



15 July 2024

Atalaya Mining Plc.
("Atalaya" or "the Company")

Q2 2024 Operations Update

Improved grades and continued progress at San Dionisio are expected in H2 2024

Atalaya Mining Plc (LSE: ATYM) is pleased to announce its operations update for the second quarter of 2024 ("Q2 2024" or the "Period").

Proyecto Riotinto Operating Highlights

		Q2		Q1	Full Year
		2024 ⁽¹⁾	2023	2024	2024 Guidance
Ore mined	M tonnes	3.8	3.9	3.7	16 ⁽³⁾
Waste mined ⁽²⁾	M tonnes	7.5	8.6	5.5	~25
Ore milled	M tonnes	4.1	4.1	3.7	15.3 - 15.8
Cu grade	%	0.33	0.40	0.34	0.34 - 0.38 ⁽³⁾
Cu recovery	%	85.77	87.18	84.74	84 - 86
Cu production	tonnes	11,583	14,212	10,666	45,000 - 50,000⁽³⁾

(1) Figures for Q2 2024 are preliminary and final figures will be released with Q2 2024 financial results.

(2) Represents the Cerro Colorado pit only.

(3) Represents updated guidance.

Mining

Ore mined was 3.8 million tonnes in Q2 2024 (Q2 2023: 3.9 million tonnes), compared with 3.7 million tonnes in Q1 2024.

Waste mined was 7.5 million tonnes in Q2 2024 (Q2 2023: 8.6 million tonnes), compared with 5.5 million tonnes in Q1 2024. In addition, waste stripping activities continued at the San Dionisio area.

Processing

The plant processed ore of 4.1 million tonnes in Q2 2024 (Q2 2023: 4.1 million tonnes), compared with 3.7 million tonnes in Q1 2024, which represents plant performance above its 15 million tonne per annum nameplate capacity.

Copper grade was 0.33% in Q2 2024 (Q2 2023: 0.40%), compared with 0.34% in Q1 2024, as a result of pit sequencing. Improved grades are expected in H2 2024 as mining returns to the bottom of the Cerro Colorado pit.

Copper recovery was 85.77% in Q2 2024 (Q2 2023: 87.18%), compared with 84.74% in Q1 2024, which was consistent with budget despite lower grades.

Production

Copper production was 11,583 tonnes in Q2 2024 (Q2 2023: 14,212 tonnes), compared with 10,666 tonnes in Q1 2024, mainly due to stronger plant throughput.

On-site copper concentrate inventories at the end of Q2 2024 were approximately 8,749 tonnes.

Copper contained in concentrates sold was 11,397 tonnes in Q2 2024 (Q2 2023: 12,858 tonnes).

Select Financial Highlights

Realised Copper Price

The average realised copper price (excluding QPs closed during the Period) was \$4.54/lb in Q2 2024 (Q2 2023: \$3.81/lb), compared with \$3.89/lb in Q1 2024. The average spot copper price was \$4.42/lb in Q2 2024.

Provisional Revenue Adjustments

For Q2 2024, settlement adjustments (for QPs closed during the Period) and fair value adjustments (for open QPs based on copper forward curve prices as at 30 June 2024) were negative €4.3 million.

Balance Sheet

The Company's balance sheet remains strong with unaudited consolidated cash and cash equivalents of €57.7 million as at 30 June 2024.

Net of current and non-current borrowings of €27.7 million, net cash was €30.0 million as at 30 June 2024, compared with €54.3 million as at 31 December 2023. The decrease in net cash is mainly the result of higher investments in the Company's capital projects.

Outlook for 2024

The Company is updating its FY2024 copper production guidance range to 45,000 - 50,000 tonnes (from 51,000 - 53,000 tonnes) in order to reflect H1 2024 performance. The Company continues to expect improved grades in H2 2024 as well as strong plant performance.

Operating costs have been broadly consistent with expectations and the Company will provide further updates in its Q2 2024 financial results.

Asset Portfolio Update

Proyecto Riotinto

Waste stripping continues at San Dionisio in order to prepare the area for future mining phases. Waste mined was 3.4 million tonnes in Q2 2024, compared with 4.6 million tonnes in Q1 2024.

The Company continues to advance the permitting process associated with the San Dionisio final pit, which represents a key component of the integrated mine plan outlined in the 2023 Riotinto PEA.

At San Antonio, preparations are underway to begin an infill and step-out drilling programme.

E-LIX Phase I Plant

Final construction, commissioning and ramp-up activities continue at the E-LIX Phase I plant. The successful leaching of copper and zinc concentrates has resulted in the production of zinc and copper precipitates and further progress is expected during H2 2024.

Once fully operational, the E-LIX plant is expected to produce high-purity copper or zinc metals on site, allowing the Company to potentially achieve higher metal recoveries from complex polymetallic ores, lower transportation and concentrate treatment charges and a reduced carbon footprint.

50 MW Solar Plant

Start-up of the 50 MW solar plant continues to be expected in late 2024. The Company is working closely with its contractor in order to avoid further delays in the project's schedule. Market electricity prices in 2024 have been below long-term averages in Spain.

Once fully operational, the 50 MW solar plant is expected to provide approximately 22% of Riotinto's current electricity needs. Together, the 50 MW solar plant and 10-year PPA will provide over 50% of the Company's current electricity requirements at a rate well below historical prices in Spain.

Riotinto District - Proyecto Masa Valverde ("PMV")

In 2023, the Company was granted the AAU and exploitation permit for PMV. Various workstreams are ongoing including infill, geotechnical and sterilisation drilling to support design work associated with a future ramp and ventilation shaft. The Company expects to start construction of the access ramp in late 2024 or early 2025.

Two core rigs are active and focused on step-out drilling at the Mojarra Trend and the Masa Valverde deposit.

Proyecto Touro

On 24 June 2024, Atalaya announced that Proyecto Touro, via its local entity Cobre San Rafael, was declared a strategic industrial project by the Council of the Xunta de Galicia ("XdG"). Under legislation of the Autonomous Community of Galicia, the status of strategic industrial project (or in Spanish, Proyecto Industrial Estratégico ("PIE")) acts to simplify the administrative procedures associated with the development of industrial projects and intends to substantially reduce permitting timelines.

This declaration highlights the XdG's commitment to promoting new investment that will benefit the region and also support the objectives of the European Union. Copper is considered a strategic raw material by the EU and this project has the potential to become a new source of sustainable European copper production.

In the coming months, the XdG will be reviewing the various aspects of the project according to the simplified procedures afforded to projects with PIE status. The XdG will also begin the public information period, which serves to inform the surrounding communities and organisations about the proposed project.

In addition, the Company will continue to engage with the many stakeholders in the region and restore the water quality of the rivers around Touro by operating its water treatment plant.

Proyecto Ossa Morena

Drilling continued to progress with one rig at the Guijarro-Chaparral gold-copper project where the first phase of the resource definition program was completed. Subsequently, the rig was moved to the flagship Alconchel-Pallares copper-gold project where the first hole of the 2024 campaign is in progress.

Proyecto Riotinto East

Drill testing priority coincident SkyTEM and AGG anomalies resumed during the quarter. The first hole of the 2024 campaign

was completed and a second note is in progress.

Corporate Activities Update

Move to the Main Market

On 29 April 2024, the Company announced the admission of its ordinary shares to the premium listing segment of the Official List maintained by the FCA and to trading on London Stock Exchange's main market for listed securities, along with the cancellation of trading on AIM.

The move up marks a significant corporate milestone for Atalaya and reflects the Company's desire to expand its investor base and continue its growth trajectory.

Re-domiciliation

On 27 June 2024, the Company held its 2024 Annual General Meeting where shareholders approved the new procedures required to implement the re-domiciliation of the Company's registered office from the Republic of Cyprus to the Kingdom of Spain.

The Company expects the re-domiciliation to be completed in Q4 2024.

Alberto Lavandeira, CEO, commented:

"During the quarter, our production was affected by grades that were lower than expectation and as a result, we have adjusted our full-year production guidance. While this is disappointing, we anticipate improved grades and strong plant performance in the second half of 2024. We also continue to make progress at San Dionisio, which is expected to deliver higher grade material in the coming years.

We achieved an important milestone during the quarter when the Xunta de Galicia awarded Proyecto Touro the status of strategic industrial project. This designation aims to significantly reduce administrative and permitting timelines, positioning Proyecto Touro to become a new source of sustainable European copper production.

Across our portfolio, we are focused on enhancing our production and optionality. Given copper's critical role in the energy transition and the increasing challenges the industry faces in delivering new supply, we remain confident in the outlook for copper."

This announcement contains information which, prior to its publication constituted inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

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About Atalaya Mining Plc

Atalaya is a European copper producer that owns and operates the Proyecto Riotinto complex in southwest Spain. Atalaya's shares trade on the London Stock Exchange's Main Market (Premium Segment) under the symbol "ATYM".

Atalaya's operations include the Cerro Colorado open pit mine and a modern 15 Mtpa processing plant, which has the potential to become a central processing hub for ore sourced from its wholly owned regional projects around Riotinto, such as Proyecto Masa Valverde and Proyecto Riotinto East. In addition, Atalaya has a phased earn-in agreement for up to 80% ownership of Proyecto Touro, a brownfield copper project in the northwest of Spain, as well as a 99.9% interest in Proyecto Ossa Morena. For further information, please visit www.atalayamining.com

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