

**Stock Data**

Share Price:	1.10p
Market Cap:	£37.7m
Shares in issue:	3,425m
52-week high/low:	3.19p/0.07p

**Company Profile**

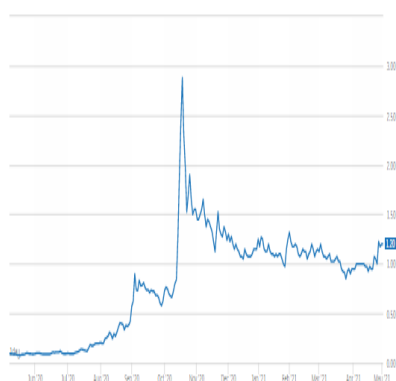
Sector:	Mining
Ticker:	UFO
Exchange:	AIM

**Activities**

Alien Metals ('Alien', 'UFO', 'the Group') holds a multi-commodity portfolio of mostly wholly owned mining projects in jurisdictions with established mining communities and a stable political background, where strong operational controls can be assured.

[www.alienmetals.uk/](http://www.alienmetals.uk/)

**1-year share price performance**



Source: [LSE](https://www.lse.com)

Past performance is not an indication of future performance.

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TPI acts as joint broker to Alien Metals Limited.

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## Alien Metals Limited

Alien has today announced that it has received initial results from the maiden drilling program on the Company's Hancock Iron Ore project ('the Project'), which is part of the Hamersley Iron Ore Project ('Hamersley'), Western Australia. Drilling completed in March on three main target areas, with 53 reverse circulation ('RC') holes for 3,350m of shallow drilling across priority high grade direct shipping ore ('DSO') targets. In addition to the known DSO grade iron ore at the Sirius Extension prospect, initial assay results from 17 of the drill holes confirm the existence of outcropping DSO grade mineralisation in initially identified ridges, while new highly prospective areas of the tenement previously not explored have been also identified as having further DSO grade potential. Significantly, the majority of assays that remain outstanding are from holes that had thick branded iron formation ('BIF') intercepts (up to 55m widths) and are expected to add to the Project's potential. Alien's fund raise of 23 November 2020, left the Group well capitalised with around £4.3m (US\$5.8m) cash available for its planned 2021 programme of works, some of which is now being allocated for a follow-up program on the Project that is expected to commence shortly.

### Best initial results from the Hancock Iron Ore project to date include:

- 26m @ 54.3 % Fe from surface, including 13m @ 61.5 % Fe from 2m depth (hole AM21RC001 006)
- 18m @ 55.1% Fe from surface (hole AM21RC001 016)
- 9m @ 55.9% Fe from 3m (hole AM21RC001 012)
- 66m of Branded Iron Formation (Hole AM21RC001 027 with results pending)

While assay results from the remaining 36 drill holes are expected to be available later this month, results already available have identified a new iron ore zone in the permit area, while interpretation work also outlines a much larger target area for follow-up work.

### Branded Iron Formation intercepts could add to the Project's potential

Initial results are from samples taken in 17 of the early holes. To date, a maximum intersection of 1m at 65.88% Fe from hole AM21RC001 006 has been reported within a significant intersection of 26m @ 54.3 % Fe from surface, including 13m @ 61.5 % Fe from 2m depth. Other results around this hole returned lower grades which suggests it intersected two different beds, one of which is a DSO grade unit while the other bears somewhat lower-grade ore. This information will assist with the targeting of priority DSO-quality mineralisation.

Noting that the majority of the 36 assays still outstanding are from holes which have had significant BIF intercepts, their results are expected to add quite considerably to the team's understanding of the tenement, with potential to add substantially to the Project's economic viability. A fourth area was identified in the southern central area and 2 holes were drilled to initially test this at the end of this program as detailed in the figure below. Hole AM21RC001 027, for example, intercepted 66m of BIF from surface and with the east-west trend of these very shallow dipping beds, this could represent a significant quantity of BIF. The figure below provides a schematic of the significant unit that defines 'ridge E', which is outcropping at surface. The holes completed at the Sirius Extension included BIF intersections of up to 46m; hole AM21RC001 035 on ridge E intercepted 47m of BIF while hole AM21RC001 024 (also on ridge E) intersected on

ridge E) intersected 44m. Given this number of large intersections, their associated results are keenly awaited.

As part of the next phase of work, management is planning for surface traverses and sampling of as yet untested parts of the tenement as well as planning a next stage drilling program in new areas where it now has greater access.

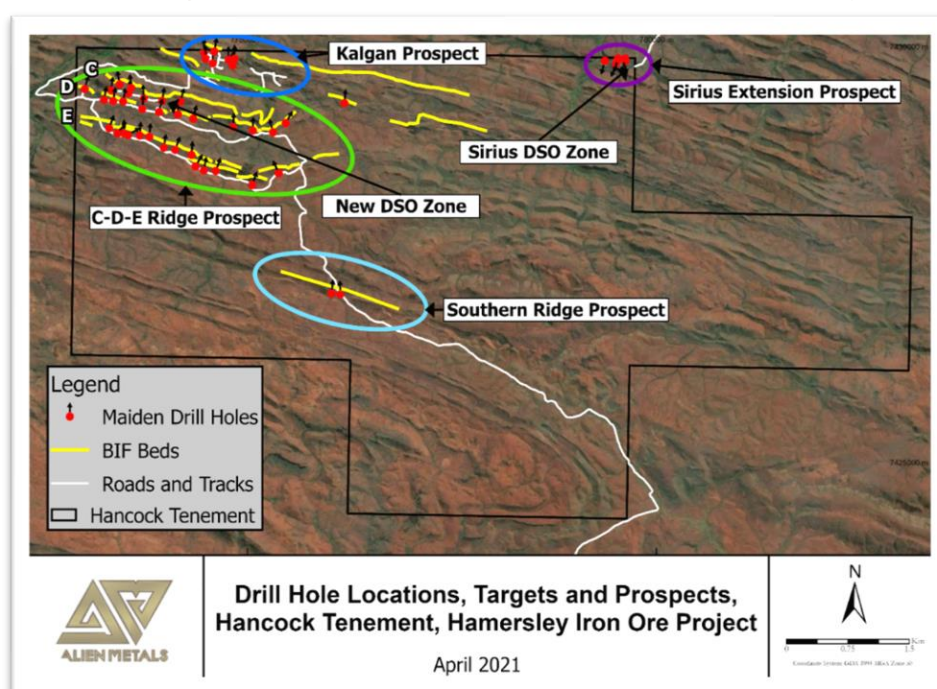
### TPI sees potential for an upward reassessment of its current valuation range

Alien is now reasonably well capitalised, which should provide a working runway beyond the end of 2021. During this time, it is expected to build upon the exceptional recent run of development progress reported across its portfolio of highly prospective base and precious metals exploration projects. These include its 51%-owned high grade Hamersley Iron Ore projects and 100%-owned Elizabeth Hill Silver Project in Western Australia as well as the newly acquired surrounding Exploration Licence, while also carrying out a maiden drilling programme at its 100%-owned Los Campos and San Celso silver projects in Mexico, while management continues to review other potential projects for acquisition that might complement the Group's existing portfolio.

In this respect, it is worth recalling that TPI recently published (25 February 2021) an updated assessment of Alien. This individually assessed each of the Group's continuing projects, from which it derived a sum-of-parts upside valuation of £82.9 million. Hamersley dominated these, contributing some £61.2 million of the total. Since then, of course, the US\$ price of iron ore has continued its dramatic, supply-constrained rise in expectation of the governments and private consortiums around the world commissioning major infrastructural projects in the relatively near-term in order to help global economies stage a recovery in the post-Pandemic environment. Presently touching a decade-long high of c.US\$189/tonne, some 15% higher than the US\$164/tonne when the note was published), together with reduced exploration risk being suggested by the positive drill results and assessments detailed in today's RNS, suggests quite significant potential for an upward reassessment. As such, TPI is now considering whether there is scope not only to reduce the aggressive 60% discount factor that was applied to this analysis (to account for remaining execution, financing and dilution risks) in expectation of being able to declare compliant resources, but also to revisit the prudent valuations apportioned elsewhere amongst the Group's exciting, albeit earlier stage, prospects. In expectation of continuing heavy news flow, Alien's share price might continue to anticipate potential for further high-impact results.

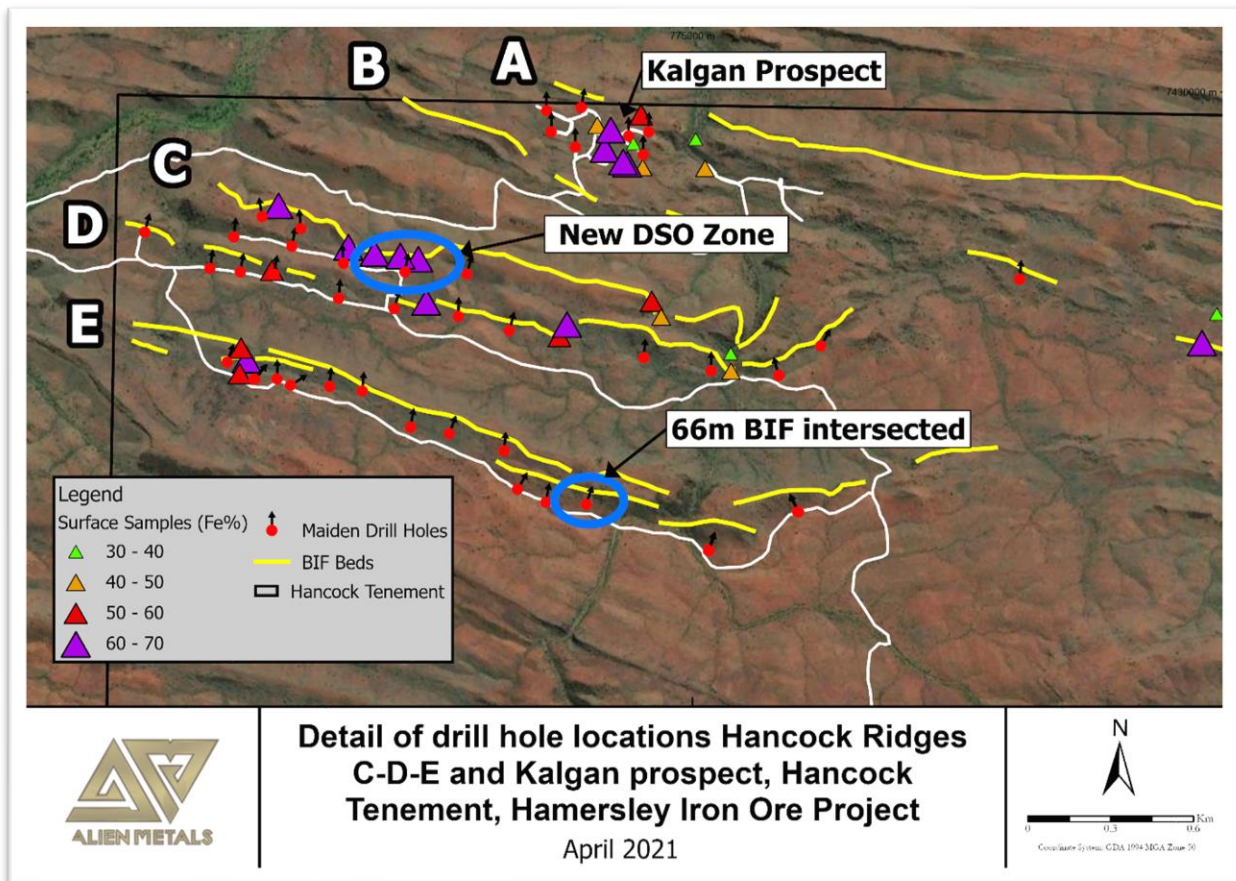
**(Please note that TPI's valuation is based on financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone. Also please note that past performance is not a reliable indicator of future results.)**

### Drill hole locations, Targets and Prospects, Hancock Tenement, Hamersley Iron Ore Project



Source: Alien, [RNS of 5 May 2021](#)

Detail of drill hole locations, Hancock Ridges A-E and Kalgan Prospect, Hancock Tenement, Hamersley Iron Ore Project



Source: Alien, [RNS of 5 May 2021](#)

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