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Atalaya Mining PLC
14 August 2024

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

Q2 and H1 2024 Financial Results

Good financial performance and further progress at key growth projects

Atalaya Mining Plc (LSE: ATYM) is pleased to announce its unaudited second quarter and first half financial results for the period ended 30 June 2024 ("Q2 2024" and "H1 2024" respectively) together with its unaudited interim condensed consolidated financial statements.

Highlights

- Copper production of 11.6 kt in Q2 2024 and 22.2 kt in H1 2024, with increased grades and strong plant performance expected in H2 2024
- AISC of $3.20/lb Cu in Q2 2024 and $3.19/lb in H1 2024, despite lower grades
- EBITDA of €26.4 million in Q2 2024 and €36.7 million in H1 2024, benefitting from higher copper prices and good cost control in H1 2024
- Strong balance sheet to support the advancement of key growth projects, including San Dionisio, Proyecto Touro and Proyecto Masa Valverde
- 2024 interim dividend of US$0.04 per ordinary share declared
- Continued to progress the re-domiciliation to Spain which is expected to be completed in Q4 2024, following move to the Main Market in April 2024

Q2 and H1 2024 Financial Results Summary

Period ended 30 June	**Unit**	**Q2 2024**	Q2 2023	**H1 2024**	H1 2023
Revenues from operations	*€k*	**92,208**	78,223	**162,146**	169,394
Operating costs	*€k*	**(65,781)**	(62,517)	**(125,468)**	(129,283)
EBITDA	***€k***	**26,427**	15,706	**36,678**	40,111
Profit for the period	*€k*	**14,520**	9,204	**16,147**	20,308
Basic earnings per share	*€ cents/share*	**10.8**	6.8	**12.2**	15.0
Interim dividend declared per share(1)	*$/share*	**n/a**	n/a	**0.04**	0.05
Cash flows from operating activities	*€k*	**30,126**	18,888	**28,389**	31,250
Cash flows used in investing activities	*€k*	**(17,054)**	(7,929)	**(34,931)**	(16,740)
Cash flows from financing activities	*€k*	**(18,862)**	(18,936)	**(35,671)**	(28,367)
Net cash position(2)(3)	*€k*	**53,361**	68,752	**53,361**	68,752
Working capital surplus	*€k*	**63,408**	81,350	**63,408**	81,350
Average realised copper price (excluding QPs)	***US$/lb***	**4.54**	3.81	**4.26**	3.90
Copper concentrate produced	*tonnes*	**60,623**	67,931	**113,308**	125,600
Copper production	*tonnes*	**11,583**	14,212	**22,249**	26,351
Cash costs	***US$/lb payable***	**2.88**	2.60	**2.93**	2.73
All-In Sustaining Cost ("AISC")	***US$/lb payable***	**3.20**	2.89	**3.19**	3.00

(1) Interim dividends declared in relation to the H1 2024 and H1 2023 periods.

(2) Includes restricted cash and bank borrowings at 30 June 2024 and 30 June 2023.

(3) Net cash has been restated from the amount previously reported in the Company's Q2 Operations Update of €30.0 million.

Alberto Lavandeira, CEO, commented:

"We had good financial performance in Q2 2024 thanks to strong copper prices and cost control. Copper grades were lower than in comparable periods, but we expect to see an improvement in grades and strong plant performance in H2 2024.

We continue to make progress at our higher grade deposits in the Riotinto District. Waste stripping and permitting activities at San Dionisio are advancing in line with plans and we continue to prepare for the development of an access ramp at Masa Valverde.

Following the receipt of Strategic Industrial Project status at Proyecto Touro, stakeholder engagement continues and community support for the project has been strong. Touro is expected to have a highly competitive capital intensity and we are confident that it will become a new source of sustainable European copper production.

We continue to be bullish on copper despite price volatility of late. Recent M&A activity involving long-dated projects that will require significant capital investments highlight the robust outlook for copper and the increasing scarcity of high-quality assets."

Investor Presentation

Alberto Lavandeira (CEO) and César Sánchez (CFO) will be holding a live presentation relating to the Q2 and H1 2024 Financial Results via the Investor Meet Company platform on Thursday, 15 August 2024 at 11:00 BST.

To register, please visit the following link and click "Add to Meet" Atalaya via:
https://www.investormeetcompany.com/atalaya-mining-plc/register-investor

Management will also answer questions that have been submitted via the Investor Meet Company dashboard.

Q2 and H1 2024 Operating Results Summary

Units expressed in accordance with the international system of units (SI)	Unit	**Q2 2024**	Q2 2023	**H1 2024**	H1 2023
Ore mined	*tonnes*	**3,797,923**	3,934,462	**7,499,752**	7,356,018
Waste mined(1)	*tonnes*	**7,507,378**	8,640,747	**13,047,055**	15,157,650
Ore processed	*tonnes*	**4,086,408**	4,077,681	**7,826,501**	7,801,534
Copper grade	*%*	**0.33**	0.40	**0.33**	0.39
Copper concentrate grade	*%*	**19.11**	20.92	**19.64**	20.98
Copper recovery	*%*	**85.81**	87.18	**85.30**	87.04
Copper concentrate produced	*tonnes*	**60,623**	67,931	**113,308**	125,600
Copper production	*tonnes*	**11,583**	14,212	**22,249**	26,351
Payable copper production	*tonnes*	**10,976**	13,533	**21,116**	25,095
Cash cost	*US$/lb payable*	**2.88**	2.60	**2.93**	2.73
All-in sustaining cost	*US$/lb payable*	**3.20**	2.89	**3.19**	3.00

(1) Represents the Cerro Colorado pit only.

Mining

Ore mined was 3.8 million tonnes in Q2 2024 (Q2 2023: 3.9 million tonnes) and 7.5 million tonnes in H1 2024 (H1 2023: 7.4 million tonnes).

Waste mined was 7.5 million tonnes in Q2 2024 (Q2 2023: 8.6 million tonnes) and 13.0 million tonnes in H1 2024 (H1 2023: 15.2 million tonnes). In addition, waste stripping activities continued at the San Dionisio area as planned.

Processing

Ore processed was 4.1 million tonnes in Q2 2024 (Q2 2023: 4.1 million tonnes) and 7.8 million tonnes in H1 2024 (H1 2023: 7.8 million tonnes), 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%) and 0.33% in H1 2024 (H1 2023: 0.39%), 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 85.81% in Q2 2024 (Q2 2023: 87.18%) and 85.30% in H1 2024 (H1 2023: 87.04%), which was consistent with budget despite lower grades.

Production

Copper production was 11,583 tonnes in Q2 2024 (Q2 2023: 14,212 tonnes) and 22,249 tonnes in H1 2024 (H1 2023: 26,351 tonnes), resulting from lower grades.

On-site copper concentrate inventories at 30 June 2024 were approximately 8,749 tonnes.

Copper contained in concentrates sold was 11,397 tonnes in Q2 2024 (Q2 2023: 12,858 tonnes) and 21,683 tonnes in H1 2024 (H1 2023: 25,359 tonnes).

Cash Costs and AISC Breakdown

$/lb Cu payable	**Q2 2024**	Q2 2023	**H1 2024**	H1 2023
Mining	**1.04**	0.79	**1.01**	0.81
Processing	**0.83**	0.82	**0.87**	0.89
Other site operating costs	**0.63**	0.52	**0.65**	0.51
Total site operating costs	**2.50**	2.13	**2.53**	2.21
By-product credits	**(0.23)**	(0.08)	**(0.19)**	(0.08)
Freight, treatment charges and other offsite costs	**0.61**	0.55	**0.58**	0.60
Total offsite costs	**0.38**	0.47	**0.40**	0.52
Cash costs	**2.88**	2.60	**2.93**	2.73
Cash costs C1	**2.88**	2.60	**2.93**	2.73
Corporate costs	**0.12**	0.09	**0.11**	0.08
Sustaining capital (excluding one-off tailings expansion)	**0.05**	0.04	**0.03**	0.03
Capitalised stripping costs(1)	**0.06**	0.10	**0.03**	0.09
Other costs	**0.09**	0.06	**0.08**	0.07
Total AISC	**3.20**	2.89	**3.19**	3.00

(1) For the Cerro Colorado pit only.

Note: Some figures may not add up due to rounding.

Cash costs were $2.88/lb payable copper in Q2 2024 (Q2 2023: $2.60/lb) and $2.93/lb payable copper in H1 2024 (H1 2023: $2.73/lb), with the increase mainly due to lower copper production, although this impact was partly offset by higher silver credits.

AISC were $3.20/lb payable copper in Q2 2024 (Q2 2023: $2.89/lb) and $3.19/lb payable copper in H1 2024 (H1 2023: $3.00/lb), with the increase due to the same factors that impacted cash costs. AISC excludes one-off investments in the tailings dam (consistent with prior reporting) and waste stripping at the San Dionisio area.

Q2 and H1 2024 Financial Results Highlights

Income Statement

Revenues were €92.2 million in Q2 2024 (Q2 2023: €78.2 million) and €162.1 million in H1 2024 (H1 2023: €169.4 million), as higher copper prices helped to offset lower copper sales.

Operating costs were €65.8 million in Q2 2024 (Q2 2023: €62.5 million) and €125.5 million in H1 2024 (H1 2023: €129.3 million), highlighting a return to stable input costs.

EBITDA was €26.4 million in Q2 2024 (Q2 2023: €15.7 million) and €36.7 million in H1 2024 (H1 2023: €40.1 million).

Profit after tax was €14.5 million in Q2 2024 (Q2 2023: €9.2 million) or 10.8 cents basic earnings per share (Q2 2023: 6.8 cents) and €16.1 million in H1 2024 (H1 2023: €20.3 million) or 12.2 cents basic earnings per share (Q2 2023: 15.0 cents).

Cash Flow Statement

Cash flows from operating activities before changes in working capital were €26.8 million in Q2 2024 (Q2 2023: €14.7 million) and €30.1 million after working capital changes (Q2 2023: €18.9 million). For H1 2024, cash flows from operating activities before changes in working capital were €38.3 million (H1 2023: €38.9 million) and €28.4 million after working capital changes (H1 2023: €31.3 million).

Cash flows used in investing activities were €17.1 million in Q2 2024 (Q2 2023: €7.9 million) and €34.9 million in H1 2024 (H1 2023: €16.7 million). Key investments in Q2 2024 included €1.1 million in sustaining capex, €1.3 million in capitalised stripping at Cerro Colorado, €8.0 million related to the San Dionisio area, €4.4 million to expand the tailings dam, €1.9 million for the 50 MW solar plant and €0.2 million for the E-LIX Phase I Plant including ramp-up costs.

Cash flows from financing activities were negative €18.9 million in Q2 2024 (Q2 2023: negative €18.9 million) and negative €35.7 million in H1 2024 (H1 2023: negative €28.4 million) as a result of credit facility repayments.

Balance Sheet

The Company's balance sheet remains strong with unaudited consolidated cash and cash equivalents of €81.0 million as at 30 June 2024.

Current and non-current borrowings were €27.7 million, resulting in a net cash position of €53.4 million as at 30 June 2024, compared with €54.3 million as at 31 December 2023.

Inventories of concentrate valued at cost were €10.2 million at 30 June 2024 (31 December 2023: €8.4 million). The total working capital surplus was €63.4 million at 30 June 2024 (31 December 2023: €68.6 million).

Outlook for 2024

Copper production guidance remains at 45,000 - 50,000 tonnes as disclosed in the Q2 2024 Operations Update, with improved grades and strong plant performance expected in H2 2024.

Cash cost and AISC guidance continues to be $2.80 - 3.00/lb and $3.00 - 3.20/lb copper payable, respectively. AISC guidance excludes one-off investments in the tailings dam and ongoing waste stripping at the San Dionisio area.

The guidance for total non-sustaining capital expenditures of €64 - 73 million is unchanged.

Exploration expenditure guidance of €5 - 7 million is unchanged.

2024 Interim Dividend

Atalaya's dividend policy seeks to provide returns to its shareholders and allows for continued investments in its portfolio of low capital intensity growth projects.

In relation to FY2023, Atalaya completed the payment of the 2023 Final Dividend of US$0.04 per ordinary share on 9 August 2024.

In relation to the H1 2024 period, the Company's Board of Directors has elected to declare an interim dividend of US$0.04 per ordinary share ("2024 Interim Dividend"), which is equivalent to approximately 3.1 pence per share. This compares to the 2023 interim dividend of US$0.05 per ordinary share.

Shareholders can elect to receive the 2024 Interim Dividend in Sterling or Euros by submitting a currency election form, which will be made available on the Company's website.

2024 Interim Dividend Timetable

Event	Date
Ex-dividend date	22 August 2024
Record date	23 August 2024
Last day for currency election	6 September 2024
Reference date for exchange rates used for conversion	9 September 2024
Announcement of dividend currency exchange rates	10 September 2024
Estimated payment date	19 September 2024

With respect to the 2024 Interim Dividend, the Company is not required to withhold any Cypriot special defence contributions or general healthcare system contributions upon the distribution of dividends to its shareholders, as a result of the approval obtained from the Tax Department of the Ministry of Finance of the Republic of Cyprus.

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 Financial Conduct Authority ("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.

Photo 1: London Stock Exchange Market Open Ceremony

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.

Board of Director Updates

Following the 2024 Annual General Meeting, several updates related to the Company's Board of Directors took effect.

Neil Gregson was appointed Chair of Atalaya Mining Plc, succeeding Roger Davey who is continuing as a Non-Executive Director until the end of 2024. In addition, Kate Harcourt was appointed Senior Independent Director, Carole Whittall was appointed as an Independent Non-Executive Director and changes were made to the composition of the various Board committees.

New Listing Rules

On 29 July 2024, the FCA implemented a new simplified listing regime. As a result, the Company is now admitted to the equity shares (commercial companies) ("ESCC") category of the Official List, in place of the prior premium listing segment.

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, thereby reducing the Company's carbon footprint. 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.

Three core rigs are currently 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 hole is in progress.

Financial Statements

The Unaudited Interim Condensed Consolidated Financial Statements for the three and six months ended 30 June 2024 are also available on Atalaya's website at www.atalayamining.com.

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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 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 Cobre San Rafael S.L., which fully owns the Proyecto Touro 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

ATALAYA MINING PLC
MANAGEMENT'S REVIEW AND
UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
30 June 2024

Management review report

Notice to Reader

The accompanying unaudited interim condensed consolidated financial statements of Atalaya Mining Plc have been prepared by and are the responsibility of Atalaya Mining Plc's management.

Introduction

This report provides an overview and analysis of the financial results of operations of Atalaya Mining Plc and its subsidiaries ("Atalaya" and/or "Group"), to enable the reader to assess material changes in the financial position between 31 December 2023 and 30 June 2024 and results of operations for the three and six months ended 30 June 2024 and 2023.

This report has been prepared as of 13 August 2024. The analysis hereby included is intended to supplement and complement the unaudited interim condensed consolidated financial statements and notes thereto ("Financial Statements") as at and for the period ended 30 June 2024. The reader should review the Financial Statements in conjunction with the review of this report and with the audited, consolidated financial statements for the year ended 31 December 2023, and the audited interim condensed consolidated financial statements for the period ended 30 June 2023. These documents can be found on Atalaya's website at www.atalayamining.com

Atalaya prepares its Annual Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and the interpretations of the IFRS Interpretations Committee (IFRS IC) approved by Regulations of the European Commission, and its Unaudited Interim Condensed Consolidated Financial Statements in accordance with International Accounting Standard 34: Interim Financial Reporting. The currency referred to in this document is the Euro, unless otherwise specified.

Forward-looking statements

This report may include certain "forward-looking statements" and "forward-looking information" under applicable securities laws. Except for statements of historical fact, certain information contained herein constitute forward-looking statements. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Assumptions upon which such forward-looking statements are based include that all required third party regulatory and governmental approvals will be obtained. Many of these assumptions are based on factors and events that are not within the control of Atalaya and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include changes in market conditions and other risk factors discussed or referred to in this report and other documents filed with the applicable securities regulatory authorities. Although Atalaya has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Atalaya undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

1. Incorporation and description of the Business

Atalaya Mining Plc (the "Company") was incorporated in Cyprus on 17 September 2004 as a private company with limited liability under the Companies Law, Cap. 113 and was converted to a public limited liability company on 26 January 2005. Its registered office is at 1 Lampousa Street, Nicosia, Cyprus.

The Company was first listed on the Alternative Investment Market (AIM) of the London Stock Exchange in May 2005, trading under the symbol ATYM. On 29 April 2024, the Company was admitted to trading on the main market of the London Stock Exchange.

Atalaya is a European mining and development company. The strategy is to evaluate and prioritise metal production opportunities in several jurisdictions throughout the well known belts of base and precious metal production opportunities in several jurisdictions throughout the well-known belts of base and precious metal mineralisation in Spain, elsewhere in Europe and Latin America.

The Group has interests in four mining projects: Proyecto Riotinto, Proyecto Touro, Proyecto Masa Valverde and Proyecto Ossa Morena. In addition, the Group has an earn-in agreement to acquire two investigation permits at Proyecto Riotinto East.

Proyecto Riotinto

The Company owns and operates through a wholly owned subsidiary, "Proyecto Riotinto", an open-pit copper mine located in the Iberian Pyrite Belt, in the Andalusia region of Spain, approximately 65 km northwest of Seville. A brownfield expansion of this mine was completed in 2019 and successfully commissioned by Q1 2020.

Proyecto Touro

The Group has an initial 10% stake in Cobre San Rafael, S.L., the owner of Proyecto Touro, as part of an earn-in agreement which will enable the Group to acquire up to 80% of Cobre San Rafael, S.L. Proyecto Touro is located in Galicia, north-west Spain. Proyecto Touro is currently in the permitting process.

In November 2019, Atalaya executed the option to acquire 12.5% of Explotaciones Gallegas del Cobre, S.L. the exploration property around Touro, with known additional resources, which will provide further optionality to Proyecto Touro.

Proyecto Masa Valverde

On 21 October 2020, the Company announced that it entered into a definitive purchase agreement to acquire 100% of the shares of Cambridge Mineria España, S.L. (since renamed Atalaya Masa Valverde, S.L.U.), a Spanish company which fully owns the Masa Valverde polymetallic project located in Huelva (Spain). Under the terms of the agreement Atalaya will make an aggregate €1.4 million cash payment in two instalments of approximately the same amount. The first payment of €0.7m was executed in January 2024 once the permits were granted. The second and final payment will be settled when first production is achieved from the concession.

In November 2023, the exploitation permit for the Masa Valverde and Majadales deposits was officially granted.

Proyecto Ossa Morena

In December 2021, Atalaya announced the acquisition of a 51% interest in Rio Narcea Nickel, S.L., which owns 9 investigation permits. The acquisition also provided a 100% interest in three investigation permits that are also located along the Ossa- Morena Metallogenic Belt. In Q3 2022, Atalaya increased its ownership interest in POM to 99.9%, up from 51%, following completion of a capital increase that will fund exploration activities. During 2022 Atalaya rejected 8 investigation permits.

Atalaya will pay a total of €2.5 million in cash in three instalments and grant a 1% net smelter return ("NSR") royalty over all acquired permits. The first payment of €0.5 million will be made following execution of the purchase agreement. The second and third instalments of €1 million each will be made once the environmental impact statement ("EIS") and the final mining permits for any project within any of the investigation permits acquired under the Transaction are secured.

Proyecto Riotinto East

In December 2020, Atalaya entered into a Memorandum of Understanding with a local private Spanish company to acquire a 100% beneficial interest in two investigation permits (known as Peñas Blancas and Cerro Negro investigation permits), which are located immediately to the east of Proyecto Riotinto.

2. Overview of Operational Results

Proyecto Riotinto

The following table presents a summarised statement of operations of Proyecto Riotinto for the three and six months ended 30 June 2024 and 2023, respectively.

Units expressed in accordance with the international system of units (SI)	**Unit**	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Ore mined	*tonnes*	**3,797,923**	3,934,462	**7,499,752**	7,356,018
Waste mined(1)	*tonnes*	**7,507,378**	8,640,747	**13,047,055**	15,157,650
Ore processed	*tonnes*	**4,086,408**	4,077,681	**7,826,501**	7,801,534
Copper grade	%	**0.33**	0.40	**0.33**	0.39
Copper concentrate grade	%	**19.11**	20.92	**19.64**	20.98
Copper recovery	%	**85.81**	87.18	**85.30**	87.04
Copper concentrate produced	*tonnes*	**60,623**	67,931	**113,308**	125,600
Copper production	*tonnes*	**11,583**	14,212	**22,249**	26,351
Payable copper production	*tonnes*	**10,976**	13,533	**21,116**	25,095

Cash cost (*)	*US$/lb payable*	**2.88**	2.60	**2.93**	2.73
All-in sustaining cost (*)	*US$/lb payable*	**3.20**	2.89	**3.19**	3.00

(1) Represents the Cerro Colorado pit only.

(*) Refer Section 5 of this Management Review.

There may be slight differences between the numbers in the above table and the preliminary figures announced in the quarterly operations updates that are available on Atalaya's website at www.atalayamining.com

$/lb Cu payable	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Mining	**1.04**	0.79	**1.01**	0.81
Processing	**0.83**	0.82	**0.87**	0.89
Other site operating costs	**0.63**	0.52	**0.65**	0.51
Total site operating costs	**2.50**	2.13	**2.53**	2.21
By-product credits	**(0.23)**	(0.08)	**(0.19)**	(0.08)
Freight, treatment charges and other offsite costs	**0.61**	0.55	**0.58**	0.60
Total offsite costs	**0.38**	0.47	**0.40**	0.52
Cash costs	**2.88**	2.60	**2.93**	2.73
Cash costs C1	**2.88**	2.60	**2.93**	2.73
Corporate costs	**0.12**	0.09	**0.11**	0.08
Sustaining capital (excluding one-off tailings expansion)	**0.05**	0.04	**0.03**	0.03
Capitalised stripping costs(1)	**0.06**	0.10	**0.03**	0.09
Other costs	**0.09**	0.06	**0.08**	0.07
Total AISC	**3.20**	2.89	**3.19**	3.00

(1) For the Cerro Colorado pit only.

Note: Some figures may not add up due to rounding.

Three months operational review

The plant processed ore of 4.1 million tonnes during 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 recoveries in Q2 2024 were 85.81% (Q2 2023: 87.18%), compared with 84.74% in Q1 2024, as a result of favourable ore characteristics during the period.

Copper production was 11,583 tonnes in Q2 2024 (Q2 2023: 14,212 tonnes), compared with 10,666 tonnes in Q1 2024.

On-site copper concentrate inventories as of 30 June 2024 were approximately 8,749 tonnes (31 March 2024: 8,283 tonnes). All concentrate in stock at the beginning of the period was delivered to the port of Huelva.

Copper contained in concentrates sold was 11,397 tonnes in Q2 2024 compared with 12,858 tonnes in Q2 2023.

Six months operational review

Production of copper contained in concentrate during H1 2024 was 22,249 tonnes, compared with 26,351 tonnes in the same period of 2023. Lower production was mainly the result of lower grades and recoveries. Payable copper in concentrates was 21,116 tonnes compared with 25,095 tonnes of payable copper in H1 2023.

Ore mined in H1 2024 was 7.5 million tonnes compared with 7.4 million tonnes during H1 2023. Ore processed was 7.8 million tonnes versus 7.8 million tonnes in H1 2023, although lower grade stockpiles were processed in H1 2024.

Ore grade during H1 2024 was 0.33% Cu compared with 0.39% Cu in H1 2023. Copper recovery was 85.30% versus 87.04% in H1 2023. Concentrate production amounted to 113,308 tonnes below H1 2023 production of 125,600 tonnes.

3. Outlook

The forward-looking information contained in this section is subject to the risk factors and assumptions contained in the cautionary statement on forward-looking statements included in the Basis of Reporting. Should the Company consider the current guidance no longer achievable, then the Company will provide a further update.

Operational guidance

Proyecto Riotinto operational guidance for 2024 is as follows:

	Unit	**Guidance 2024**
Ore mined	million tonnes	**~16**

Waste mined	million tonnes	**~25**
Ore processed	million tonnes	**15.3 - 15.8**
Copper ore grade	%	**0.34 - 0.38**
Copper recovery rate	%	**84 - 86**
Contained copper	tonnes	**45,000 - 50,000**
Cash costs	$/lb payable	**2.80 - 3.00**
All-in sustaining cost	$/lb payable	**3.00 - 3.20**

Production

Copper production guidance remains at 45,000 - 50,000 tonnes. The Company continues to expect improved grades in H2 2024 as well as strong plant performance.

Operating Costs

Operating cost guidance for FY2024 remains at a cash cost range of $2.80 - 3.00/lb copper payable and an AISC range of $3.00 - 3.20/lb copper payable. AISC excludes one-off investments in the tailings dam (consistent with prior reporting) and waste stripping at the San Dionisio area, which are included in capital expenditure guidance below.

Capital Expenditures

Non-sustaining capital expenditure guidance for FY2024 remains at €64 - 73 million.

Exploration

Atalaya's exploration guidance for FY2024 is unchanged at €5 - 7 million.

4. Overview of the Financial Results

The following table presents summarised consolidated income statements for the three and six months ended 30 June 2024, with comparatives for the three and six months ended 30 June 2023, respectively.

(Euro 000's)	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Revenues	**92,208**	78,223	**162,146**	169,394
Costs of sales	**(60,207)**	(56,790)	**(116,964)**	(119,793)
Administrative and other expenses	**(3,076)**	(3,612)	**(5,003)**	(5,645)
Exploration expenses	**(1,091)**	(2,069)	**(1,946)**	(3,602)
Care and maintenance expenditure	**(1,609)**	(391)	**(2,041)**	(686)
Other income	**202**	345	**486**	443
EBITDA	**26,427**	15,706	**36,678**	40,111
Depreciation/amortisation	**(10,984)**	(9,411)	**(20,590)**	(18,173)
Net foreign exchange gain	**672**	1,277	**2,243**	55
Net finance (cost)/income	**(1)**	3,480	**(91)**	2,636
Tax	**(1,594)**	(1,848)	**(2,093)**	(4,321)
Profit for the period	**14,520**	9,204	**16,147**	20,308

Three months financial review

Revenues for the three-month period ended 30 June 2024 amounted to €92.2 million (Q2 2023: €78.2 million). Higher revenues compared with the prior year quarter were mainly due to higher realised prices partly offset by lower concentrate sales. In addition, there was an increase in silver credits and lower penalty charges.

Realised prices excluding QPs were US$4.54/lb copper during Q2 2024 compared with US$3.81/lb copper in Q2 2023. The realised price during the quarter, including QPs, was approximately US$4.13/lb.

Cost of sales for the three-month period ended 30 June 2024 amounted to €60.2 million, compared with €56.8 million in Q2 2023. Unit operating costs in Q2 2024 were higher than in Q2 2023 mainly due to the increase of stripping ratio resulting from the update of reserves estimate, coupled with a lower capitalisation cost.

Cash costs of US$2.88/lb payable copper during Q2 2024 compared with US$2.60/lb payable copper in the same period last year. Higher cash costs were mainly driven by lower copper production in the quarter despite of a slightly stronger US Dollar/Euro exchange rate compared with Q2 2023. AISC for Q2 2024, excluding one-off investments in the tailings dam and San Dionisio stripping, were US$3.20lb payable copper compared with US$2.89/lb payable copper in Q2 2023.

Sustaining capex for Q2 2024 amounted to €1.1 million compared with €1.1 million in Q2 2023. Sustaining capex mainly related to continuous enhancements in the processing systems of the plant. In addition, the Company invested €4.4 million in the project to increase the tailings dam during Q2 2024 (Q2 2023: €3.5 million). Stripping costs capitalised for Cerro Colorado during Q2 2024 amounted to €1.3 million (Q2 2023: €2.7 million).

Capex associated with the construction of the 50 MW solar plant amounted to €1.9 million in Q2 2024 (Q2 2023: €2.8 million), while investments in the E-LIX Phase I plant totalled €0.2 million (Q2 2023: €5.0 million). Additionally, capex of €8.0 million was related to the San Dionisio area.

Administrative and other expenses amounted to €3.2 million (Q2 2023: €3.6 million) and include non-operating costs of the Cyprus office, corporate legal and consultancy costs, ongoing listing costs, officers and directors' emoluments, and salaries and related costs of the corporate office.

Exploration costs on Atalaya's projects portfolio for the three-month period ended 30 June 2024 amounted to €1.1 million compared to €2.1 million in Q2 2023, mainly because increased costs incurred during the period in Proyecto Masa Valverde were capitalised rather than expensed.

EBITDA for the three months ended 30 June 2024 amounted to €26.4 million compared with Q2 2023 of €15.7 million.

The main item below the EBITDA line is depreciation and amortisation of €11.0 million (Q2 2023: €9.4 million).

Net foreign exchange differences had a positive impact due to the stronger US Dollar/Euro rate at the end of Q2 2024 compared to the beginning of the quarter.

Net financing costs for Q2 2024 were negative €1k compared to €3.5 million in Q2 2023. This difference is driven primarily by the fact that Q2 2023 interest income included €3.8 million received from the agreement reached with Astor in May 2023.

Six months financial review

Revenues for the six-month period ended 30 June 2024 amounted to €162.1 million (H1 2023: €169.4 million). The decrease in revenues was predominantly due to a reduction in the volume of concentrate sold despite higher realised copper prices.

Copper concentrate production during the six-month period ended 30 June 2024 was 113,308 tonnes (H1 2023: 125,600 tonnes) with 111,281 tonnes of copper concentrates sold in the period (H1 2023: 122,040 tonnes). Lower copper ore grades and lower recoveries were the main drivers of the production decline in H1 2024. Inventories of concentrates as at the reporting date were 8,749 tonnes (31 Dec 2023: 6,722 tonnes).

Realised copper prices, excluding QPs, for H1 2024 were US$4.26/lb copper compared with US$3.90/lb copper in the same period of 2023. The Company did not enter into any hedging agreements in 2024.

Cost of sales for the six-month period ended 30 June 2024 amounted to €117.0 million, compared with €119.8 million in H1 2023. Lower operating costs in 2024 were primarily due to a reduction in input costs compared with the 2023 period. This was mainly driven by lower electricity prices in the market and lower consumption and prices of steel.

Cash costs of US$2.93/lb payable copper during H1 2024 compare with US$2.73/lb payable copper in the same period last year. Higher cash costs were mainly driven by reduced payable copper production during the period, despite a decrease in operating costs. AISC excluding investment in the tailings dam and the waste stripping at the San Dionisio area in the six-month period were US$3.19/lb payable copper compared with US$3.00/lb payable copper in H1 2023. The increase was primarily due to higher cash costs.

Sustaining capex for the six-month period ended 30 June 2024 amounted to €1.5 million, compared with €1.5 million in the same period the previous year. Sustaining capex related to enhancements in processing systems of the plant. In addition, the Company invested €7.5 million in the project to increase the tailings dam, compared with €6.9 million in 2023.

Capex associated with the construction of the 50 MW solar plant amounted to €2.6 million in H1 2024 (€4.5 million in H1 2023), with a total investment in the project of €35.3 million, while investments in the E-LIX Phase I plant totalled €6.5 million (€8.4 million in H1 2023). Additionally, capex of €16.2 million was related to the San Dionisio area.

Corporate costs for the first six-month period ended June 2024 were €5.2 million, compared with €5.6 million in H1 2023. Corporate costs mainly include the Company's overhead expenses.

Exploration costs related to Atalaya's project portfolio for the six-month period ended 30 June 2024 and amounted to €1.9 million, compared with €3.6 million, mainly as a result of higher capitalised costs incurred during the period in Proyecto Masa Valverde.

EBITDA for the six months ended 30 June 2024 amounted to €36.7 million, compared with €40.1 million in H1 2023.

Depreciation and amortisation amounted to €20.6 million for the six-month period ended 30 June 2024 (H1 2023: €18.2 million).

Net foreign exchange gains amounted to €2.2 million in H1 2024 (€55k in H1 2023).

Net finance costs for H1 2024 amounted to €0.1 million (H1 2023 positive €2.6 million).

Copper prices

The average realised copper price (excluding QPs) increased by 19% to US$4.54/lb in Q2 2024, from US$3.81/lb in Q2 2023.

The average prices of copper for the three and six month period ended 30 June 2024 and 2023 are summarised below:

$/lb	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Realised copper price (excluding QPs)	**4.54**	3.81	**4.26**	3.90

Realised copper price (excluding QPs)	[illegible]	[illegible]	[illegible]	[illegible]
Market copper price per lb (period average)	**4.42**	3.85	**4.13**	3.95

Realised copper prices for the reporting period noted above have been calculated using payable copper and excluding both provisional invoices and final settlements of quotation periods ("QPs") together. The realised price during Q2 2024, including the QP, was approximately $4.13/lb.

5. Non-GAAP Measures

Atalaya has included certain non-IFRS measures including "EBITDA", "Cash Cost per pound of payable copper", "All-In Sustaining Costs" ("AISC") "realised prices" and "Net Cash/Debt" in this report. Non-IFRS measures do not have any standardised meaning prescribed under IFRS, and therefore they may not be comparable to similar measures presented by other companies. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for indicators prepared in accordance with IFRS.

EBITDA includes gross sales net of penalties and discounts and all operating costs, excluding finance, tax, impairment, depreciation and amortisation expenses.

Working capital is the difference between current assets and current liabilities.

Cash Cost per pound of payable copper includes cash operating costs, including treatment and refining charges ("TC/RC"), freight and distribution costs net of by-product credits. Cash Cost per pound of payable copper is consistent with the widely accepted industry standard established by Wood Mackenzie and is also known as the C1 cash cost.

AISC per pound of payable copper includes C1 Cash Costs plus royalties and agency fees, expenditures on rehabilitation, capitalised stripping costs, exploration and geology costs, corporate costs and recurring sustaining capital expenditures but excludes one-off sustaining capital projects, such as the tailings dam project.

Realised price per pound of payable copper is the value of the copper payable included in the concentrate produced including the discounts and other features governed by the offtake agreements of the Group and all discounts or premiums provided in commodity hedge agreements with financial institutions if any, expressed in USD per pound of payable copper. Realised prices do not include period end mark to market adjustments in respect of provisional pricing Realised price is consistent with the widely accepted industry standard definition.

6. Liquidity and Capital Resources

Atalaya monitors factors that could impact its liquidity as part of Atalaya's overall capital management strategy. Factors that are monitored include, but are not limited to, the market price of copper, foreign currency rates, production levels, operating costs, capital and administrative costs.

The following is a summary of Atalaya's cash position and cash flows as at 30 June 2024 and 31 December 2023.

Liquidity information

(Euro 000's)	**30 Jun 2024**	31 Dec 2023
Unrestricted cash and cash equivalents at Group level	**76,253**	94,868
Unrestricted cash and cash equivalents at Operation level	**4,784**	26,139
Consolidated cash and cash equivalents	**81,037**	121,007
Net cash position (1)(2)	**53,361**	54,320
Working capital surplus	**63,408**	68,618

(1) Includes borrowings

(2) Net cash has been restated from the amount previously reported in the Company's Q2 Operations Update of €30.0 million

Unrestricted cash and cash equivalents (which include cash at both Group level and Operation level) as at 30 June 2024 decreased to €81.0 million from €121.0 million at 31 December 2023. The decrease in cash was mainly due to investments and repayment of financing which offset cash inflows from operations. Specifically, investments resulted from capital expenditure in the San Dionisio area, and higher financing outflows due to the repayment of operating facilities. Cash balances are unrestricted and include balances at operational and corporate level.

As of 30 June 2024, Atalaya reported a working capital surplus of €63.4 million, compared with a working capital surplus of €68.6 million at 31 December 2023. The decrease in working capital mainly resulted from the repayment of current payables.

Overview of the Group's cash flows

(Euro 000's)	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Cash flows from operating activities	**30,126**	18,888	**28,389**	31,250

Cash flows used in investing activities	**(17,054)**	(7,929)	**(34,931)**	(16,740)
Cash flows used in financing activities	**(18,862)**	(18,936)	**(35,671)**	(28,367)
Total net cash flow for the period	**(5,790)**	(7,977)	**(42,213)**	(13,857)
Net foreign exchange differences	**672**	1,277	**2,243**	55
Net decrease in cash and cash equivalents	**(5,118)**	(6,700)	**(39,970)**	(13,802)

Three months cash flows review

Total net cash outflow for the period was €5.8 million during the three months ended 30 June 2024. This was due to the net results of cash from operating activities amounting to €30.1 million, the cash used in investing activities amounting to €17.1 million, the cash used in financing activities totalling €18.9 million.

Cash generated from operating activities before working capital changes was €26.8 million. Atalaya's trade receivables in the period decreased by €2.7 million, its inventory levels increased by €2.6 million and its trade payables increased by €3.7 million.

Investing activities during the quarter consumed €17.1 million, relating mainly to the tailings dams project, E-LIX, San Dionisio area and continuous enhancements in the processing systems of the plant.

Financing activities during the quarter resulted in cash outflows of €18.9 million primarily due to repayments of existing unsecured credit facilities.

Six months cash flows review

Total net cash outflow for the period was €42.2 million during the six months ended 30 June 2023. This was due to cash from operating activities amounting to €28.4 million, cash used in investing activities amounting to €34.9 million, cash used in financing activities amounting to €35.7 million.

Cash generated from operating activities before working capital changes was €38.3 million. Atalaya decreased its trade payables in the period by €2.5 million, increased its inventory levels by €4.8 million and decreased its trade receivable balances by €5k.

Investing activities during the six-month period decreased cash by €34.9 million, with the majority of funds directed towards the tailings dams project, E-LIX, San Dionisio area and continuous enhancements in the processing systems of the plant.

Financing activities during the six-month period ended 30 June 2024 resulted in cash outflows of €35.7 million due to the repayment of unsecured credit facilities.

Foreign exchange

Foreign exchange rate movements can have a significant effect on Atalaya's operations, financial position and results. Atalaya's sales are denominated in U.S. dollars ("USD"), while Atalaya's operating expenses, income taxes and other expenses are mainly denominated in Euros ("EUR") which is the functional currency of the Group, and to a much lesser extent in British Pounds ("GBP").

Accordingly, fluctuations in the exchange rates can potentially impact the results of operations and carrying value of assets and liabilities on the balance sheet.

During the three and six months ended 30 June 2024, Atalaya recognised a foreign exchange profit of €0.7 million and €2.2 million, respectively. Foreign exchange profits mainly related to changes in the period in EUR and USD conversion rates, as all sales are cashed and occasionally held in USD.

The following table summarises the movement in key currencies versus the EUR:

(Euro 000's)	**Three month period ended 30 Jun 2024**	Three month period ended 30 Jun 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Average rates for the periods				
GBP - EUR	**0.8530**	0.8693	**0.8547**	0.8764
USD - EUR	**1.0767**	1.0887	**1.0813**	1.0807
Spot rates as at				
GBP - EUR	**0.8464**	0.8583	**0.8464**	0.8583
USD - EUR	**1.0705**	1.0866	**1.0705**	1.0866

7. Sustainability

Corporate Social Responsibility

For the second quarter of 2024, Atalaya has continued its social investment through Fundación Atalaya, implementing a new series of actions to support social entities in the Cuenca Minera region and maintaining its agreements with the councils near the mining operation.

Fundación Atalaya has assisted several municipalities with clearing undergrowth in the areas surrounding the mine. Due to a lack of employees and the high fire risk from elevated temperatures, these tasks had become unmanageable for the councils.

Additionally, Fundación Atalaya supported the XX Cultural Week 'Adela Frigolet' held in Nerva and the II Poetry Contest in Riotinto. During this quarter, Fundación Atalaya sponsored Samuel Delgado, a local disabled athlete, and supported the San Antonio festivity, celebrated just 100 metres from the mine.

Moreover, Fundación Atalaya has been working to bring and prepare a vehicle that will enable tourists to visit the mining operation. This special bus is the cornerstone of the Riotinto Xperience, an initiative by Fundación Atalaya in collaboration with Fundación Río Tinto. Alongside the vehicle, Fundación Atalaya has completed a

Atalaya in collaboration with Fundación Río Tinto. Alongside the vehicle, Fundación Atalaya has completed a room inside the Mining Museum of Riotinto to welcome and prepare tourists for the mine visit. This room features a 9-metre-long screen that will show a short documentary on the importance of copper to humanity.

Another significant initiative by Fundación Atalaya was the Mining Operator Course. This is the final part of the fourth edition of the course, which has helped many people from the Cuenca Minera region find employment.

Health and Safety

Accident Statistics:

The safety performance for the second quarter of 2024 has significantly improved compared to the same period last year. There were no lost-time accidents during this period, and the cumulative value up to June is 57% better than in the same period last year, for both employees and contractors. Consequently, the reference indicators for accident rates, the frequency index (FI) and severity index (SI), have reached 2.48 and 0.07, respectively, comfortably meeting the annual targets for these indicators.

Industrial Hygiene Measurements:

All planned actions for industrial hygiene were completed in the second quarter. The first intervention brigade received annual training in extrication, high-angle rescue, and the use of self-contained breathing apparatus.

Ergonomic Risk Assessments:

This quarter saw the start of ergonomic risk assessments, which yielded positive results regarding the evaluation of ergonomic factors for all job positions, including manual handling of loads, forced postures, and repetitive movements. Additionally, the review of risk assessments for jobs and workplaces, planned for 2024, was initiated.

Safety and Health Committee:

The second annual meeting of the Safety and Health Committee, a joint consultation and participation meeting with workers' representatives, was held. The requirements of the Labour Inspectorate were also addressed.

Daño Cero Project:

Phase I of the Daño Cero project was completed this quarter, using AI to process and analyse information collected from surveys to improve safety at the Atalaya Riotinto Minera facilities. With a 98% participation rate, there was total involvement from both in-house personnel and partner companies in this project. The results were presented to the participants and department heads.

Audits and Controls:

In May, the occupational health and safety system underwent an internal audit as part of the integrated management system. Furthermore, controls for psychoactive substances continued at access points and in the medical centre.

Environment

During the second quarter of 2024, the environmental department continued its efforts in environmental monitoring and natural environment management. Key points of the quarter include:

- Environmental Incidents: Two environmental incidents were recorded, both related to spills on unpaved areas. The affected areas were cleaned, and the waste was properly managed.
- Rainfall Data: A total of 38.7 litres per square metre of rainfall was recorded in Q2 2024, approximately 41% less than the same period in the previous year. For the hydrological year (hydrological year is between October 2023 and September 2024), total rainfall reached 826 litres per square metre, which is 104% more than the previous hydrological year.
- Environmental Permit Modification: On June 4th, documents for the new substantial modification of the AAU (Environmental Permit) due to the San Dionisio pit expansions were submitted. The Project for Exploitation and its Restoration Plan were submitted in May and are currently awaiting public hearing.
- Mine Waste Rock Facility: In April, the extension of the Mine Waste Rock Facility was granted as a non-substantial modification of the AAU.
- Dust Control Measures: Additional measures in the action plan against dust continued to be implemented, including intensified periodic irrigation, new coordination measures, and exhaustive monitoring of emissions generated by the operation.
- Fire Prevention Plan: The Fire Prevention Plan was executed during this quarter.
- Restoration Plan: The Environmental Department continued working on the Restoration Plan for both operational and historical areas.
- Emission Controls: All regular internal controls of diffuse atmospheric emissions were conducted, with results within limit values. In April, the annual mandatory external control of diffuse and point (channelled) emissions was carried out without incidents, meeting all limits. Other periodic and mandatory controls were also completed without incidents. Additionally, several reports were submitted to the administration bodies.
- Environmental Inspections: Daily inspections were conducted, primarily focusing on chemical storage and handling, housekeeping, waste management, uncontrolled releases, and environmentally friendly practices by Atalaya Riotinto Minera SLU and contractor personnel. Dust control and drainage system inspections were also performed regularly. A total of 90 inspections were carried out during the second quarter, covering the plant, mine area, and contractor camps.

8. Risk Factors

Due to the nature of Atalaya's business in the mining industry, the Group is subject to various risks that could materially impact the future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to Atalaya. Readers are encouraged to read and consider the risk factors detailed in Atalaya's audited, consolidated financial statements for the year ended 31 December 2023.

The Company continues to monitor the principal risks and uncertainties that could materially impact the Company's results and operations, including the areas of increasing uncertainty such as the impact of macro-economic uncertainty on the business and geopolitical developments.

9. Critical accounting policies, estimates, judgements, assumptions and accounting changes

The preparation of Atalaya's Financial Statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect amounts reported in the Financial Statements and accompanying notes. There is a full discussion and description of Atalaya's critical accounting policies in the audited consolidated financial statements for the year ended 31 December 2023.

Update in Ore Reserves and Its Financial Impact

In May 2024, Atalaya incorporated an update of its ore reserves based on an independent expert analysis in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (the "CIM Standards"). This update has some impact on our financial statements and accounting estimates and reflects a revised understanding of the economic potential and operational requirements of our mining assets.

Further details are given in Note 2.4 to the Unaudited Interim Condensed Consolidated Financial Statements.

10. Other Information

Additional information about Atalaya Mining Plc. is available at www.atalayamining.com

Unaudited interim condensed consolidated financial statements on subsequent pages.

By Order of the Board of Directors,

Neil Gregson

Chairman

Nicosia, 13 August 2024

Interim Condensed Consolidated Income Statement

(All amounts in Euro thousands unless otherwise stated)

For the period ended 30 June 2024 and 2023

(Euro 000's)	Note	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
		(Unaudited and unreviewed)	(Unaudited and unreviewed)	**(Unaudited)**	(Audited)
Revenue	4	**92,208**	78,223	**162,146**	169,394
Operating costs and mine site administrative expenses		**(60,056)**	(56,536)	**(116,662)**	(119,463)
Mine site depreciation and amortization		**(10,984)**	(9,411)	**(20,590)**	(18,173)
Gross profit		**21,168**	12,276	**24,894**	31,758
Administration and other expenses		**(3,076)**	(3,612)	**(5,003)**	(5,645)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Share-based benefits	15	**(151)**	(254)	**(302)**	(330)
Exploration expenses		**(1,091)**	(2,069)	**(1,946)**	(3,602)
Care and maintenance expenditure		**(1,609)**	(391)	**(2,041)**	(686)
Operating profit		**15,241**	5,950	**15,602**	21,495
Other income		**202**	345	**486**	443
Net foreign exchange gain	3	**672**	1,277	**2,243**	55
Net finance (costs)/income	5	**(1)**	3,480	**(91)**	2,636
Profit before tax		**16,114**	11,052	**18,240**	24,629
Tax	6	**(1,594)**	(1,848)	**(2,093)**	(4,321)
Profit for the period		**14,520**	9,204	**16,147**	20,308
Profit for the period attributable to:					
- Owners of the parent	7	**15,104**	9,542	**17,130**	20,911
- Non-controlling interests		**(584)**	(338)	**(983)**	(603)
		14,520	9,204	**16,147**	20,308
Earnings per share from operations attributable to equity holders of the parent during the period:					
Basic earnings per share (EUR cents per share)	7	**10.8**	6.8	**12.2**	15.0
Fully diluted earnings per share (EUR cents per share)	7	**10.4**	6.6	**11.8**	14.6
Profit for the period		**14,520**	9,204	**16,147**	20,308
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Change in fair value of financial assets through other comprehensive income 'OCI'		**4**	(11)	**-**	(5)
Total comprehensive income for the period		**14,524**	9,193	**16,147**	20,303
Total comprehensive income for the period attributable to:					
- Owners of the parent	7	**15,108**	9,531	**17,130**	20,906
- Non-controlling interests		**(584)**	(338)	**(983)**	(603)
		14,524	9,193	**16,147**	20,303

The notes on the subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Interim Condensed Consolidated Statement of Financial Position

(All amounts in Euro thousands unless otherwise stated)

As at 30 June 2024 and 2023

(Euro 000's)	Note	30 Jun 2024	31 Dec 2023
Assets		**Unaudited**	Audited
Non-current assets			
Property, plant and equipment	8	**399,981**	384,739
Intangible assets	9	**49,027**	49,397
Trade and other receivables	12	**27,326**	26,702
Non-current financial assets		**1,101**	1,101
Deferred tax asset		**11,219**	11,282
		488,654	473,221
Current assets			
Inventories	10	**38,118**	33,314
Trade and other receivables	12	**40,465**	42,897
Tax refundable		**1,847**	100
Other financial assets	2.3	**31**	30
Cash and cash equivalents	13	**81,037**	121,007
		161,498	197,348
Total assets		**650,152**	670,569
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	14	**13,670**	13,596
Share premium	14	**321,859**	319,411
Other reserves	15	**87,704**	70,463
Accumulated profit		**92,973**	98,026
		516,206	501,496
Non-controlling interests		**(10,087)**	(9,104)
Total equity		**506,119**	492,392
Liabilities			
Non-current liabilities			
Trade and other payables	16	**4,106**	2,205
Provisions	17	**27,271**	27,234
Lease liabilities	19	**3,560**	3,877
Borrowings	18	**11,006**	16,131

		45,943	49,447
Current liabilities			
Trade and other payables	16	**73,401**	75,922
Lease liabilities	19	**485**	501
Borrowings	18	**16,670**	50,556
Dividend payable	11	**5,244**	-
Current provisions	17	**163**	434
Current tax liabilities		**2,127**	1,317
		98,090	128,730
Total liabilities		**144,033**	178,177
Total equity and liabilities		**650,152**	670,569

The notes on the subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Neil Gregson
Chairman

Alberto Lavandeira
CEO

Interim Condensed Consolidated Statement of Changes in Equity

(All amounts in Euro thousands unless otherwise stated)

For the period ended 30 June 2024 and 2023

(Euro 000's)	Note	Share capital	Share premium (1)	Other reserves	Accum. Profits	Total	NCI	Total equity
(Unaudited)								
At 1 January 2024		**13,596**	**319,411**	**70,463**	**98,026**	**501,496**	**(9,104)**	**492,39**
Profit for the period		**-**	**-**	**-**	**17,130**	**17,130**	**(983)**	**16,14**
Total comprehensive income		**-**	**-**	**-**	**17,130**	**17,130**	**(983)**	**16,14**
Issuance of share capital	14	**74**	**2,448**	**-**	**-**	**2,522**	**-**	**2,52**
Recognition of depletion factor	15	**-**	**-**	**7,500**	**(7,500)**	**-**	**-**	
Recognition of share-based payments	15	**-**	**-**	**302**	**-**	**302**	**-**	**30**
Recognition of non-distributable reserve	15	**-**	**-**	**142**	**(142)**	**-**	**-**	
Recognition of distributable reserve	15	**-**	**-**	**9,297**	**(9,297)**	**-**	**-**	
Dividends	11	**-**	**-**	**-**	**(5,244)**	**(5,244)**	**-**	**(5,24**
At 30 June 2024		**13,670**	**321,859**	**87,704**	**92,973**	**516,206**	**(10,087)**	**506,11**

(Euro 000's)	Note	Share capital	Share premium (1)	Other reserves	Accum. Profits	Total	NCI	Total equity
(Audited)								
At 1 January 2023		13,596	319,411	69,805	70,483	473,295	(6,998)	466,29
Profit for the period		-	-	-	20,911	20,911	(603)	20,30
Change in fair value of financial assets through OCI		-	-	(5)	-	(5)	-	(
Total comprehensive income		-	-	(5)	20,911	20,906	(603)	20,30
Recognition of share-based payments	15	-	-	331	-	331	-	33
Other changes in equity		-	-	-	224	224	-	22
Dividends	11	-	-	-	(4,956)	(4,956)	-	(4,95
At 30 June 2023		13,596	319,411	70,131	86,650	489,788	(7,601)	482,18

(Euro 000's) (Audited)	Note	Share capital	Share premium (1)	Other reserves	Accum. Profits	Total	NCI	Total equity
At 1 January 2023		13,596	319,411	69,805	70,483	473,295	(6,998)	466,29
Profit for the period		-	-	-	38,769	38,769	(2,106)	36,66
Change in fair value of financial assets through OCI		-	-	(3)	-	(3)	-	(
Total comprehensive income		-	-	(3)	38,769	38,766	(2,106)	36,66
Recognition of share-based payments	15	-	-	661	-	661	-	66
Other changes in equity		-	-	-	252	252	-	25
Dividends paid	11	-	-	-	(11,478)	(11,478)	-	(11,47
At 31 December 2023		13,596	319,411	70,463	98,026	501,496	(9,104)	492,39

(1) The share premium reserve is not available for distribution

The notes on subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Interim Condensed Consolidated Statement of Cash Flows

(All amounts in Euro thousands unless otherwise stated)

For to the period ended 30 June 2024 and 2023

(Euro 000's)	Note	Three month period ended 30 Jun 2024	Three month period ended 30 June 2023	Six month period ended 30 Jun 2024	Six month period ended 30 Jun 2023

	Note	(Unaudited and unreviewed)	(Unaudited and unreviewed)	(Unaudited)	(Audited)
Cash flows from operating activities					
Profit before tax		**16,114**	11,052	**18,240**	24,629
Adjustments for:					
Depreciation of property, plant and equipment	8	**10,300**	8,236	**19,326**	15,914
Amortisation of intangibles	9	**685**	1,175	**1,264**	2,259
Recognition of share-based payments	15	**151**	254	**302**	330
Interest income	5	**(452)**	(4,171)	**(987)**	(4,397)
Interest expense	5	**445**	684	**956**	1,194
Unwinding of discounting on mine rehabilitation provision	17	**-**	-	**107**	553
Other provisions	17	**-**	234	**-**	287
Net foreign exchange differences	3	**(672)**	(1,277)	**(2,243)**	(55)
Unrealised foreign exchange loss on financing activities		**250**	(1,446)	**1,285**	(1,850)
Cash inflows from operating activities before working capital changes		**26,821**	14,741	**38,250**	38,864
Changes in working capital:					
Inventories	10	**(2,560)**	(3,851)	**(4,804)**	79
Trade and other receivables	12	**2,684**	9,893	**5**	17,328
Trade and other payables	16	**3,695**	347	**(2,518)**	(20,647)
Provisions	17	**(60)**	(146)	**(331)**	(294)
Cash flows from operations		**30,580**	20,984	**30,602**	35,330
Tax paid		**-**	(1,406)	**(1,242)**	(2,873)
Interest on leases liabilities	5	**(8)**	(6)	**(15)**	(13)
Interest paid	5	**(446)**	(684)	**(956)**	(1,194)
Net cash from operating activities		**30,126**	18,888	**28,389**	31,250
Cash flows from investing activities					
Purchase of property, plant and equipment	9	**(16,552)**	(11,678)	**(34,405)**	(20,523)
Purchase of intangible assets	10	**(622)**	(17)	**(894)**	(48)
Interest received	5	**120**	3,766	**368**	3,831
Net cash used in investing activities		**(17,054)**	(7,929)	**(34,931)**	(16,740)
Cash flows from financing activities					
Lease payments	19	**(123)**	(144)	**(333)**	(295)
Net (Repayments) from borrowings	18	**(21,261)**	(18,792)	**(37,860)**	(28,072)
Proceeds from issuance of shares	14	**2,522**	-	**2,522**	-
Net cash from financing activities		**(18,862)**	(18,936)	**(35,671)**	(28,367)
Net (decrease) / increase in cash and cash equivalents		**(5,790)**	(7,977)	**(42,213)**	(13,857)
Net foreign exchange difference	3	**672**	1,277	**2,243**	55
Cash and cash equivalents:					
At beginning of the period		**86,155**	119,346	**121,007**	126,448
At end of the period		**81,037**	112,646	**81,037**	112,646

The notes on the subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

(All amounts in Euro thousands unless otherwise stated)

For the period ended 30 June 2024 and 2023

1. Incorporation and summary of business

Atalaya Mining Plc (the "Company") was incorporated in Cyprus on 17 September 2004 as a private company with limited liability under the Companies Law, Cap. 113 and was converted to a public limited liability company on 26 January 2005. Its registered office is at 1 Lampousa Street, Nicosia, Cyprus.

The Company was first listed on the Alternative Investment Market (AIM) of the London Stock Exchange in May 2005, trading under the symbol ATYM. On 29 April 2024, the Company was admitted to trading on the main market of the London Stock Exchange.

Additional information about Atalaya Mining Plc is available at www.atalayamining.com.

Change of name and share consolidation

Following the Company's Extraordinary General Meeting ("EGM") on 13 October 2015, the change of name from EMED Mining Public Limited to Atalaya Mining Plc became effective on 21 October 2015. On the same day, the consolidation of ordinary shares came into effect, whereby all shareholders received one new ordinary share of nominal value Stg £0.075 for every 30 existing ordinary shares of nominal value Stg £0.0025.

Principal activities

Atalaya is a European mining and development company. The strategy is to evaluate and prioritise metal production opportunities in several jurisdictions throughout the well-known belts of base and precious metal mineralisation in Spain, elsewhere in Europe and Latin America.

The Group has interests in four mining projects: Proyecto Riotinto, Proyecto Touro, Proyecto Masa Valverde and Proyecto Ossa Morena. In addition, the Group has an earn-in agreement to acquire three investigation permits at Proyecto Riotinto Este.

Proyecto Riotinto

The Company owns and operates through a wholly owned subsidiary, "Proyecto Riotinto", an open-pit copper mine located in the Iberian Pyrite Belt, in the Andalusia region of Spain, approximately 65 km northwest of Seville. A brownfield expansion of this mine was completed in 2019 and successfully commissioned by Q1 2020.

Proyecto Touro

The Group has an initial 10% stake in Cobre San Rafael, S.L., the owner of Proyecto Touro, as part of an earn-in agreement which will enable the Group to acquire up to 80% of Cobre San Rafael S.L. Proyecto Touro is located in Galicia, north-west Spain. Proyecto Touro is currently in the permitting process.

In November 2019, Atalaya executed the option to acquire 12.5% of Explotaciones Gallegas del Cobre, S.L. the exploration property around Touro, with known additional resources, which will provide further optionality to Proyecto Touro.

Proyecto Masa Valverde

On 21 October 2020, the Company announced that it entered into a definitive purchase agreement to acquire 100% of the shares of Cambridge Mineria España, S.L. (since renamed Atalaya Masa Valverde, S.L.U.), a Spanish company which fully owns the Masa Valverde polymetallic project located in Huelva (Spain). Under the terms of the agreement Atalaya would make an aggregate €1.4 million cash payment in two instalments of approximately the same amount. The first payment of €0.7 million was made in January 2024 after the permits were granted. The second and final payment will be made when first production from the concession is obtained.

In November 2023, the exploitation permits for the Masa Valverde and Majadales deposits were officially granted.

In January 2024, the Company made the first instalment payment of €0.7 million.

Proyecto Ossa Morena

In December 2021, Atalaya announced the acquisition of a 51% interest in Rio Narcea Nickel, S.L., which owns 9 investigation permits. The acquisition also provided a 100% interest in three investigation permits that are also located along the Ossa- Morena Metallogenic Belt. In Q3 2022, Atalaya increased its ownership interest in POM to 99.9%, up from 51%, following completion of a capital increase that will fund exploration activities. During 2022 Atalaya rejected 8 investigation permits.

Atalaya will pay a total of €2.5 million in cash in three instalments and grant a 1% net smelter return ("NSR") royalty over all acquired permits. The first payment of €0.5 million was made following execution of the purchase agreement. The second and third instalments of €1 million each will be made once the environmental impact statement ("EIS") and the final mining permits for any project within any of the investigation permits acquired under the Transaction are secured.

Proyecto Riotinto East

In December 2020, Atalaya entered into a Memorandum of Understanding with a local private Spanish company to acquire a 100% beneficial interest in two investigation permits (known as Peñas Blancas and Cerro Negro investigation permits), which are located immediately to the east of Proyecto Riotinto.

2. Basis of preparation and accounting policies

2.1 Basis of preparation

(a) Overview

These interim condensed financial statements are unaudited.

The unaudited interim condensed consolidated financial statements for the period ended 30 June 2024 have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting and as adopted by the European Union (IFRS-EU) and the interpretations of the IFRS Interpretations Committee (IFRS IC) approved by Regulations of the European Commission, using the historical cost convention and have been prepared on a historical cost basis except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period, as explained below.

These unaudited interim condensed consolidated financial statements include the financial statements of the Company and its subsidiary undertakings. They have been prepared using accounting bases and policies consistent with those used in the preparation of the consolidated financial statements of the Company and the Group for the year ended 31 December 2023. These unaudited interim condensed consolidated financial statements do not include all the disclosures required for annual financial statements, and accordingly, should be read in conjunction with the consolidated financial statements and other information set out in the Group's annual report for the year ended 31 December 2023.

(b) Going concern

These unaudited interim condensed consolidated financial statements have been prepared based on accounting principles applicable to a going concern which assumes that the Group will realise its assets and discharge its liabilities in the normal course of business. Management has carried out an assessment of the going concern assumption and has concluded that the Group will generate sufficient cash and cash equivalents to continue operating for the next twelve months.

Management continues to monitor the impact of geopolitical developments. Currently no significant impact is expected in the operations of the Group.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the unaudited condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2024, but do not have a material impact on the unaudited interim condensed consolidated financial statements of the Group.

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period. The amendments had no material impact on the Group's unaudited interim condensed consolidated financial statements.

IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16. The amendments had no material impact on the Group's unaudited interim condensed consolidated financial statements.

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments)

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable. Furthermore, the amendments require an entity to disclose at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements. The amendments have not yet been endorsed by the EU. The amendments had no material impact on the Group's unaudited interim condensed consolidated financial statements.

IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)

The amendments are effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. The amendments had no material impact on the Group's unaudited interim condensed consolidated financial statements.

2.3 Fair value estimation

The fair values of the Group's financial assets and liabilities approximate their carrying amounts at the reporting date.

The fair value of financial instruments traded in active markets, such as publicly traded trading and other financial assets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. The appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods, such as estimated discounted cash flows, and makes assumptions that are based on market conditions existing at the reporting date.

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.3 Fair value estimation

Financial assets or liabilities (Euro 000's)	Level 1	Level 2	Level 3	Total
30 Jun 2024				
Other financial assets				
Financial assets at FV through OCI	**31**	**-**	**1,101**	**1,132**
Trade and other receivables				
Receivables (subject to provisional pricing)	**-**	**10,487**	**-**	**10,487**
Total	**31**	**10,487**	**1,101**	**11,619**
31 Dec 2023				
Other financial assets				
Financial assets at FV through OCI	30	-	1,101	1,131
Trade and other receivables				
Receivables (subject to provisional pricing)	-	15,164	-	15,164
Total	30	15,164	1,101	16,295

2.4 Critical accounting estimates and judgements

The preparation of the unaudited interim condensed consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A full analysis of critical accounting estimates and judgements is set out in Note 3.3 of the 2023 audited financial statements.

Update in Ore Reserves and Its Financial Impact

In May 2024, Atalaya incorporated an update of its ore reserves based on an independent expert analysis in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (the "CIM Standards"). This update has some impact on our financial statements and accounting estimates and reflects a revised understanding of the economic potential and operational requirements of our mining assets.

Judgements and Assumptions:

The update in ore reserves requires significant judgments and assumptions, particularly in estimating the quantity and quality of the ore, the economic viability of extraction, and the life of the mine. These estimates impact various accounting measures, including depreciation schedules, cost allocations, and capitalisation policies. Our management has applied considerable expertise and relied on independent expert opinions to ensure these estimates are robust and reflect the best available information.

Impact on Profit and Loss Statement:

The update of ore reserves has resulted in some changes to our accounting practices in relation to depreciation, stripping costs and capitalisation. Specifically, these changes result in a total decrease in net profit of €1.5 million, comprising €0.7 million from increased depreciation, €0.1 million from increased depreciation of stripping costs and €0.7 million from reduced capitalisation of stripping costs. These changes help to maintain the accuracy of our financial statements and ensure that they give a fair view of the financial position and performance of our business.

Accumulated Depreciation of Mining Assets:

The revised ore reserve estimates have led to an increase in the accumulated depreciation of our mining assets by €0.7 million during the six-month period. This change is due to the adjustment in the useful life and depletion rate of these assets, which are now expected to be utilised over a shorter timeframe than previously estimated. The new ore reserve data has provided a more accurate basis for calculating depreciation, ensuring our financial records accurately reflect the wear and tear on these assets over their updated useful lives.

Stripping Costs: depreciation

The reserves update also resulted in an increase in depreciation of €0.1 million during the period. Depreciation, which covers the allocation of the cost of assets over their useful lives, has been adjusted to reflect the new ore reserve estimates. The reassessment of reserves has impacted the level and timing of depreciation, reflecting the updated operational requirements to access the newly defined ore bodies.

Capitalisation of Stripping Costs:

In conjunction with the increase in stripping costs, there is a reduction in the capitalisation of stripping costs amounting to €0.7 million. This adjustment arises from the revised criteria for capitalising stripping costs under the updated ore reserve estimates. With a clearer understanding of the ore body and its economic feasibility, certain costs previously capitalised are now expensed, aligning our financial practices with the current and more accurate projections of our mining operations.

Compliance with Reporting Standards:

The Group reports its Mineral Resources and Mineral Reserves in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (the "CIM Standards"). This ensures that our reporting is consistent with internationally recognised guidelines, providing transparency and comparability for our stakeholders.

3. Business and geographical segments

Business segments

The Group has only one distinct business segment, being that of mining operations, which include mineral exploration and development.

Copper concentrates produced by the Group are sold to three off-takers as per the relevant offtake agreements. In addition, the Group has spot agreements for the concentrates not committed to off-takers.

Geographical areas of sales

The Group's mining activities are located in Spain. The commercialisation of the copper concentrates produced in Spain is carried out through Cyprus. Sales transactions to related parties are on arm's length basis in a similar manner to transaction with third parties. Accounting policies used by the Group in different locations are the same as those contained in Note 2.

The table below presents revenues from external customers attributed to the country of establishment of each customer.

Revenue - from external customers	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
	€'000	€'000	€'000	€'000
Switzerland	**76,805**	55,952	**127,042**	132,727
Singapore	**15,403**	22,271	**35,104**	36,667
	92,208	78,223	**162,146**	169,394

Revenue represents the sales value of goods supplied to customers; net of value added tax. The following table summarises sales to customers with whom transactions have individually exceeded 10.0% of the Group's revenues.

(Euro 000's)		**Six month period ended 30 Jun 2024**		Six month period ended 30 Jun 2023
	Segment	**€'000**	Segment	€'000
Offtaker 1	**Copper**	**35,104**	Copper	36,667
Offtaker 2	**Copper**	**55,229**	Copper	39,553
Offtaker 3	**Copper**	**71,797**	Copper	93,157
		162,130		169,377

The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property, plant and equipment and intellectual property and the location of the operation to which they are allocated in the case of goodwill.

Non-current assets	30 Jun 2024	31 Dec 2023
	€'000	€'000
Spain	**449,008**	434,136
	449,008	434,136

4. Revenue

(Euro 000's)	**Three month period ended 30 Jun 2024,**	Three month period ended 30 Jun 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Revenue from contracts with customers (1)	**96,514**	84,774	**170,232**	173,087
Fair value losses relating to provisional pricing within sales (2)	**(4,306)**	(6,551)	**(8,086)**	(3,693)
Total revenue	**92,208**	78,223	**162,146**	169,394

All revenue from copper concentrate is recognised at a point in time when the control is transferred. Revenue from freight services is recognised over time as the services are provided.

(1) Included within Q2 2024 and H1 2024 revenues are transaction prices, which relate to the freight services provided by the Group to the customers arising from the sales of copper concentrate under CIF incoterm, of €3.2 million (Q2 2023: €2.1 million) and €6.3 million (H1 2023: €4.5 million), respectively.

(2) Provisional pricing impact represents the change in fair value of the embedded derivative arising on sales of concentrate.

5. Net Finance Income/(Costs)

(Euro 000's)	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Interest expense				
Other interest (1)	**(445)**	(684)	**(956)**	(1,194)
Interest on lease liabilities	**(8)**	(6)	**(15)**	(13)
Unwinding of discount on mine rehabilitation provision (Note 17)	-	-	**(107)**	(553)
Interest income				
Financial interests	**452**	340	**987**	566
Other received interests (2)	-	3,830	-	3,830
Total	**(1)**	3,480	**(91)**	2,636
Interest expense capitalised (3)	**240**	217	**430**	401

(1) Interest expense related to interest accrued on bank payable balances.

(2) Interest income comprise mainly the interest received of €3.8 million as a result of the agreement reached with Astor in May 2023.

(3) Amounts capitalized within the above table is referred to 50 MW Solar plant.

6. Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the unaudited interim condensed consolidated statement of profit or loss are:

(Euro 000's)	**Three month period ended 30 Jun 2024**	Three month period ended 30 June 2023	**Six month period ended 30 Jun 2024**	Six month period ended 30 Jun 2023
Income taxes				
Current income tax expense	**(1,594)**	(1,848)	**(2,093)**	(4,321)
Income tax expense recognised in statement of profit and loss	**(1,594)**	(1,848)	**(2,093)**	(4,321)

7. Earnings per share

The calculation of the basic and fully diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

Company is based on the following data.

(Euro 000's)	Three months ended 30 Jun 2024	Three months ended 30 Jun 2023	Six months ended 30 Jun 2024	Six months ended 30 Jun 2023
Profit attributable to equity holders of the parent	**15,104**	9,542	**17,130**	20,911
Weighted number of ordinary shares for the purposes of basic earnings per share (000's)	**140,196**	139,880	**140,044**	139,880
Basic profit per share (EUR cents/share)	**10.8**	6.8	**12.2**	15.0
Weighted number of ordinary shares for the purposes of fully diluted earnings per share (000's)	**144,728**	144,028	**145,000**	143,705
Fully diluted profit per share (EUR cents/share)	**10.4**	6.6	**11.8**	14.6

At 30 June 2024 there are nil warrants (Note 14) and 5,273,666 options (Note 14) (2023: nil warrants and 4,848,500 options) which have been included when calculating the weighted average number of shares for 2024.

8. Property, plant and equipment

(Euro 000's)	Land and buildings	Right-of-use assets	Plant and machinery	Assets under construction (1)	Deferred mining costs (2)	Other assets (3)	Total
Cost							
At 1 January 2023	80,326	7,076	291,335	50,235	52,358	872	482,202
Additions	36	-	4,525	15,825	4,572	24	24,982
Advances	10	-	-	-	-	-	10
Reclassifications	-	-	18,413	(18,413)	-	-	-
Increase in rehab. Provision	2,541	-	-	-	-	-	2,541
At 30 June 2023	82,913	7,076	314,273	47,647	56,930	896	509,735
Additions	-	-	1,486	26,324	7,142	55	35,007
Increase in rehab. Provision	604	-	-	-	-	-	604
Reclassifications	-	-	3,370	(3,370)	-	-	-
At 31 December 2023	**83,517**	**7,076**	**319,129**	**70,601**	**64,072**	**951**	**545,346**
Adjustments	**-**	**-**	**5**	**-**	**-**	**-**	**5**
Opening adjusted	**83,517**	**7,076**	**319,134**	**70,601**	**64,072**	**951**	**545,351**
Additions	**151**	**-**	**561**	**32,388**	**1,310**	**-**	**34,410**
Increase in rehab. Provision	**741**	**-**	**-**	**-**	**-**	**-**	**741**
Reclassifications	**-**	**-**	**1,958**	**(1,958)**	**-**	**-**	**-**
Write-off	**-**	**(148)**	**(439)**	**-**	**-**	**-**	**(587)**
At 30 June 2024	**84,409**	**6,928**	**321,214**	**101,031**	**65,382**	**951**	**579,915**
Depreciation							
At 1 January 2023	20,454	1,998	89,182	-	14,921	739	127,294
Adjustments	-	-	6	-	-	-	6
Opening adjusted	20,454	1,998	89,188	-	14,921	739	127,300
Charge for the period	2,057	278	11,717	-	1,855	7	15,914
At 30 June 2023	22,511	2,276	100,905	-	16,776	746	143,214
Charge for the period	2,191	255	12,642	-	2,287	18	17,393
At 31 December 2023	**24,702**	**2,531**	**113,547**	**-**	**19,063**	**764**	**160,607**
Adjustments	**-**	**-**	**1**	**-**	**-**	**-**	**1**
Opening adjusted	**24,702**	**2,531**	**113,548**	**-**	**19,063**	**764**	**160,608**
Charge for the period	**3,387**	**244**	**13,201**	**-**	**2,530**	**21**	**19,383**
Write-off	**-**	**(57)**	**-**	**-**	**-**	**-**	**(57)**
At 30 June 2024	**28,089**	**2,718**	**126,749**	**-**	**21,593**	**785**	**179,934**
Net book value							
At 30 June 2024	**56,320**	**4,210**	**194,465**	**101,031**	**43,789**	**166**	**399,981**
At 31 December 2023	58,815	4,545	205,582	70,601	45,009	187	384,739

(1) Assets under construction at 30 June 2024 were €101.0 million (31 December 2023: €70.6 million) which include sustaining capital expenditures (mainly associated with San Dionisio area), tailings dams project, E-LIX plant and solar plant.

(2) Stripping costs

(3) Includes motor vehicles, furniture, fixtures and office equipment which are depreciated over 5-10 years.

(4) Increase in lands related to the rehabilitation provision

The above fixed assets are mainly located in Spain.

E-LIX Phase I Plant

In January 2022, Atalaya approved the construction of the E-LIX Phase I Plant, the first phase of an industrial-scale processing plant utilising the E-LIX System. The E-LIX System is a newly developed and innovative electrochemical extraction process that utilises singular catalysts and physicochemical conditions to dissolve the valuable metals contained within sulphide concentrates in order to produce high-value copper and zinc metals from complex sulphide concentrates.

The E-LIX System was developed by Lain Technologies Ltd ("Lain Tech") with the financial support of Atalaya. Over a period of six years, Atalaya and Lain Tech conducted continuous evaluation, de-risking and testing of the process, including through the development of a semi-industrial pilot plant in 2019 to demonstrate the feasibility of the system. In 2020, Atalaya reached agreement with Lain Tech to use Lain Tech patents on an exclusive basis within the Iberian Pyrite Belt in Spain and Portugal.

The E-LIX Phase I Plant is also expected to reduce Atalaya's carbon footprint by producing high-purity metals on-site and reducing transportation costs and treatment charges.

In this regard, Atalaya has constructed an Industrial Plant, recorded in its tangible fixed assets (under construction). Additionally, it has provided Lain Technologies Ltd with the necessary financing to undertake the investment in E-LIX technological assets. This financing is recorded as a prepayment (see note 12).

Commissioning and ramp-up of the facility continues, with first zinc recovered in H1 2024 and an initial capacity designed to produce 6,000 tonnes of copper metal per year or 10,000 tonnes of zinc metal per year, depending on the concentrate feed ratio. In H1 2024, investments in the E-LIX Phase I Plant totalled €6.5 million of which €nil was accounted for as prepayments to Lain Technologies Ltd (compared with FY2023, during which investments totalled €18.1 million, of which €9.1 million was accounted for as prepayments to Lain Technologies Ltd).

9. Intangible assets

(Euro 000's)	Permits	Licences, R&D and software	Total
Cost			
At 1 January 2023	81,255	8,642	89,897
Additions	48	-	48
At 30 June 2023	81,303	8,642	89,945
Additions	96	116	212
Disposals	(200)	-	(200)
At 31 December 2023	**81,199**	**8,758**	**89,957**
Additions	**894**	**-**	**894**
At 30 June 2024	**82,093**	**8,758**	**90,851**
Amortisation			
At 1 January 2023	27,627	8,440	36,067
Charge for the period	2,234	25	2,259
At 30 June 2023	29,861	8,465	38,326
Charge for the period	2,219	15	2,234
At 31 December 2023	**32,080**	**8,480**	**40,560**
Charge for the period	**1,249**	**15**	**1,264**
At 30 June 2024	**33,329**	**8,495**	**41,824**
Net book value			
At 30 June 2024	**48,764**	**263**	**49,027**
At 31 December 2023	49,119	278	49,397

Increase in permits in 2024 related to the capitalisation of Proyecto Masa Valverde.

The ultimate recovery of balances carried forward in relation to areas of interest or all such assets including intangibles is dependent on successful development, and commercial exploitation, or alternatively the sale of the respective areas.

The Group conducts impairment testing on an annual basis unless indicators of impairment are not present at the reporting date.

10. Inventories

(Euro 000's)	30 Jun 2024	31 Dec 2023
Finished products	**10,155**	8,416
Materials and supplies	**24,575**	21,852
Work in progress	**3,388**	3,046
Total inventories	**38,118**	33,314

As of 30 June 2024, copper concentrate produced and not sold amounted to 8,749 tonnes (31 Dec 2023: 6,722 tonnes). Accordingly, the inventory for copper concentrate was €10.2 million (31 Dec 2023: €8.4 million).

Materials and supplies relate mainly to machinery spare parts. Work in progress represents ore stockpiles, which is ore that has been extracted and is available for further processing.

11. Dividends

Cash dividends declared and paid during the period:

(Euro 000's)	Three month period ended 30 Jun 2024	Three month period ended 30 June 2023	Six month period ended 30 Jun 2024	Six month period ended 30 Jun 2023
Dividends declared and paid	-	-	-	-

Cash dividends declared but not paid during the period:

(Euro 000's)	Three month period ended 30 Jun 2024	Three month period ended 30 June 2023	Six month period ended 30 Jun 2024	Six month period ended 30 Jun 2023
Dividends declared but not paid	**5,244**	4,956	**5,244**	4,956

Cash dividends payable at the end of the period:

(Euro 000's)	30 Jun 2024	31 Dec 2023
Dividend payable	**5,244**	-

A final dividend of US$0.04 per ordinary share, which is equivalent to approximately £0.031 per share, in respect of 2023 was proposed on 18 March 2024 for approval by shareholders at the 2024 AGM, which gives a total dividend for 2023 of US$0.09 per share. Following the approval of Resolution 11 by the Company's shareholders at the 2024 AGM, which took place on 27 June 2024, the final dividend which (based on as exchange rates used for conversion after the record date) amounted to €5.2 million was approved and the dividend was paid on 9 August 2024.

12. Trade and other receivables

(Euro 000's)	30 Jun 2024	31 Dec 2023
Non-current		
Deposits	**312**	307
Loans	**233**	233
Prepayments	**24,095**	23,476
Other non-current receivables	**2,686**	2,686
	27,326	26,702
Current		
Trade receivables at fair value - *subject to provisional pricing*	**8,148**	10,110
Trade receivables from shareholders at fair value - *subject to provisional pricing* (Note 22.3)	**2,339**	5,054
Other receivables from related parties at amortised cost (Note 22.3)	**56**	56
Deposits	**35**	37
VAT receivables	**24,469**	21,003
Tax advances	**32**	-
Prepayments	**4,219**	5,855
Other current assets	**1,167**	782
	40,465	42,897

Allowance for expected credit losses	-	-
Total trade and other receivables	**67,791**	69,599

Trade receivables are shown net of any interest applied to prepayments. Payment terms are aligned with offtake agreements and market standards and generally are 7 days on 90% of the invoice and the remaining 10% at the settlement date which can vary between 1 to 5 months. The fair values of trade and other receivables approximate to their book values.

Non-current deposits included €250k (€250k at 31 December 2023) as a collateral for bank guarantees, which was recorded as restricted cash (or deposit).

The prepayments relate to an agreement entered into between the Group and Lain Technologies Ltd for the construction of an industrial plant using the E-LIX technology, which is currently in final construction, commissioning and ramp-up, at Proyecto Riotinto. This technology system is a newly developed electrochemical extraction process that utilises singular catalysts and physiochemical conditions to dissolve the valuable metals contained within sulphide concentrates. Lain Technologies Ltd. developed and fully owns the E-LIX System. According to the agreement, once the Industrial Plant at Proyecto Riotinto is operational, the Group will have access to (i) the use of E-LIX Technology to extract cathodes and (ii) exclusivity in the use of the E-LIX Technology on concentrates extracted from the Iberian Pyrite Belt for eight years (also see note 8 for a deeper understanding).

13. Cash and cash equivalents

(Euro 000's)	30 Jun 2024	31 Dec 2023
Unrestricted cash and cash equivalents at Group level	**76,253**	94,868
Unrestricted cash and cash equivalents at Operation level	**4,784**	26,139
Consolidated cash and cash equivalents	**81,037**	121,007

Cash and cash equivalents denominated in the following currencies:

(Euro 000's)	30 Jun 2024	31 Dec 2023
Euro - functional and presentation currency	**57,782**	50,470
Great Britain Pound	**139**	52
United States Dollar	**23,116**	70,485
Consolidated cash and cash equivalents	**81,037**	121,007

14. Share capital and share premium

	Shares 000's	Share Capital Stg£'000	Share premium Stg£'000	Total Stg£'000
Authorised				
Ordinary shares of Stg £0.075 each*	200,000	15,000	-	15,000

Issued and fully paid			Shares	Share Capital	Share premium	Total
Issue Date	**Price (£)**	**Details**	000's	€'000	€'000	€'000
31 December 2022/1 January 2023			**139,880**	**13,596**	**319,411**	**333,007**
31-Dec-23			**139,880**	**13,596**	**319,411**	**333,007**
9-Feb-24	**3.090**	Exercised share options (a)	**20**	**2**	**71**	**73**
7-May-24	**2.015**	Exercised share options (b)	**67**	**3**	**154**	**157**
22-May-24	**2.015**	Exercised share options (c)	**600**	**53**	**1,368**	**1,421**
27-Jun-24	**4.160**	Exercised share options (d)	**120**	**10**	**570**	**580**
27-Jun-24	**3.575**	Exercised share options (d)	**37**	**3**	**149**	**152**
27-Jun-24	**3.270**	Exercised share options (d)	**37**	**3**	**136**	**139**
At 30-Jun-24			**140,761**	**13,670**	**321,859**	**335,529**

Authorised capital

The Company's authorised share capital is 200,000,000 ordinary shares of Stg £0.075 each.

Issued capital

(a) On 9 February 2024, the Company announced that it has issued 20,000 ordinary shares of 7.5p in the

Company ("Option Shares") pursuant to an exercise of share options by an employee.

(b) On 7 May 2024, Atalaya announced that it has issued 66,500 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to an exercise of share options by an employee.

(c) On 22 May 2024, the Company announced that it has issued 600,000 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to an exercise of share options by a person discharging managerial responsibilities ("PDMR").

(d) On 27 June 2024, Atalaya announced that it has issued 193,334 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to the exercise of share options by an employee. These options were issued as part of the Company's long term incentive plan.

No shares were issued in FY2023.

The Company's share capital at 30 June 2024 is 140,759,043 ordinary shares of Stg £0.075 each.

In general, option agreements contain provisions adjusting the exercise price in certain circumstances including the allotment of fully paid ordinary shares by way of a capitalisation of the Company's reserves, a subdivision or consolidation of the ordinary shares, a reduction of share capital and offers or invitations (whether by way of rights issue or otherwise) to the holders of ordinary shares.

Details of share options outstanding as at 30 June 2024:

Grant date	Expiry date	Exercise price £	Share options
30 June 2020	29 June 2030	1.475	516,000
24 June 2021	23 June 2031	3.090	996,000
22 June 2022	30 June 2027	3.575	1,188,333
22 May 2023	21 May 2028	3.270	1,288,333
11 June 2024	10 June 2029	4.135	1,305,000
Total			**5,273,666**

	Weighted average exercise price £	Share options
At 1 January 2024	2.968	4,848,500
Options executed during the year	2.449	(879,834)
Granted during the year	4.135	1,305,000
30 June 2024	**3.343**	**5,273,666**

Warrants

As at 30 June 2024 and 2023 there were no warrants.

15. Other reserves

(Euro 000's)	Share option	Bonus share	Depletion factor (1)	FV reserve of financial assets at FVOCI (2)	Non-Distributable reserve (3)	Distributable reserve (4)	Total
At 1 January 2023	10,365	208	37,778	(1,153)	8,316	14,291	69,805
Recognition of share- based payments	330	-	-	-	-	-	330
Change in fair value of financial assets at fair value through OCI	-	-	-	(4)	-	-	(4)
At 30 June 2023	10,695	208	37,778	(1,157)	8,316	14,291	70,131
Recognition of share-based payments	331	-	-	-	-	-	331
Change in fair value of financial assets at fair value through OCI	-	-	-	1	-	-	1
At 31 December 2023	**11,026**	**208**	**37,778**	**(1,156)**	**8,316**	**14,291**	**70,463**
Recognition of share-based payments	**302**	**-**	**-**	**-**	**-**	**-**	**302**
Recognition of non-distributable reserve	**-**	**-**	**-**	**-**	**142**	**-**	**142**
Recognition of distributable reserve	**-**	**-**	**-**	**-**	**-**	**9,297**	**9,297**
Recognition of depletion factor	**-**	**-**	**7,500**	**-**	**-**	**-**	**7,500**
At 30 June 2024	**11,328**	**208**	**45,278**	**(1,156)**	**8,458**	**23,588**	**87,704**

(1) Depletion factor reserve

At 30 June 2024, the Group has recognised €7.5 million (30 June 2023: €nil) as a depletion factor reserve as per the Spanish Corporate Tax Act.

(2) Fair value reserve of financial assets at FVOCI

The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in (1) above. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(3) Non-distributable reserve

To comply with Spanish Law, the Group needed to record a reserve of profits generated equal to a 10% of profit/(loss) for the year until 20% of share capital is reached.

(4) Distributable reserve

The Group reclassified at least 10% of the profit of 2023 to distributable reserves.

16. Trade and other payables

(Euro 000's)	30 Jun 2024	31 Dec 2023
Non-current		
Other non-current payables	**2,750**	2,003
Government grant	**1,356**	202
	4,106	2,205
Current		
Trade payables	**67,605**	70,303
Trade payables to shareholders (Note 22.3)	**114**	179
Accruals	**4,712**	3,395
VAT payables	**75**	391
Other	**895**	1,654
	73,401	75,922

Other non-current payables are related with the acquisition of Atalaya Ossa Morena S.L. (former Rio Narcea Nickel S.L.) and Atalaya Masa Valverde, S.L.U. (former Cambridge Mineria España, S.L.).

Trade payables are mainly for the acquisition of materials, supplies and other services. These payables do not accrue interest and no guarantees have been granted. The fair value of trade and other payables approximate their book values. Trade payables are non-interest-bearing and are normally settled on 60-day terms.

17. Provisions

(Euro 000's)	Other provisions	Legal costs	Rehabilitation costs	Total costs
At 1 January 2023	1,435	226	23,374	25,035
Used of provision	-	-	(294)	(294)
Increase in provision	-	-	2,542	2,542
Finance cost	-	-	553	553
At 30 June 2023	1,435	226	26,175	27,836
Additions	-	1	-	1
Increase in provision	-	-	603	603
Use of provision	(685)	-	(224)	(909)
Finance cost	-	-	137	137
At 31 December 2023	**750**	**227**	**26,691**	**27,668**
Use of provision	**-**	**(34)**	**(297)**	**(331)**
Increase in provision	**-**	**-**	**740**	**740**
Finance cost	**-**	**-**	**107**	**107**
Transfer to other non-current payables	**(750)**	**-**	**-**	**(750)**
At 30 June 2024	**-**	**193**	**27,241**	**27,434**

(Euro 000's)	30 Jun 2024	31 Dec 2023
Non-current	**27,271**	27,234
Current	**163**	434
Total	**27,434**	27,668

Rehabilitation provision

Rehabilitation provision represents the accrued cost required to provide adequate restoration and rehabilitation upon the completion of production activities. These amounts will be settled when rehabilitation is undertaken, generally over the project's life.

The discount rate used in the calculation of the net present value of the liability as at 30 June 2024 was 3.66% (31 December 2023: 3.62%), which is the 15-year Spanish Government Bond rate for 2023. An inflation rate of 1%-5.70% (31 December 2023: 1%-5.70%) is applied on annual basis.

Legal provision

The Group has been named a defendant in several legal actions in Spain, the outcome of which is not determinable

The Group has been named a defendant in several legal actions in Spain, the outcome of which is not determinable as at 30 June 2024. Management has individually reviewed each case and established a provision of €0.2 million as of 30 June 2024 (€0.2 million at 31 December 2023) for these claims, which has been reflected in these unaudited interim condensed consolidated financial statements.

Other provisions

The Group has classified during 2024 the amount related to the second and final payment of the purchase agreement to acquire 100% of the shares of Atalaya Masa Valverde, S.L.U. (formerly Cambridge Mineria España, S.L.) as other long-term financial liabilities, due to current expectations around the fulfilment of the last milestone.

18. Borrowings

(Euro 000's)	30 Jun 2024	31 Dec 2023
Non-current borrowings		
Credit facilities	**11,006**	16,131
	11,006	16,131
Current borrowings		
Credit facilities	**16,670**	50,556
	16,670	50,556

The Group had credit approval for facilities totalling €94.2 million (€103.8 million at 31 December 2023).

Borrowing with fixed interest rates is 1.75%. Margins on borrowing with variable interest rates, usually 12 months EURIBOR, range from 0.95% to 1.93% with an average margin of 1.25%.

At 30 June 2024, the Group had used €27.7 million of its facilities and had undrawn facilities of €66.5 million.

19. Lease liabilities

(Euro 000's)	30 Jun 2024	31 Dec 2023
Non-current		
Lease liabilities	**3,560**	3,877
	3,560	3,877
Current		
Lease liabilities	**485**	501
	485	501

Lease liabilities

The Group entered into lease arrangements for the renting of land which is subject to the adoption of all requirements of IFRS 16 Leases. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. Depreciation expense regarding leases amounts to €0.2 million (2023: €0.6 million) for the six month period ended 30 June 2024. The land lease is set for a duration of thirteen years, with payments due at the beginning of each month, increasing annually by an average of 1.5%. As of 30 June 2024, the remaining term of this lease is five and a half years.

(Euro 000's)	30 Jun 2024	31 Dec 2023
Minimum lease payments due:		
- Within one year	**485**	501
- Two to five years	**1,870**	1,928
- Over five years	**1,690**	1,949
Present value of minimum lease payments due	**4,045**	4,378

(Euro 000's)	Lease liabilities
At 1 January 2024	**4,377**
Interest expense	**15**
Lease payments	**(259)**
Write-off	**(88)**
At 30 June 2024	**4,045**
At 30 June 2024	
Non-current liabilities	**3,560**
Current liabilities	**485**
	4,045

20. Acquisition, incorporation and disposal of subsidiaries

There were no acquisitions or incorporation of subsidiaries during the six month period ended 30 June 2024 and 2023.

21. Winding-up of subsidiaries

21. Winding-up of subsidiaries

There were no operations wound up during the six month period ended 30 June 2024 and 2023.

22. Related party transactions

The following transactions were carried out with related parties:

22.1 Compensation of key management personnel

The total remuneration and fees of Directors (including Executive Directors) and other key management personnel was as follows:

(Euro 000's)	Three month period ended 30 Jun 2024	Three month period ended 30 June 2023	Six month period ended 30 Jun 2024	Six month period ended 30 Jun 2023
Directors' remuneration and fees	**293**	187	**590**	547
Directors' bonus [1]	**327**	322	**327**	322
Share option-based benefits and other benefits to directors	**47**	75	**95**	95
Key management personnel fees	**158**	86	**307**	290
Key management bonus [1]	**247**	221	**247**	221
Share option-based and other benefits to key management personnel	**47**	75	**95**	95
	1,119	966	**1,661**	1,570

(1) These amounts related to the performance bonus for 2023 approved by the Board of Directors of the Company during H1 2024. Director's bonus relates to the amount approved for the CEO as an executive director and key management bonus relates to the amount approved for other key management personnel which are not directors of Atalaya Mining plc.

22.2 Share-based benefits

On 12 June 2024, the Company announced that in accordance with the Company's Long Term Incentive Plan 2020 which was approved by shareholders at the Annual General Meeting on 25 June 2020, it has granted 1,305,000 share options to Persons Discharging Managerial Responsibilities and other management.

The Options expire on 10 June 2029, five years from the deemed date of grant (11 June 2024), have an exercise price of 413.5 pence per ordinary share, being the last mid-market closing price on the grant date, and vest in three equal tranches, one third on grant and the balance equally on the first and second anniversary of the grant date.

22.3 Transactions with related parties/shareholders

i) Transaction with shareholders

(Euro 000's)	Three month period ended 30 Jun 2024	Three month period ended 30 June 2023	Six month period ended 30 Jun 2024	Six month period ended 30 Jun 2023
Trafigura Pte Ltd- Revenue from contracts [a]	**17,702**	21,526	**37,648**	33,820
Gain / (losses) relating provisional pricing within sales	**(2,299)**	746	**(2,544)**	2,848
	15,403	22,272	**35,104**	36,668
Impala Terminals Huelva S.L.U. - Port Handling and Warehousing services [b]	**(796)**	(566)	**(1,212)**	(1,112)
Trafigura - Total revenue from contracts	**14,607**	21,706	**33,892**	35,556

(a) Offtake agreement and spot sales to Trafigura

Offtake agreement

In May 2015, the Company agreed terms with key stakeholders in a capitalisation exercise to finance the re-start of Proyecto Riotinto (the "2015 Capitalisation").

As part of the 2015 Capitalisation, the Company entered into offtake agreements with some of its large shareholders, one of which was Trafigura Pte Ltd ("Trafigura"), under which the total forecast concentrate production from Proyecto Riotinto was committed ("2015 Offtake Agreements").

During Q2 2024, the Company completed 9 sales transactions under the terms of the 2015 Offtake Agreements valued at €97.1 million (Q2 2023: 3 sales valued at €22.9 million).

Spot Sales Agreements

Due to various expansions implemented at Proyecto Riotinto in recent years, volumes of concentrate have been periodically available for sale outside of the Company's various 2015 Offtake Agreements.

In Q2 2024, the Company completed nil spot sales (Q2 2023: nil spot sales valued at €nil) There was an adjustment of negative €0.2 million in Q2 2024 which related to QP adjustments registered in Q2 2024 relating to spot sales made in the previous year.

Sales transactions with related parties are at arm's length basis in a similar manner to transactions with third parties.

(b) Port Handling and Warehousing services

In September 2015, Atalaya entered into a services agreement with Impala Terminals Huelva S.L.U. ("Impala Terminals") for the handling, storage and shipping of copper concentrates produced from Proyecto Riotinto. The agreement covered total export concentrate volumes produced from Proyecto Riotinto for three years for volumes not committed to Trafigura under its 2015 Offtake Agreement and for the life of mine for the volumes committed to Trafigura under its 2015 Offtake Agreement.

In September 2018, the Company entered into an amendment to the 2015 Port Handling Agreement, which included improved financial terms and a five year extension.

In December 2023, the Company entered into an extension of the service agreement with Impala Terminals for the handling, storage and shipping of copper concentrates produced from Proyecto Riotinto on similar terms than the 2015 agreement and the extension in 2018. This extension has a term of approximately five years and covers the concentrate volumes produced for export from Proyecto Riotinto that are not already committed to the Trafigura Group under its 2015 Offtake Agreement.

As at 30 June 2024, Impala Terminals was part of the Trafigura Group, under joint control.

ii) Period-end balances with related parties

(Euro 000's)	**30 Jun 2024**	31 Dec 2023
Receivables from related parties:		
Recursos Cuenca Minera S.L.	**56**	56
Total (Note 12)	**56**	56

The above balances bear no interest and are repayable on demand.

iii) Period-end balances with shareholders

(Euro 000's)	**30 Jun 2024**	31 Dec 2023
Receivable from shareholder (Note 12)		
Trafigura - Debtor balance- subject to provisional pricing	**2,339**	5,054
Trafigura - Debtor balance- at amortised cost	**-**	-
	2,339	5,054
Payable to joint venture of shareholder (Note 16)		
Impala Terminals Huelva S.L.U. - Payable balance	**(114)**	(179)
	(114)	(179)

The above debtor balance arising from sales of goods and other balances bear no interest and is repayable on demand.

23. Contingent liabilities

Judicial and administrative cases

In the normal course of business, the Group may be involved in legal proceedings, claims and assessments. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Legal fees for such matters are expensed as incurred and the Group accrues for adverse outcomes as they become probable and estimable.

24. Commitments

There are no minimum exploration requirements at Proyecto Riotinto. However, the Group is obliged to pay local land taxes which currently are approximately €235,000 per year in Spain and the Group is required to maintain the Riotinto site in compliance with all applicable regulatory requirements.

In 2012, ARM entered into a 50/50 joint venture with Rumbo to evaluate and exploit the potential of the class B resources in the tailings dam and waste areas at Proyecto Riotinto (mainly residual gold and silver in the old gossan tailings). Under the joint venture agreement, ARM will be the operator of the joint venture, will reimburse Rumbo for the costs associated with the application for classification of the Class B resources and will fund the initial expenditure of a feasibility study up to a maximum of €2.0 million. Costs are then borne by the joint venture partners in accordance with their respective ownership interests.

25. Significant events

Ongoing geopolitical events are impacting the global economy, but the full implications cannot yet be predicted. Key impacts include higher and more volatile input costs and disruptions to freight and logistics. The financial consequences of these events cannot be estimated with any reasonable degree of certainty at this stage.

- On 9 February 2024, the Company issued 20,000 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by a former employee.

- On 25 April 2024, BlackRock, Inc., shareholder of the Company, decreased its voting rights from 4.07% to 4.05%, and on 26 April decreased its voting rights to 3.97%.
- Following the publication the prospectus in relation to the admission of its ordinary shares ("Ordinary Shares") to the premium listing segment of the Official List of the Financial Conduct Authority ("FCA"), which took place on 24 April 2024, Atalaya was admitted to the premium listing segment and to trading on London Stock Exchange plc's main market for listed securities (together, "Admission") on 29 April and cancelled from trading on AIM.
- On 7 May 2024, the Company issued 66,500 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by non-PDMR employees.
- On 22 May 2024, the Company issued 600,000 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by a PDMR employee.
- On 12 June 2024, the Company announced that in accordance with the Company's Long Term Incentive Plan 2020 which was approved by shareholders at the Annual General Meeting on 25 June 2020, it has granted 1,305,000 share options to PDMR and other management.
- On 27 June 2024, the Company issued 193,334 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by an employee.

26. Events after the Reporting Period

- On 17 July 2024, Cobas Asset Management SGIIC, S.A., shareholder of the Company, increased its voting rights from 10.04% to 15.04%.
- Following the approval of Resolution 10 by the Company's shareholders at its 2024 Annual General Meeting, which took place on 27 June 2024, the 2023 Final Dividend of US$0.04 per ordinary share was paid on 9 August 2024.
- On 13 August 2024, the Company's Board of Directors elected to declare a 2024 Interim Dividend of US$0.04 per ordinary share, which is equivalent to approximately 3.1 pence per share.

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