

13 February 2018

Atalaya Mining Plc
("Atalaya" or the "Company")
Issue of Equity

Atalaya Mining plc (AIM:ATYM, TSX:AYM) is pleased to announce the issue of equity to satisfy the payment of amounts due under the royalty agreement with Rumbo and the exercise of options by certain employees.

Rumbo Royalty

In accordance with the royalty agreement signed in July 2012 between the Company and Rumbo, the former owner of certain plots of land currently used by Proyecto Riotinto (the "Royalty Agreement"), and as disclosed in Atalaya's financial information, Rumbo is entitled to receive a royalty payment of up to US\$250,000 per quarter if the average copper sales price or LME price for the period is equal to or above \$2.60/lb. As such, and given the fact that the average copper price for the third and fourth quarter of 2017 was above \$2.60/lb, the Company is obliged to pay US\$500,000 to Rumbo (the "Royalty Payment").

After discussions with Rumbo, both parties have agreed to satisfy the Royalty Payment through the issuance of 192,540 new ordinary shares of 7.5p in the Company ("Rumbo Shares"). The Rumbo Shares have been issued at the volume weighted average price for the period between 5 February 2018 and 9 February 2018 (the "Calculation Period") of 186.7p per share and using the average US\$ to GBP exchange rate for the Calculation Period of 1.3909.

Rumbo and the Company remain engaged in discussions over how to satisfy future payments, should they be required as per the Royalty Agreement.

Employee Shares

The Company has been notified that certain employees have exercised options over 29,000 ordinary shares of 7.5p in the Company ("Option Shares").

Admission of New Ordinary Shares to Trading

Application has been made for the Rumbo Shares and the Option Shares (together the "New Ordinary Shares") to be admitted to trading on AIM (the "Admission") and the dealings in the New Ordinary Shares are expected to commence on or around 16 February 2018.

Following the issue of the New Ordinary Shares, the total number of Ordinary Shares in issue is 135,475,650. The four major existing shareholders have agreed to waive their contractual pre-emption rights. This figure may be used by shareholders as the denominator for calculations to determine whether they are required to notify their interest in the Company.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) no 596/2014.

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