

13 July 2017

Atalaya Mining plc
("Atalaya Mining" or the "Company")

AGM Statement

At Atalaya Mining's AGM to be held at 12.00pm (CEST) today at the Rio Tinto Mine, La Dehesa s/n, Minas de Riotinto, 21660 Huelva, Spain, Roger Davey, non-executive Chairman, will make the following statement:

"2016 was a transformational year for your Company.

After declaring commercial production at the Riotinto Copper Project ("Proyecto Riotinto") in February 2016, management progressively increased processing capacity, reaching the nameplate processing plant throughput rate of 9.5 Mtpa by December 2016.

Total capital costs were kept under control and came in below the revised budget of US\$164 million to achieve this throughput. This confirmed Proyecto Riotinto as one of the lowest capital intensity projects in the world, at this time.

In September 2016, the Company filed an updated Mineral Reserves and Resources estimate for Proyecto Riotinto, which indicated a 12% increase in contained reserves and extended the life of mine to 16.5 years.

To date, copper grades, recoveries and operating cash costs are well within the forecast values and the estimated copper production guidance for 2017 remains between 34,000 and 40,000 tonnes. Mining operations continue to run according to plan, along with ongoing rehabilitation works.

Near-mine exploration drilling is underway. The programme is designed to confirm the lateral extension of Filon Sur as well as the northern extension of the Atalaya pit. A total of 7,200 metres have already been drilled at Filon Sur and at the Atalaya pit. An in-fill drilling campaign of 4,400 metres at Cerro Colorado is also under way targeting inferred resources with the objective of increasing confidence levels and potential reclassification to the indicated category.

The trial of the Astor case took place at the High Court of Justice in London during January 2017, with judgement handed down in March 2017. The High Court found that the Group was not in breach of any of its obligations and the deferred consideration under the master agreement entered into between the Company, Astor and others (the "Master Agreement") did not start to become payable when permit approval was granted for Proyecto Riotinto. Accordingly, the first instalment of the deferred consideration had not fallen due.

Notwithstanding this, the Court confirmed that the provisions of the Master Agreement remain in place. As a consequence of this, the Judgment requires that, in accordance with the Master Agreement, Atalaya Riotinto Minera, S.L.U. must apply any excess cash (after payment of operating expenses, sustaining capital expenditure, any senior debt service requirements and up to US\$10 million for non-Proyecto Riotinto related expenses) to pay approximately €43.9 million of the deferred consideration due to Astor under the Master Agreement and the amount of €9.1 million payable under the loan assignment. Both parties have applied for permission to appeal to the Court of Appeal. It is likely that the applications will be ruled on by Q3 2017 and if permission is granted that the appeal hearings will take place in 2018.

In February 2017, the Company announced the exercise of an option to acquire a 10% interest in Proyecto Touro, located in northwest Spain. The acquisition of this brownfields copper project is based on a staged earn-in process increasing from 10% up to an 80% interest once commercial production is declared. The permitting process was initiated during Q1 2017, with submission to the relevant authorities of the environmental impact study, exploitation plan and rehabilitation plan. Geological, hydrogeological and geotechnical studies have also been completed and incorporated into the project designs.

In-fill and step-out drilling is ongoing across the property with two RC drilling rigs and one DDH rig for a campaign totalling 7,900 metres. Resource modelling is well advanced based on both historic and current knowledge of the deposit. Metallurgical test work at feasibility study level was completed

during 2016 with modelling confirmed based on this latest information. Basic engineering is progressing with a view to completing a capital and operating cost estimate as part of a NI 43-101 technical report. Long-lead items have been identified together with suppliers' quotations.

The Group is actively focused on further growth opportunities, as we build on the momentum we have achieved to date.

All of our successful activities and aspirations for the future would not be possible without the dedicated and continuous support of our management, staff and associates, and I offer my sincerest thanks to all of them.

Last but not least, I extend my thanks to all of you, our valued shareholders, for your continued support. We look to the year ahead with growing confidence and optimism."

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

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For further information on the Company's activities, visit www.atalayamining.com.