

16 June 2022

Trading Symbols
AIM: UFO
FWB: I3A1

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

Financial Results for the Year Ended 31 December 2021
Notice of AGM

Alien Metals Ltd (LSE AIM:UFO), a global minerals exploration and development company, today announces the release of its audited, financial results for the year ended 31 December 2021.

The Company's full Annual Report, including all Notes to the Accounts, will be sent to shareholders, together with a Notice of Annual General Meeting (AGM) in due course, and are available on the Company's website, www.alienmetals.uk. The AGM will be held at Green Park House, 15 Stratton Street, London, W1J 8LQ on 28 July 2022 at 11.00 BST.

Extracts from the Annual Report are set out below.

Chairman & Chief Executive's Statement

2021 marked a significant year of growth as the Company, headed by a high-quality geological team, focused on its strategy to advance its assets up the value curve; with new prospects in Western Australia and significant progress on the Hancock Iron Ore Project added to our diversified portfolio, they lay the groundwork for a busy and productive year.

The impact of the Covid-19 pandemic continued to influence all aspects of the Company and the personnel for the whole year but the entire team pulled together to mitigate wherever possible any risk of infection to all employed and contracted personnel. The Company ensured all worked within their relative government guidelines to keep everyone safe while progressing where possible and safely exploration work in the field and research and business dealings in the office.

Even with the global pandemic impacting all aspects of normal life the Company was able to still achieve some significant milestones during the year notably producing a maiden JORC compliant Inferred Resource of high grade Direct Shipping Ore (DSO) grade Mineral Resource for the Hancock Iron Ore Project with additional upside to be developed in the future, carrying out an inaugural drilling programme on the Elizabeth Hill Project as well as continued study and background research to continue to develop the potential of all the Company's projects. The earn-in agreement with a mid tier Canadian Exploration and Mining company for the Donovan 2 Copper Gold project in Mexico was withdrawn following some initial work by the Canadian company including ground IP geophysical survey and 7 diamond core drill holes. There was also continued uplift in the market's awareness of the Company and its projects.

The Company's CEO and Technical Director, Bill Brodie Good, managed the Mineral Resource development work on the Hancock project while continuing to maintain and uplift all projects in the portfolio. Term sheets were signed with Artemis Resources and Platina Resources in November 2021 for the potential 100% acquisition of the Munni Munni Joint Venture Project contiguous to the Elizabeth Hill project. This deal was completed in early 2022 to continue to strengthen our portfolio

of diversified assets to encompass silver and precious metals projects in Mexico and newly acquired silver and iron ore projects in Western Australia.

In 2021, we continued to identify value generating opportunities by acquiring a significant new project within an established mining community that has a stable political background and assures a strong operation control.

During 2021, we are delighted to have finalised the acquisition of the Elizabeth Hill Silver Project in the Pilbara region of Western Australia and furthermore securing a significant new exploration licence ELA47/4422, Munni Munni North, covering some 117km² that wraps around the Elizabeth Hill Mining Licence including a significant historical data package and some surface soil samples collected in 2019 but never processed.

We are committed to continue delivering on the strategy of advancing the Company's projects through the exploration phases with our high-quality geological team's expertise while seeking to identify a suitable partner for an earn-in agreement or a joint venture at a price which will not overly dilute existing Shareholders. We intend to continue to look at all options open to the Company for specific or all projects in joining with potential partners on other projects, to ensure the costs and capital commitments are minimised.

The initial DSO Mineral Resource is a big achievement for the Company in such difficult times and has upgraded the Hamersley Iron Ore Project into a significant project with the potential to transform the Company once the next levels of work are completed but we are excited by all the early indicators of this being a significant and highly economic discovery.

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

The Company's work to identify suitable partners for a joint venture or earned-in agreement included our Mexican silver projects and gold and copper project. Alien Metals project generation is based on 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 our various sites following the completion of a single placing in November 2021, which has provided the Company with an excellent funding position for advancing all the exploration projects as well as looking at further acquisitions well into 2022.

Business Overview

Strategy and business model

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

In addition to the Group's growing activities in the premier Pilbara region of Western Australia, Alien Metals also operates in Zacatecas, Mexico, where long-term relationships with local government, communities, and key stakeholders have been built up over the last ten years.

Alien Metals' geological experts continue to assess and identify projects that fit with the Group's strategic objectives. Wherever possible, the projects are acquired on a low-cost option basis whilst preliminary exploration is undertaken to assess the merits of further work and with clear value drivers for shareholders and stakeholders alike.

Alien Metals routinely evaluates mining projects in jurisdictions other than Mexico and Australia. During the last two years, this has included West Africa, Europe and Latin America.

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 2021, the Group had total assets of \$13.0 million (2020: \$9.4 million) of which \$6.4 million (2020: \$5.4 million) was cash. The Group had total liabilities of \$0.8 million (2020: \$0.3 million) of which \$0.8 million were current liabilities (2020: \$0.3 million).

In the year ended 31 December 2021 the Group made an operating loss of \$2.3million (2020: \$1.2 million) and a loss per share of 0.065 cents (2020: 0.052 cents).

Overview of operations

During 2021, the Group completed its initial high-level review and some limited exploration work over its portfolio of mining concessions in Mexico covering an area of over approximately 1,500 hectares, ahead of maiden drilling programmes to be undertaken by Alien Metals. The Group was also active across its highly prospective Australian projects of Elizabeth Hill Silver and the Hamersley Iron Ore projects, and recently acquired Munni Munni PGE project, also in the Pilbara region of Western Australia.

As at 31 December 2021, the Company held 12 fully owned mining concessions in Mexico, and was in the process of obtaining an option to acquire an interest in 1 additional project.

Silver & Precious Metals projects

Elizabeth Hill project

The Elizabeth Hill project is situated approximately 45 km south of Karratha in the 61,000 km² Achaean Pilbara Block of the Pilbara Craton. The Project is well located, lying 40km from the deep-water port at Dampier and 8 km from rail infrastructure.

The Elizabeth Hill Silver Project was mined between 1998 and 2000 via underground mining, primarily between the 62 m and 102 m levels. Silver production totalled approximately 16,800 tonnes of ore grading 2,195g/t Ag (70.24 oz/t Ag) generating 1,170,000 ounces Ag, including some very large specimens of native silver.

In January 2022, the Group announced initial results from the drilling programme undertaken in Q4 2021. Highlights included spectacular grades, such as: 9m @ 8,326g/t silver from 15m, and 24.8m @ 829g/t silver from 2m.

Munni Munni PGE Project

On 22 March 2022, the Group announced that it had completed the acquisition of 100% of the Munni Munni PGE Project, which is strategically located ~5km south of the Elizabeth Hill Silver project. Munni Munni hosts the largest ultramafic intrusion in the West Pilbara and is one of the biggest undeveloped primary Platinum Group Elements ('PGE') Resources in Australia. The historic non-compliant JORC 2004 Resource estimate* implied 24Mt @ 2.9g/t Platinum Group Element (PGE) and gold for 2.2Moz PGE, with around 95% of this resource estimate in the Measured and Indicated categories. The historic resource hosts 1.14Moz palladium, 0.83Moz platinum, 152Koz gold and 76Koz rhodium.

Munni Munni North project

ELA 47/4422 is a 117km² tenement which wraps around the Elizabeth Hill Silver Mining Lease and includes a portion of the Munni Munni intrusive complex to the south and southwest. The highly prospective Munni Munni fault strikes north-south through the tenement and into the Elizabeth Hill ML on which the Elizabeth Hill Silver deposit is associated with. There is also some strike length of the Hunters Reef, a Platinum Group Element target geological feature related to the Munni Munni Deposit defined in the south of this ELA.

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 only 3km from the Endeavour Silver El Compas silver mine. The property contains at least two known veins: the Los Campos vein and the San Rafael vein, which were both partially mined historically.

The Los Campos vein system has been developed along a strike distance of 3.3km and to depths exceeding 100m. 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. It contains two highly mineralised veins: the San Celso and Las Cristinitas veins which were also partially mined historically. Work carried out during 2019 and 2020 confirmed the high grade of these veins.

Iron Ore projects

A wholly owned subsidiary company was created by the Company during 2021 to host the Iron Ore projects. Iron Ore Company of Australia Pty Ltd was created in November 2021

Hancock Ranges Project – 51% (moving to 90%)

The Hancock Ranges Iron Ore Project. E47/3954, is within 20kms of the Newman township and borders licences held by Fortescue Metals Group, Hancock Prospecting, BHP Billiton (Mount Whaleback), Hope Downs and Brockman Mining.

The Licence has been subject to historical exploration by Rio Tinto plc, BHP Group plc, and more recently Volta Mining Limited, where drilling intercepted mineralisation within the Brockman Iron Formation including 126m @ 60.28% Fe from surface (Hole 14SERC004).

Two drilling programmes were carried out by Alien in 2021 on the Hancock Tenement for a total of 91 holes for 5,551m. From this work a maiden JORC Compliant Mineral Resource was defined of 10.4Mt at 60.4% Fe from 3 separate deposits, the Sirius Extension, Ridge C and Ridge E from a newly discovered series of highly mineralised Iron Ore bearing ridges striking east west through the tenement. A third drilling program was started at the end of 2021 but results were not available by the end of the year to factor into this report.

An initial scoping study was also carried out following the MRE and with a projected cost FOB of \$60 USD/t to mine and a total maximum Capex of \$30m USD this bodes extremely well for the economics of the project considering Iron Ore high grade touched \$230 USD/t during 2021 and projected price for the high grade material is continuing to be strong.

Furthermore, the Company believes there is considerably more high grade iron ore to be identified on the tenement as only 20-25% of the tenement has actually been explored to date.

The Company entered into plans to acquire a further 39% of the project during 2021 but this was not concluded by the end of the year although is hoped to be early in 2022.

Brockman Iron Project – 51% (moving to 90%)

This tenement hosts part of the historic BHP Deposit 20 iron ore target and the historic BHP Deposit 19 Fe target sits on the south-eastern boundary.

This tenement is dominated by the Brockman Iron Formation which underlies the majority of the tenement area. Recent alluvial cover is prevalent and covers the indicated Brockman Iron Formation.

In 2021 the Company undertook both a Heritage Survey and an Ethnological Survey on the planned drilling area of the tenement with the Native Title party. These were both a success and the final reports were submitted late 2021 to enable the Company to apply for necessary drilling permits. A maiden drilling programme at Brockman is planned for mid 2022.

E47/4605

An application was made for the Exploration Tenement EL47/4605 covering 315 Hectares and situated at the proposed junction of a possible haul road from the Hancock tenement to the Great North Highway.

Copper project

Donovan 2 project

The Company's 750-hectare Donovan 2 project is located to the southeast of Zacatecas city and in close proximity to other wholly owned projects within Alien's portfolio within 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.

Further to the earn in agreement with Capstone Mining a more detailed ground IP survey was carried out by Capstone in November/December 2020 to further delineate drill targets. Results and targets were defined in early 2021 to coincide with planned drilling programme by Capstone. Capstone drilled 7 diamond core holes for 2125m in Q1 2021 in 7 different locations on Donovan 2. Based on the outcome of this limited drilling they withdrew from the Earn-in agreement and handed over all the data, drill core and information they had acquired for the project back to Alien Metals.

Alien Metals reviewed the work done by Capstone and planned a fresh drilling programme to target what the Company believes are more prospective targets and hope to drill them in early 2022 permitting allowing.

Future outlook

The Company entered 2021 with a strong balance sheet and a solid portfolio of advanced exploration assets in Western Australia and Mexico. Despite global challenges attributed to the COVID-19 pandemic, Alien has been able to advance its key projects, Hamersley Iron Ore, Elizabeth Hill and Donovan 2.

Throughout 2021, the Company successfully completed a number of drill programmes at the Hancock Ranges Project, which culminated in a maiden JORC resource, undertaken a maiden drilling programme at Elizabeth Hill, and commenced scoping studies and environmental baseline studies on the Hancock Ranges Project. Alien Metals is well financed, with quality assets and a growing technical team, and with the recent acquisition of the Munni Munni PGE project, looks forward to an even busier 2022 and beyond.

Consolidated statement of comprehensive income for the year ended 31 December 2021

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

	Note	2021	2020
Continuing operations			
Administrative expenses		(2,255)	(1,223)
Operating loss	4	(2,555)	(1,223)
Net finance charges	7	(3)	(3)
Loss for the year before taxation		(2,258)	(1,226)
Tax	8	-	-
Loss for the year attributable to equity shareholders of the parent		(2,258)	(1,226)

Other comprehensive income that may be reclassified to profit or loss:

Items that will or may be reclassified to profit or loss:

Foreign exchange translation differences recognised directly in equity		(24)	362
--	--	-------------	-----

Items that will not be reclassified to profit or loss:

Movement in value of equity instrument	19	-	40
--	----	---	----

Other comprehensive income for the year		(24)	402
Total comprehensive loss for the year attributable to equity shareholders of the parent		(2,282)	(824)
Basic and diluted loss per share (US cents/share)	9	(0.065)	(0.052)

All activities relate to continuing operations.

Consolidated statement of financial position as at 31 December 2021

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

	Note	2021	2020
Assets			
Financial asset investments	19	-	40
Intangible assets	10	5,939	3,641
Assets under construction	11	291	-
Right of use asset	20	131	-
Total non-current assets		6,361	3,681
Trade and other receivables	12	265	135
Cash and cash equivalents	13	6,431	5,627
Total current assets		6,696	5,762
Total assets		13,057	9,443
Equity attributable to equity shareholders of the parent			
Share capital	14	70,422	65,181
Warrant reserve	14	865	872
Share-based payment reserve	14	1,179	1,033
Equity investment reserve		-	(232)
Foreign exchange translation reserve	14	2,225	2,249
Accumulated losses		(62,420)	(59,957)
Total equity		12,271	9,146
Liabilities			
Trade and other payables	16	655	297
Short-term lease liability	20	112	-
Total current liabilities		767	297
Long-term lease liability	20	19	-
Total non-current liabilities		19	-
Total liabilities		786	297
Total equity and liabilities		13,057	9,443

Consolidated statement of cash flows for the year ended 31 December 2021

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

	Note	2021	2020
Cash flows from operating activities			

Loss before tax from continuing operations		(2,258)	(1,226)
Adjustments for non-cash items:			
Depreciation		-	1
Exchange difference		174	5
Issue of share options		166	24
Finance charges	7	3	3
(Increase)/Decrease in trade and other receivables	12	(129)	(70)
Increase in trade and other payables	16	351	176
Cash used in operating activities		(1,692)	(1,087)
Cash flows from investing activities			
Net interest expense	7	(3)	(3)
Purchase of intangible assets	10	(2,432)	(590)
Expenditure on assets under construction		(291)	-
Proceeds from sale of financial assets		40	-
Cash used in investing activities		(2,686)	(593)
Cash flows from financing activities			
Proceeds from issue of share capital	14	5,503	6,185
Issue costs	14	(303)	(371)
Exercise of options and warrants		40	971
Cash from financing activities		5,240	6,785
Net increase/(decrease) in cash and cash equivalents		862	5,105
Cash and cash equivalents at 1 January		5,627	166
Effect of exchange rate fluctuations on translation		(59)	356
Cash and cash equivalents at 31 December		6,431	5,627

Consolidated statement of changes in equity for the year ended 31 December 2021

(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 2020	56,814	261	1,121	(272)	1,887	(59,212)	599
Loss for the year	-	-	-	-	-	(1,226)	(1,226)
Foreign exchange translation differences recognised directly in equity	-	-	-	-	362	-	362
Movement on equity investment fair value	-	-	-	40	-	-	40

Total comprehensive income	-	-	-	40	362	(1,226)	(824)
Transactions with shareholders:							
Shares issued for cash	6,185	-	-	-	-	-	6,185
Share issue costs	(371)	-	-	-	-	-	(371)
Shares issued to settle creditors	6	-	-	-	-	-	6
Issue of share options	-	-	24	-	-	-	24
Exercise of share options	46	-	(55)	-	-	55	46
Share options lapsed	-	-	(57)	-	-	57	-
Project acquisitions	2,230	-	-	-	-	-	2,230
Fair value of warrants issued	(653)	981	-	-	-	-	328
Exercise of warrants	924	(369)	-	-	-	369	924
Total transactions with shareholders	8,367	612	(88)	-	-	481	9,372
Balance: 1 January 2021	65,181	872	1,033	(232)	2,249	(59,957)	9,146
Loss for the year	-	-	-	-	-	(2,258)	(2,258)
Foreign exchange translation differences recognised directly in equity	-	-	-	-	(24)	-	(24)
Total comprehensive income	-	-	-	-	(24)	(2,258)	(2,282)
Disposal of equity investment FVTOCI-movement in reserves	-	-	-	232	-	(232)	-
Transactions with shareholders:							
Shares issued for cash	5,503	-	-	-	-	-	5,503
Share issue costs	(303)	-	-	-	-	-	(303)
Issue of share options	-	-	166	-	-	-	166
Exercise of share options	17	-	(20)	-	-	20	17
Project acquisitions	1	-	-	-	-	-	-
Exercise of warrants	23	(7)	-	-	-	7	23
Total transactions with shareholders	5,241	(7)	146	-	-	27	5,407
Balance: 31 December 2021	70,422	865	1,179	-	2,225	(62,420)	12,271

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

Alien Metals Limited Bill Brodie Good, CEO & Technical Director Tel: +44 (0)20 3811 2144	Beaumont Cornish Limited (Nomad) James Biddle / Roland Cornish www.beaumontcornish.com Tel: +44 (0) 207 628 3396
Turner Pope Investments (TPI) Limited (Joint Broker) Andrew Thacker / James Pope Tel: +44 (0) 20 3657 0050	WH Ireland Ltd (Joint Broker) Harry Ansell / Katy Mitchell Tel +44 (0) 207 220 1666
Yellow Jersey PR (Financial PR) Sarah Hollins / James Lingfield alienmetals@yellowjerseypr.com Tel: +44 (0) 20 3004 9512	

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 and 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, Rhodium.

The Company was also awarded an Exploration Licence in Greenland in late 2020, which surrounds the world class Citronen Zinc-Lead deposit.