



Trading Symbols
AIM: UFO
FWB: I3A1

26 June 2019

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

Financial Results for the Year Ended 31 December 2018

Alien Metals Limited, the AIM quoted mining exploration and development company, announces the release of its audited, financial results for the year ended 31 December 2018.

The Company's full annual report including all notes to the accounts, is being sent to shareholders who requested a copy (alternatively, shareholders will receive notification by post of the availability of the annual report), from [www.alienmetals.uk/assets/docs/fs/190625 Alien 2018 Annual Report Final web.pdf](http://www.alienmetals.uk/assets/docs/fs/190625_Alien_2018_Annual_Report_Final_web.pdf).

Extracts of the Annual Report are set out below:

Chair & Chief Executive's statement

2018 was a year of significant change for shareholders with the Company changing the composition of its board and bringing in new leadership and direction; these changes continued into 2019, which saw our respective appointments to the Board in February.

The Company's former Executive Chairman, Dennis Edmonds, set a strategy of reducing corporate overheads, value accretion of the Mexican asset portfolio and acquiring or entering into joint ventures for additional projects in Mexico or other jurisdictions with an established mining community, stable political background, and where we can be assured of strong operational control.

During Dennis' tenure, good progress was made to reduce costs and, following a strategic review of the company's assets, field exploration continued to satisfy minimum expenditure requirements and progress the greenfield Donovan 2 concession to a drill ready target. The complementary disciplines of geophysical, detailed mapping and sampling and geochemical and geochemical analysis are being similarly applied to the company's other primary targets; Los Campos and San Celso.

We are committed to delivering on the strategy of acquiring one or more additional projects and are seeking to identify a suitable project that can be acquired, earned into or joint ventured at a price which will not overly dilute existing Shareholders. We intend, in making any investment, to ensure the costs and capital commitments are minimised to an acceptable level for a company of Alien's market capitalisation and capital resources.

We believe that in order to successfully grow this Group we need to focus on channelling the funds invested in it towards exploration activity, business development and acquisitions, and this is at the heart of everything we do.

The Group's work to identify suitable acquisition targets to date has included lithium projects, gold and base metals projects in a range of jurisdictions including Mexico, Sub-Saharan Africa and Australia. Alien works to a strict selection criteria centred on assessing risk, appropriate scale and likely upside.

We look forward to sharing further results from our exploration work at the Donovan 2 project, and also hopefully to reporting on the successful acquisition of a suitable project to add to the Company's portfolio.

Business overview

Strategy and business model

Alien Metals' objective is to create a multi-commodity portfolio of mining projects in jurisdictions with established mining communities, stable political backgrounds, and where strong operational controls can be assured.

The Group has operated in Mexico for over ten years during which time it has established long-term relationships with local government, communities, and key stakeholders.

Alien Metals' geological experts assess and identify projects for potential mineralisation. Wherever possible, the projects are acquired on a low-cost option basis whilst preliminary exploration is undertaken to assess the merits of further work.

The Company routinely evaluates mining projects in jurisdictions other than Mexico; during 2018, this included Namibia and the Ukraine. These evaluations have not yet led to the Company making an acquisition.

Where preliminary studies evidence sufficient mineralisation, increasingly comprehensive studies will be undertaken with a view to delineating a compliant mineral resource estimate in readiness of potential sale of the asset to a producing mining company, at which time a significant premium over its acquisition and development cost may be justified.

Financial highlights

All dollar amounts in this annual report and financial statements are US dollars, unless stated otherwise.

As at 31 December 2018, the Group had total assets of US\$0.7 million (2017: US\$1.3 million) of which US\$0.3 million (2017: US\$0.9 million) was cash. The Group had total liabilities of US\$0.1 million (2017: US\$0.1 million) of which US\$0.1 million were current liabilities (2017: US\$0.1 million).

In the year ended 2018 the Group made an operating loss of US\$1.5 million (2017: US\$1.4 million) and a loss per share of 0.3 cents (2017: 0.5 cents).

Overview of operations

During 2018, the Group completed its initial high level exploration programme over its portfolio of mining concessions covering an area of over approximately 1,500 hectares, to develop and direct future exploration work.

As at 31 December 2018, the Company held 12 fully owned mining concessions

Copper project

Donovan 2 project

The Company's 750 hectare Donovan 2 flagship project is located to the southeast of Zacatecas city and in close proximity to Alien's portfolio other wholly owned projects along the Mexican precious and base metals belt. The Teck Resources San Nicolás copper zinc deposit and Minera Frisco El Coronel gold mine are both located within 25km.

Alien Metals' preliminary exploration programme on this project, has identified several areas that exhibit pathfinder indicators of volcanogenic massive sulphide (VMS)-style mineralisation, and ground magnetic geophysics and induced polarisation have confirmed indications of sub-surface VMS-style mineralisation.

Silver projects

Los Campos project

The Los Campos project comprises four concessions covering an area of approximately 500 hectares and is located on the south side of the city of Zacatecas and bounds the Endeavour Silver El Compas gold mine. The property encompasses at least two known veins: the Los Campos vein and the San Rafael vein, and is easily accessible 15-minutes' drive from the centre of the City of Zacatecas.

The Los Campos vein system has been developed along a strike distance of 3.3km and to depths exceeding 100m. Our geological mapping and sampling discovered additional veins running either parallel or nearly parallel to the Los Campos vein.

San Celso project

The 88 hectare San Celso project is located in the historic mining district of Pánfilo Natera-Ojocaliente and is surrounded by other concessions to the south and west. It encompasses two veins: the San Celso and Las Cristinitas veins. Work carried out during 2018 resulted in the surface extension of these veins of 800 metres. Samples taken to date have evidenced grades of up to 395g/t Ag, 13,700ppm Pb, and 13,900ppm Zn.

La Africana project

The La Africana project is a strategically located project covering approximately 15 hectares, 3 kilometres south west of Pánfilo Natera. The project encompasses a past-producing mine and work carried out on the project evidences significant zones of high-grade silver mineralisation over respectable widths.

Other silver mining concessions

Alien Metals holds two additional concessions not otherwise grouped into project groupings, covering almost 142 hectares. These concessions were acquired in 2006 because of their strategic position to the San Celso project. These concessions too require further exploratory work to fully assess their economic potential.

Future outlook

The Company has benefited from fresh leadership, a new perspective, and the financial support of experienced mining professionals through the injection of additional cash resources in May 2018. The directors have taken action to reduce the Company's expenditures and to identify and acquire small but scalable projects in jurisdictions with stable governments, and in commodities considered to have strong futures, both in the short-to-medium, and long term.

Consolidated statement of comprehensive income**For the year ended 31 December 2018**

(Tabulated amounts expressed in thousands of US dollars unless otherwise stated)

	Note	2018	2017
Continuing operations			
Administrative expenses		(1,531)	(1,423)
Operating loss	4	(1,531)	(1,423)
Net investment income	6	(2)	4
Loss for the year before taxation		(1,533)	(1,419)
Tax	7	-	-
Loss for the year attributable to equity shareholders of the parent		(1,533)	(1,419)
Other comprehensive income that may be reclassified to profit or loss:			
Foreign exchange translation differences recognised directly in equity		(38)	113
Movement in equity instrument	17	(56)	(129)
Other comprehensive income for the year		(94)	(16)
Total comprehensive income for the year attributable to equity shareholders of the parent		(1,627)	(1,435)
Basic and diluted loss per share (US cents/share)	8	(0.3)	(0.5)

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

Consolidated statement of financial position**As at 31 December 2018****(Tabulated amounts expressed in thousands of US dollars unless otherwise stated)**

	Note	2018	2017
Assets			
Financial asset investments	17	78	143
Intangible assets	9	263	236
Property, plant and equipment	10	3	6
Total non-current assets		344	385
Trade and other receivables	11	94	57
Cash and cash equivalents	12	298	876
Total current assets		392	933
Total assets		736	1,318
Equity attributable to equity shareholders of the parent			
Share capital	13	53,870	52,965
Warrant reserve	13	2,183	2,166
Share-based payment reserve	13	1,057	1,389
Equity investment reserve	17	(185)	-
Foreign exchange translation reserve	13	1,903	1,941
Accumulated losses		(58,166)	(57,228)
Total equity		662	1,233
Liabilities			
Trade and other payables	15	74	85
Total current liabilities		74	85
Total liabilities		74	85
Total equity and liabilities		736	1,318

The financial statements were approved and authorised for issue by the Board of Directors on 25 June 2019 and were signed on its behalf by:

Peter Taylor
Chief Executive Officer

Consolidated statement of cash flows
For the year ended 31 December 2018
(Tabulated amounts expressed in thousands of US dollars unless otherwise stated)

	Note	2018	2017
Cash flows from operating activities			
Loss before tax from continuing operations		(1,533)	(1,548)
Adjustments for non-cash items:			
Depreciation	10	3	4
Exchange difference		30	47
Net interest receivable	6	-	(6)
Impairment of financial asset investments	17	-	129
Equity-settled share-based payment transactions		260	56
(Increase)/decrease in trade and other receivables	11	(40)	22
(Decrease) in trade and other payables	15	(18)	(20)
Cash used in operating activities		(1,298)	(1,316)
Cash flows from investing activities			
Interest received		-	1
Proceeds from sale of asset held for sale		-	400
Purchase of intangible assets	9	(27)	(22)
Acquisition of property, plant and equipment	10	(-)	(2)
Cash used in investing activities		(27)	377
Cash flows from financing activities			
Proceeds from issue of share capital and warrants	13	813	1,558
Issue costs	13	(16)	(156)
Cash from financing activities		797	1,402
Net (decrease) / increase in cash and cash equivalents		(528)	463
Cash and cash equivalents at 1 January		876	416
Effect of exchange rate fluctuations on cash held		(50)	(3)
Cash and cash equivalents at 31 December	12	298	876

Consolidated statement of changes in equity
For the year ended 31 December 2018
(Tabulated amounts expressed in thousands of US dollars unless otherwise stated)

	Share capital	Warrant reserve	Share based payment reserve	Equity investment reserve	Foreign exchange translation reserve	Accumulated losses	Total
Balance: 31 December 2016	52,396	1,333	1,417	-	1,828	(55,764)	1,210
Loss for the year	-	-	-	-	-	(1,419)	(1,419)
Foreign exchange translation differences recognised directly in equity	-	-	-	-	113	-	113
Movement on equity investment fair value	-	-	-	(129)	-	-	(129)
Total comprehensive income	-	-	-	(129)	113	(1,419)	(1,435)
Shares and warrants issued for cash	725	833	-	-	-	-	1,558
Share issue costs	(156)	-	-	-	-	-	(156)
Lapse of share options	-	-	(84)	-	-	84	-
Share based payment	-	-	56	-	-	-	56
Balance: 1 January 2018	52,965	2,166	1,389	(129)	1,941	(57,099)	1,233
Loss for the year	-	-	-	-	-	(1,533)	(1,533)
Foreign exchange translation differences recognised directly in equity	-	-	-	-	(38)	-	(38)
Movement in equity instrument	-	-	-	(56)	-	-	(56)
Total comprehensive income	-	-	-	(56)	(38)	(1,533)	(1,627)
Shares issued for cash	984	-	-	-	-	-	984
Share issue costs	(62)	-	-	-	-	-	(62)
Lapse of share options	-	-	(466)	-	-	466	-
Share based payment	-	-	134	-	-	-	134
Fair value of warrants issued	(17)	17	-	-	-	-	-
Balance: 31 December 2018	53,870	2,183	1,057	(185)	1,903	(58,166)	662

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

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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 an AIM quoted mining exploration and development company. Since the recomposition of the Board and company name change in 2018, Alien has focused on delivering its strategy of acquiring mining projects which demonstrate significant development upside, in jurisdictions with established infrastructure and mining codes, and where strong operational controls can be assured.

In addition to progressing its acquisition-led strategy, following the strategic review of its portfolio of projects in Mexico during 2018-19, the Company has identified exploration targets across its 12 mining concessions in Zacatecas, Mexico, which it is working to advance systematically.

Forward-Looking Information

This press release contains certain "forward-looking information". All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are deemed forward-looking information.

This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company as well as certain assumptions, including the availability of sufficient funds. Forward-looking information is subject to a number of significant risks and uncertainties and other factors that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realised or substantially realised, there can be no assurance that they will have the expected consequences to, or effects on the Company.

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.