the Company's assets, including the following activities:

Mexico

Placing proceeds will be used to finalise drill permitting applications and conduct underground mapping and sampling programs at the San Celso and Los Campos silver projects, further to completing a review of recently sourced valuable underground sampling data. Based on positive results from the mapping and sampling program, the Company will look to undertake a first pass drill program with the aim of understanding the strike and depth potential of the known mineralised veins, initially at San Celso.

Alien will commission a globally respected independent group to conduct an independent review of all historic work on the Donovan 2 gold and copper project to finalise accurate drill targets, with the aim of carrying out an initial small drill program once movement and field restrictions are lifted and it would be safe to do so.

Australia

Proceeds will be used to complete the Elizabeth Hill transaction, finalise the compilation of the digital data, update resource modelling and design future work programs for the prospective silver project.

Data compilation and resource targeting work will also commence on the Company's high-grade iron ore project adjacent to Rio Tinto's and Fortescue Metals' projects in the Hamersley Ranges.

Strategic Opportunities

Funds will provide the Company with the opportunity to take advantage of strategic opportunities in the precious metals sector, with which it has been presented.

Proceeds will also be used for working capital purposes.

The Placing Price represents a discount of approximately 11.1 per cent to the closing mid-market price of 0.09p on 7 May 2020, and a discount of approximately 16.7 per cent to the 30-day VWAP of 0.096p up to 7 May 2020, being the latest practicable date before this Announcement.

The Placing is conditional on Admission of the Placing Shares to trading on AIM and, following Admission, the Placing Shares will represent, in aggregate, approximately 14. per cent of the Company's enlarged issued share capital. The Placing Shares and the New Ordinary Shares will rank *pari passu* with existing Ordinary Shares in issue and application will be made to the London Stock Exchange for the 343,750,000 Placing Shares and the 3,333,333 New Ordinary Shares to be admitted to trading on AIM. Admission of the Placing Shares is expected to become effective at 8:00 am on or around 18th May 2020.

Following Admission, the Company will have 2,365,473,273 Ordinary Shares of no par value in issue. The Company has no shares in treasury, therefore the figure of 2,365,473,273 should be used by shareholders for the calculations by which they will determine if they are required to notify their interest in, or a change of their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Broker Warrants

In addition, Turner Pope has been issued with 24,062,547 warrants to subscribe for new Ordinary Shares at 0.12 pence, exercisable for a period of three years from Admission.

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

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Notes to Editors

Alien Metals Ltd is a mining exploration and development company listed on AIM of the London Stock Exchange (LSE: UFO). The Company's focus is on precious and base metal commodities.

Alien Metals has embarked upon an acquisition-led strategy headed by a high-quality geological team to build a strong portfolio of diversified assets including two recent acquisitions in 2019. These include the Brockman and Hancock Ranges high-grade (Direct Shipping Ore) iron ore projects and the Elizabeth Hill Silver projects both located in the Pilbara region, Western Australia.

In addition to progressing and developing its portfolio of assets and following its strategic review of its portfolio of silver and precious metals projects in Mexico, Alien Metals has identified priority exploration targets within its 12 mining concessions which it is working to advance systematically. The Company's silver projects are located in the Zacatecas State, 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.