



Trading Symbols
AIM: UFO
FWB: I3A1

5 September 2022

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

Strategic acquisition agreement boosts Hancock Development

Alien Metals Ltd (AIM:UFO), a global minerals exploration and development company, is pleased to advise that its wholly owned subsidiary, Iron Ore Company of Australia Pty Ltd ("IOCA") has entered into a binding Heads of Agreement with Mallina Exploration Pty Ltd ("Mallina") to acquire a strategic tenement, currently under application with the Department of Mines, Industry Regulation and Safety DMRIS, Western Australia (the "Tenement Interest") bounding the Hancock Project (the "Project") key to the development of the Project. Alien also announces that it has applied directly for two additional exploration licences within the Hancock area, ELA47/4605 or 'Hancock West', and ELA47/4817 or 'Hancock Northwest', which provide future resource growth opportunities.

Bill Brodie Good, CEO of Alien Metals, commented: *"This is a key strategic acquisition of the tenement application located on the southwestern boundary of Hancock. This underlies the optimum route of the planned haul road to enable extraction of the iron ore from Hancock to market via the shortest and most unencumbered route. The farm-in commitment allows us to include the relevant geotechnical work required from us on the haul road. We therefore view this as coming well within our general Project budget. This is a further significant step in de-risking the Project and enabling us to have full control to get the Project into production.*

"Coupling the recent mandate agreement with Anglo America along with this agreement allows us to continue to strengthen our position to be mining at Hancock next year."

Details of the Tenement Interest and Mallina

The Tenement Interest, subject to the Agreement, is E47/3752. It is currently an application pending approval by the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS).

Mallina is a wholly owned subsidiary of Sorrento Resources Pty Ltd (Sorrento), a private Australian incorporated company with investments across the resources sector, owned by Lucine Manjian.

Hancock hosts a gross JORC compliant inferred Mineral Resource of 10.4Mt @ 60.4% Fe (Announcement: 22 September 2021). As announced earlier this year, the Project hosts significant potential to find more Direct Shipping Ore (DSO) grade material on the tenement across ridges F, G & H (announcement: 30 March 2022). The Company has identified the acquisition as a method of further fast-tracking the Hancock project negating the need for future agreements between the parties for land use in relation to the proposed haul road (see Figure 3 below).

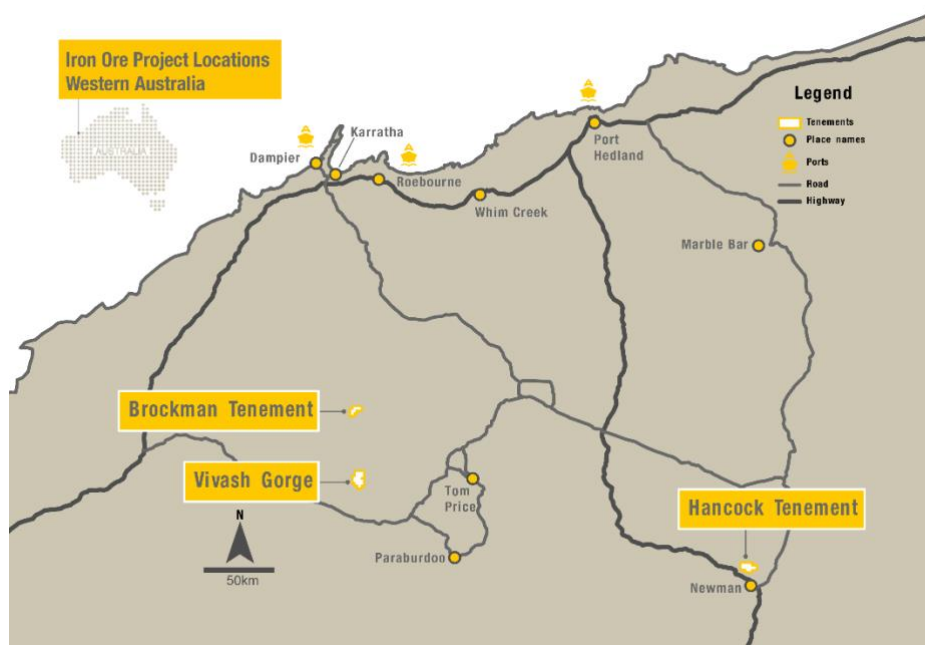


Figure 1: Location of Alien’s Iron Ore Projects, Western Australia

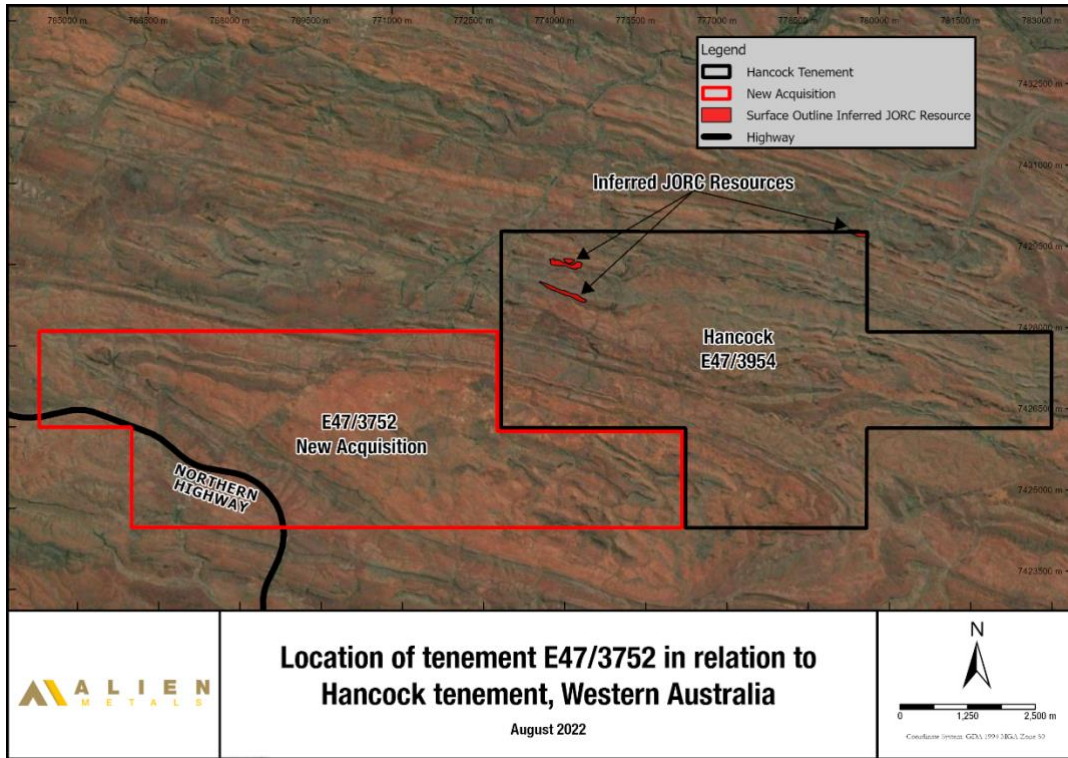


Figure 2: Location of tenement E47/3752 in relation to Hancock Tenement, Western Australia, August 2022

Alongside the acquisition of the Mallina Tenement, IOCA has also applied for two further tenements, each 3.15km² in surface area equating to a single block, around the Hancock project to further increase its holdings within this prospective region (see Figure 4). These applications have been submitted to the DMIRS and are awaiting granting.

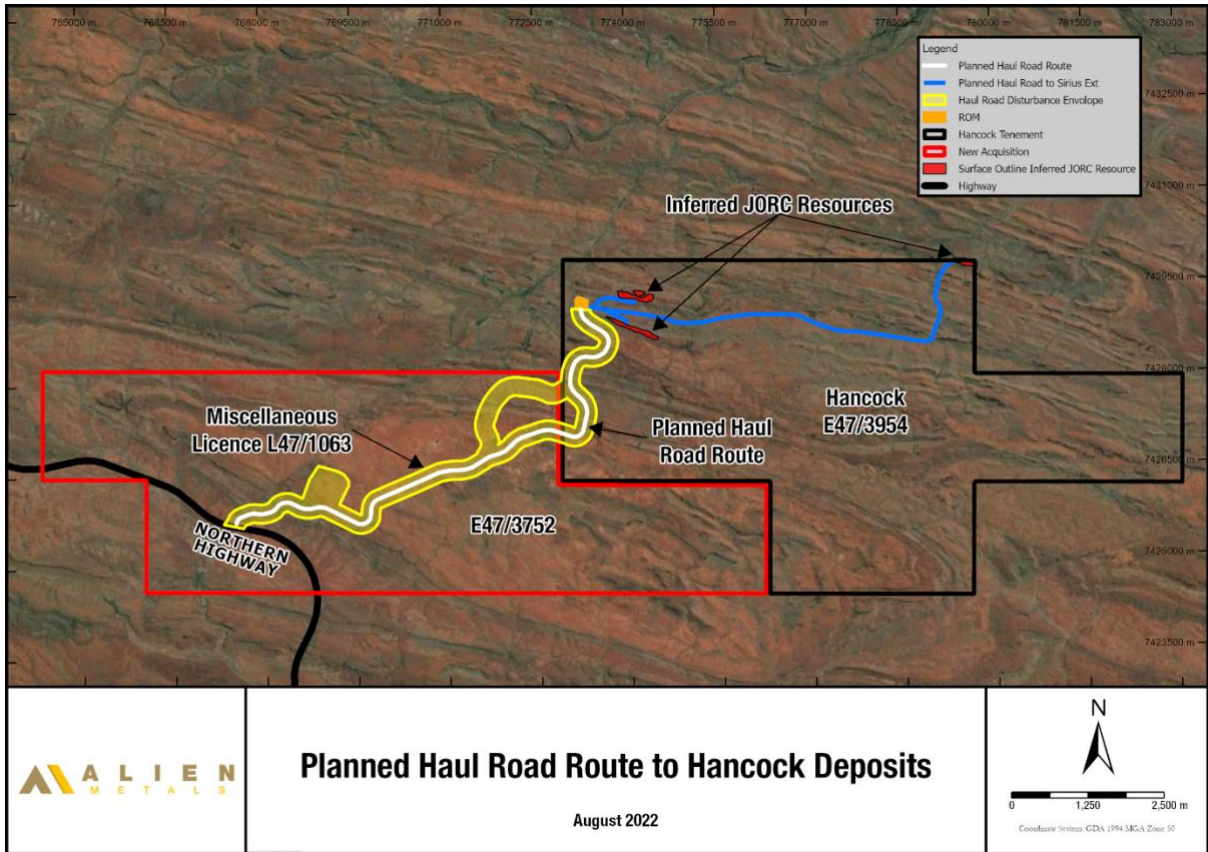


Figure 3: Planned Haul Road to Hancock deposits via E47/3752, August 2022

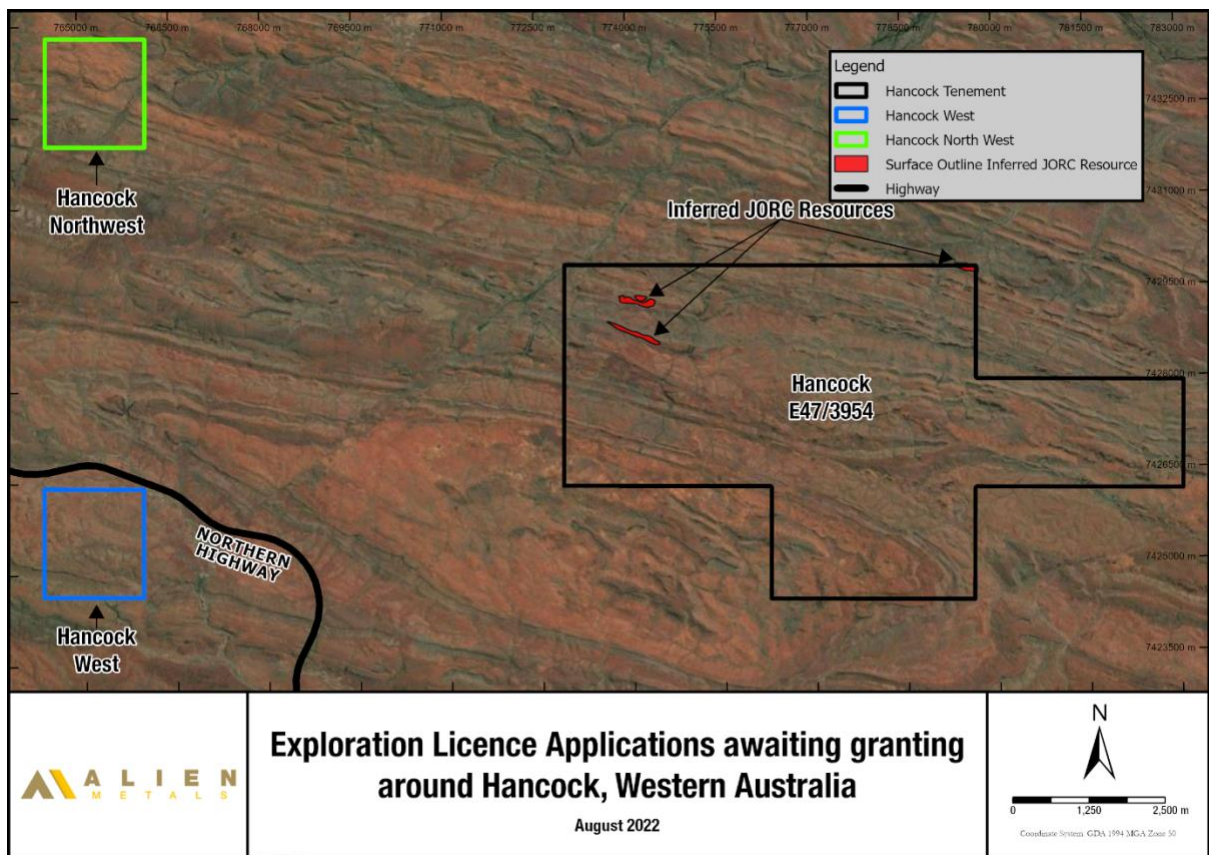


Figure 4: Location of Exploration licence applications, Hancock Northwest and West, August 2022

Key terms of the Agreement

All references in this Agreement to '\$' are to Australian dollars

1. If required by the Parties, the binding agreement will be superseded by a formal tenement sale agreement. Concurrently with signing the agreement, IOCA and Mallina will also enter into a tenement access agreement, thereby providing Alien or IOCA the right to undertake activities on the Tenement.
2. In consideration for the payment of a non-refundable cash amount of \$65,000 to Mallina within seven days of the Execution Date of the agreement (Initial Consideration), Mallina irrevocably grants IOCA the exclusive to earn 100% interest in the Tenement.
3. In order to earn the Tenement Interest, IOCA must:
 - a. within 36 months from the Tenement grant date, spend not less than \$200,000 on tenement expenditure, including not less than 1,000 metres of drilling across the Tenement (including payment of all costs, fees and expenses in pursuing the grant of the Tenement); and
 - b. ensure that the Tenement remains in good standing.
4. The transfer of the Tenement Interest is a conditional tenement grant and is on approval by DMIRS.
5. Within 30 Business Days upon the definition of a Maiden Inferred JORC Compliant Resource ("Resource") at a grade equal to or greater than 54% Fe, IOCA will pay Mallina an amount equal to \$0.50 per tonne of Resource which is located on the area of the Tenement in cash or fully paid ordinary shares in the capital of Alien, at the election of

IOCA. For clarity, this payment will only apply to that part of a Resource which is located on the area of the Tenement and the first time a Resource is declared so that if two resources are declared over the same orebody, the payment under the second resource (if the second resource is larger than the first) is reduced by the previous payment made. There will not be a second payment made if an Inferred Resource is later part of a Measured Resource;

6. Within 60 Business Days upon the earlier of:
 - a. the grant of a mining lease within the boundaries of the Tenement; or
 - b. a decision to carry out extractive commercial mining on an area within the Tenement,
IOCA will pay Mallina \$0.50 per tonne of Resource in cash or fully paid ordinary shares in the capital of Alien, at the election of IOCA; and
7. With effect on and from the date that IOCA earns its Tenement Interest, IOCA grant Mallina a 2% gross revenue royalty on any iron ore produced from the Tenement by IOCA.

Alien will update the market as more news is available on the progress of this acquisition and the development of the Hancock Project.

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 the AIM market of the London Stock Exchange (AIM: 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 executed an option agreement to increase its interest to 90% in August 2022.

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.

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 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.

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.

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 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