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26 November 2015

Atalaya Mining plc

("Atalaya" or the "Company")

Operations Update and
Quarterly Financial Statements

Atalaya Mining plc (AIM: ATYM, TSX: ATM), the Europe-based minerals development and exploration company, is pleased to provide an operations update and to announce its unaudited quarterly results for the three and nine months ended 30 September 2015, together with the unaudited, condensed interim consolidated Financial Statements.

Having received the final permitting component required to initiate mining activities at the Riotinto Project ("Proyecto Riotinto") the Company achieved first production on 31 July 2015 and is on target to achieve commercial production by January 2016.

Operational Highlights

- The expansion project to increase processing capacity to 7.5 Mtpa is approximately 64% complete, with engineering now completed. The primary ball mill that constitutes the longest lead delivery item has been delivered to site. We remain highly confident that the expansion project will be delivered ahead of the scheduled mid-2016 timeline.
- The Company is currently evaluating financing options to increase capacity to 9.5 Mtpa. Engineering and site construction activities are currently progressing according to schedule, and the Company believes substantial capex savings for both the 7.5 Mtpa and 9.5 Mtpa expansion phases are achievable, as demonstrated during Phase I.
- Site teams fine-tuned the control systems and operating parameters of the processing plant based on Phase I design criteria during August and September.
- Following a planned ramp-up schedule, processing throughput was increased to 80% of design capacity in October, which yielded successful and sustainable results. Over 1500 tonnes of copper was produced in concentrates grading over 18% Cu. Although still not within final specifications, concentrates are saleable and with initial sales being expected before the end of the year.
- The focus for the remainder of 2015 is to achieve and maintain nominal design capacity coupled with improved concentrate grades and recovery rates, in order to achieve commercial production by January 2016.

Corporate Highlights

- Appointment of four non-executive Directors (two of whom are independent), ensuring that that Company has a Board with a wealth of industry experience.
- 30-for-1 consolidation and name change to reflect the Company's primary focus of restarting production of Proyecto Riotinto
- The Company received a formal claim from Astor regarding the payment of deferred consideration that is noted in the accounts as a contingent liability, which is being disputed.

Alberto Lavandeira, CEO, commented:

"We are very pleased with the progress on site which is in line with our plans to deliver full production at Proyecto Riotinto, ahead of schedule, while minimizing the capital required. We believe delivering ahead of schedule, under budget and with no debt will allow us to maximise shareholder returns as the copper price recovers from the current multi year lows, which we do not believe are sustainable."

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Atalaya Mining Plc (ex EMED Mining Public Limited)

(All amounts in Euro thousands unless otherwise stated)

Condensed interim consolidated income statements (unaudited)

	Notes	**Three months ended 30 Sept 2015**	Three months ended 30 Sept 2014	**Nine months ended 30 Sept 2015**	Nine months ended 30 Sept 2014
Exploration expenses		**(33)**	(49)	**(123)**	(97)
Care and maintenance expenses		**(5,169)**	(1,302)	**(10,130)**	(2,606)
Gross loss		**(5,202)**	(1,351)	**(10,253)**	(2,703)
Administrative expenses		**(1,201)**	(1,427)	**(2,937)**	(3,715)
Other income		**858**	-	**960**	-
Net foreign exchange gain /(loss)		**269**	(35)	**(4,653)**	(405)
Finance cost		**(59)**	(1,194)	**(4,287)**	(1,712)
Loss before tax		**(5,335)**	(4,007)	**(21,170)**	(8,535)
Tax		**(5)**	(12)	**(5)**	(18)
Loss for the period		**(5,340)**	(4,019)	**(21,175)**	(8,553)
Loss attributable to:					
- Owners of the parent		**(5,340)**	(4,019)	**(21,175)**	(8,552)
- Non-controlling interests		**-**	-	**-**	(1)
		(5,340)	(4,019)	**(21,175)**	(8,553)
Loss per share from operations attributable to owners of the parent during the period:					
Basic and fully diluted loss per share (expressed in cents per share)	4	**(0.15)**	(0.30)	**(0.97)**	(0.66)
Loss for the period		**(5,340)**	(4,019)	**(21,175)**	(8,553)
Other comprehensive loss:					
Change in value of available-for-sale investment		**(342)**	-	**(514)**	-
Total comprehensive loss for the period		**(5,682)**	(4,019)	**(21,689)**	(8,553)
Attributable to:					
- Owners of the parent		**(5,682)**	(4,019)	**(21,689)**	(8,552)
- Non-controlling interests		**-**	-	**-**	(1)
Total comprehensive loss for the period		**(5,682)**	(4,019)	**(21,689)**	(8,553)

Condensed interim consolidated statements of financial position (unaudited)

	Notes	**30 Sept 2015**	31 Dec 2014
Assets			
Non-current assets			
Property, plant and equipment	5	**120,410**	65,314
Intangible assets	6	**25,305**	17,655
		145,715	82,969
Current Assets			
Inventories		**3,102**	-
Trade and other receivables	7	**10,279**	2,226
Available-for-sale investment		**470**	984
Cash and cash equivalents		**37,880**	21,050
		51,731	24,260
Total assets		**197,446**	107,229
Equity and Liabilities			
Equity attributable to owners of the parent			
Share capital	8	**11,632**	4,409
Share premium	8	**277,237**	149,823
Other reserves	9	**5,612**	5,815
Accumulated losses		**(124,177)**	(103,002)
		170,304	57,045
Non-controlling interest		**-**	(116)
Total equity		**170,304**	56,929
Liabilities			
Non-current liabilities			
Trade and other payables	10	**2,463**	4,631
		2,463	4,631
Current liabilities			
Convertible note – derivative component	11	**-**	130
Convertible note – debt component	11	**-**	13,952
Bridge loan facility	12	**-**	18,547
Trade and other payables	10	**24,679**	13,040
		24,679	45,669
Total liabilities		**27,142**	50,300
Total equity and liabilities		**197,446**	107,229

Condensed interim consolidated statements of changes in equity (unaudited)

	Share capital	Share premium	Other reserves	Accumulated losses	Total	Non - controlling Interest	Total
At 1 January 2014	**3,830**	**134,316**	**5,724**	**(91,951)**	**51,919**	**(114)**	**51,805**
Total comprehensive loss for the period	-	-	-	(8,552)	(8,552)	(1)	(8,553)
Issue of share capital	566	15,845	-	-	16,411	-	16,411
Share issue costs	-	(338)	-	-	(338)	-	(338)
Bonus shares issued in escrow	13	-	88	-	101	-	101
Recognition of share based payments	-	-	184	-	184	-	184
At 30 September 2014	**4,409**	**149,823**	**5,996**	**(100,503)**	**59,725**	**(115)**	**59,610**
Total comprehensive loss for the period	-	-	-	(2,694)	(2,694)	(1)	(2,695)
Bonus shares issued in escrow	-	-	151	-	151	-	151
Bonus shares released from escrow	-	-	(195)	195	-	-	-
Change in value of available-for-sale investment	-	-	(202)	-	(202)	-	(202)
Recognition of share based payments	-	-	65	-	65	-	65
At 31 December 2014	**4,409**	**149,823**	**5,815**	**(103,002)**	**57,045**	**(116)**	**56,929**
Total comprehensive loss for the period	**-**	**-**	**-**	**(21,175)**	**(21,175)**	**-**	**(21,175)**
Issue of share capital	**7,223**	**130,017**	**-**	**-**	**137,240**	**-**	**137,240**
Share issue costs	**-**	**(2,921)**	**-**	**-**	**(2,921)**	**-**	**(2,921)**
Derivative element of conversion of convertible note	**-**	**440**	**-**	**-**	**440**	**-**	**440**
Purchase of minority interest shares	**-**	**-**	**-**	**-**	**-**	**116**	**116**
Change in value of available-for-sale investment	**-**	**-**	**(514)**	**-**	**(514)**	**-**	**(514)**
Bonus shares issued in escrow	**-**	**-**	**75**	**-**	**75**	**-**	**75**
Warrant issue costs		**(122)**	**122**	**-**	**-**	**-**	**-**
Recognition of share based payments	**-**	**-**	**114**	**-**	**114**	**-**	**114**
At 30 September 2015	**11,632**	**277,237**	**5,612**	**(124,177)**	**170,304**	**-**	**170,304**

Condensed interim consolidated statements of cash flows (unaudited)

	Notes	**Three months ended 30 Sept 2015**	Three months ended 30 Sept 2014	**Nine months ended 30 Sept 2015**	Nine months ended 30 Sept 2014
Cash flows from operating activities					
Loss before tax		**(5,335)**	(4,007)	**(21,170)**	(8,535)
Adjustments for:					
Depreciation of property, plant and equipment	5	**30**	23	**96**	78
Amortisation of intangibles	6	**-**	-	**123**	-
Recognition of share-based payments	9	**38**	67	**114**	184
Bonus share issued in escrow	9	**25**	101	**75**	101
Interest income		**-**	(1)	**(1)**	(3)
Interest expense		**58**	88	**194**	289
(Gain) / loss on fair value on the convertible note		**-**	(323)	**310**	(1,741)
Accretion expense on convertible note		**-**	155	**31**	551
Bridge loan interest expense		**-**	-	**1,232**	-
Bridge loan financing expenditure		**-**	-	**1,342**	-
Convertible note interest expense		**-**	370	**1,178**	930
Foreign exchange loss on repayment of borrowings		**-**	-	**5,304**	-
Interest on provisions for other liabilities and charges		**-**	906	**-**	1,686
Loss on disposal of property, plant and equipment		**-**	6	**-**	4
Profit on disposal of investment		**-**	(37)	**-**	(37)
Unrealised foreign exchange loss on financing activities		**-**	291	**248**	748
Cash outflows from operating activities before working capital changes		**(5,184)**	(2,361)	**(10,924)**	(5,745)
Changes in working capital:					
Inventories		**(1,433)**	-	**(3,102)**	-
Trade and other receivables		**(547)**	(284)	**(8,053)**	(219)
Trade and other payables		**13,545**	(204)	**9,486**	(217)
Cash flows used in operations		**6,381**	(2,849)	**(12,593)**	(6,181)
Interest paid		**(58)**	(88)	**(723)**	(289)
Financing expenditure paid		**-**	-	**(164)**	-
Tax paid		**(20)**	(20)	**(20)**	(34)
Net cash from / (used) in operating activities		**6,303**	(2,957)	**(13,500)**	(6,504)
Cash flows from investing activities					
Purchase of property, plant and equipment	5	**(27,354)**	(1,168)	**(55,192)**	(2,305)
Derecognition / (purchase – capitalisation) of intangible assets	6	**332**	(768)	**(7,650)**	(2,862)
Purchase of investment		**-**	-	**(7)**	-
Proceeds from sale of property, plant & equipment		**-**	(6)	**-**	9
Proceeds from sale of investment		**-**	37	**-**	37
Interest received		**-**	1	**1**	3
Net cash used in investing activities		**(27,022)**	(1,904)	**(62,848)**	(5,118)
Cash flows from financing activities					
Proceeds from issue of share capital		**-**	16,411	**90,435**	16,411
Listing and issue costs		**(329)**	(301)	**(2,921)**	(338)
Proceeds from bridge loan drawn down in the period		**-**	-	**5,664**	-
Net cash (used in) / from financing activities		**(329)**	16,110	**93,178**	16,073
Net (decrease) / increase in cash and cash equivalents		**(21,048)**	11,249	**16,830**	4,451
Cash and cash equivalents:					
At beginning of the period		**58,928**	1,836	**21,050**	8,634
At end of the period		**37,880**	13,085	**37,880**	13,085

Notes to the condensed interim consolidated financial statements
For the three and nine months to 30 September 2015 and 2014 - (Unaudited)

1. General information

Country of incorporation

Atalaya Mining Plc (ex EMED Mining Public Limited), the "Company", was incorporated in Cyprus on 17 September 2004 as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113 and was converted to a public limited liability company on 26 January 2005. Its registered office is at 1, Lampousas Street, 1095 Nicosia, Cyprus. The Company was listed on AIM of the London Stock Exchange in May 2005 and TSX on 20 December 2010.

Change of name and share consolidation

Following the Company's Extraordinary General Meeting 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 GBP 0.075 for every 30 existing ordinary shares of nominal value GBP 0.0025.

Principal activities

The principal activity of the Company and its subsidiaries (together, "the Group") is the development of metals production operations in Europe, with an initial focus on copper. 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 the European region.

2. Basis of preparation and accounting policies

Basis of preparation

The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) including International Accounting Standard 34 "Interim Financial Reporting" and IFRIC interpretations as adopted by the European Union (EU), using the historical cost convention.

These condensed interim consolidated financial statements ('the statements") are unaudited and 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 2014. These condensed interim consolidated financial statements do not include all of 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 Company's 31 December 2014 Annual Report. The accounting policies are unchanged from those disclosed in the annual consolidated financial statements.

The Directors have formed a judgment at the time of approving the financial statements that there is a reasonable expectation that the Company and the Group have adequate available resources to continue in operational existence for the foreseeable future. The Group is currently primarily engaged in the development of its mineral properties for production. The Group is considered to be in the exploration and development stage given that its mineral properties are not yet in full production and, to date, have not earned any significant revenues. The recoverability of amounts shown for exploration and evaluation assets is dependent on maintaining the necessary permits to operate a mine and future profitable production.

The condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business. These condensed interim consolidated financial statements do not give effect to any adjustment, which would be necessary should the Group be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different than those reflected in the condensed interim consolidated financial statements.

Use and revision of accounting estimates

The preparation of the condensed interim consolidated financial statements requires the making of estimations and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Adoption of new and revised International Financial Reporting Standards (IFRSs)

The Group has adopted all the new and revised IFRSs and International Accounting Standards (IAS) which are relevant to its operations and are effective for accounting periods commencing on 1 January 2015. The adoption of these Standards did not have a material effect on the condensed interim consolidated financial statements.

Critical accounting estimates and judgements

The fair values of the Groups' financial assets and liabilities approximate their carrying amounts at the reporting date. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are unchanged from those disclosed in the annual consolidated financial statements.

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.

3. Business and geographical segments

Business segments

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

Geographical segments

The Group's exploration and mining development activities are located in Spain and its administration is based in Cyprus.

Three months ended 30 September 2015	**Cyprus**	**Spain**	**Other**	**Total**
Operating loss	**(1,050)**	**(4,467)**	**(28)**	**(5,545)**
Finance cost	**-**	**(59)**	**-**	**(59)**
Foreign exchange gain/(loss)	**271**	**1**	**(3)**	**269**
Operating loss for the period	**(779)**	**(4,525)**	**(31)**	**(5,335)**
Tax				**(5)**
Net loss for the period				**(5,340)**

Nine months ended 30 September 2015				
Operating loss	**(2,466)**	**(9,726)**	**(38)**	**(12,230)**
Finance cost	**(4,092)**	**(195)**	**-**	**(4,287)**
Foreign exchange loss	**(4,595)**	**(55)**	**(3)**	**(4,653)**
Operating loss for the period	**(11,153)**	**(9,976)**	**(41)**	**(21,170)**
Tax				**(5)**
Net loss for the period				**(21,175)**
Total assets	**16,142**	**181,293**	**11**	**197,446**
Total liabilities	**(138)**	**(26,896)**	**(108)**	**(27,142)**
Depreciation of property, plant and equipment	**14**	**82**	**-**	**96**
Amortisation of intangible assets	**123**	**-**	**-**	**123**
Total net additions of non-current assets	**124**	**62,845**	**-**	**62,969**

Three months ended 30 September 2014	Cyprus	Spain	Other	Total
Operating loss	(862)	(1,877)	(39)	(2,778)
Finance cost	(199)	(995)	-	(1,194)
Foreign exchange loss	(32)	(2)	(1)	(35)
Operating loss for the period	(1,093)	(2,874)	(40)	(4,007)
Tax				(12)
Net loss for the period				(4,019)

Nine months ended 30 September 2014	Cyprus	Spain	Other	Total
Operating loss	(2,354)	(4,001)	(63)	(6,418)
Finance income/(cost)	263	(1,975)	-	(1,712)
Foreign exchange loss	(402)	(2)	(1)	(405)
Operating loss for the period	(2,493)	(5,978)	(64)	(8,535)
Tax				(18)
Net loss for the period				(8,553)
Total assets	11,105	113,557	22	124,684
Total liabilities	(14,236)	(50,811)	(27)	(65,074)
Depreciation of property, plant and equipment	18	58	2	78
Total net additions/(disposals) of non-current assets	-	42,865	(130)	42,735

4. Basic and fully diluted loss 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:

	Three months ended 30 Sept 2015	Three months ended 30 Sept 2014	**Nine months ended 30 Sept 2015**	Nine months ended 30 Sept 2014
Parent Company	**(779)**	(1,093)	**(11,153)**	(2,492)
Subsidiaries	**(4,561)**	(2,926)	**(10,022)**	(6,060)
Net loss attributable to owners of the parent	**(5,340)**	(4,019)	**(21,175)**	(8,552)
Weighted number of ordinary shares for the purposes of basic loss per share (000's)	**3,500,387**	1,337,404	**2,174,684**	1,282,347
Loss per share:				
Basic and fully diluted loss per share (cents)	**(0.15)**	(0.30)	**(0.97)**	(0.66)

There are 14,191,963 warrants and 27,950,000 options which have been excluded when calculating the weighted average number of shares because they have an antidilutive effect.

Following the share consolidation on 21 October 2015, the consolidated number of ordinary shares is 116,679,555. The respective numbers of warrants and options outstanding post consolidation are 473,061 and 931,654.

5. Property, plant and equipment

Cost	**Land and buildings**	**Plant and machinery**	**Motor vehicles**	**Furniture, fixtures and equipment**	**Total**
At 1 January 2014	35,549	17,268	334	571	53,722
Additions	-	2,264	-	41	2,305
Disposals	-	-	(103)	(35)	(138)
At 30 September 2014	35,549	19,532	231	577	55,889
Additions	248	9,555	15	300	10,118
Disposals	-		(13)	(24)	(37)
At 31 December 2014	**35,797**	**29,087**	**233**	**853**	**65,970**
Additions	**242**	**54,808**	**12**	**130**	**55,192**
At 30 September 2015	**36,039**	**83,895**	**245**	**983**	**121,162**
Depreciation					
At 1 January 2014	-	158	239	273	670
Charge for the period	-	-	18	60	78
Disposals	-	-	(102)	(23)	(125)
At 30 September 2014	-	158	155	310	623
Charge for the period	-	-	21	45	66
Disposals	-	-	(14)	(19)	(33)
At 31 December 2014	**-**	**158**	**162**	**336**	**656**
Charge for the period	**-**	**-**	**15**	**81**	**96**
At 30 September 2015	**-**	**158**	**177**	**417**	**752**
Net book value					
At 30 September 2015	**36,039**	**83,737**	**68**	**566**	**120,410**
At 31 December 2014	35,797	28,929	71	517	65,314

The above fixed assets are located in Cyprus and Spain.

6. Intangible assets

	Permits of Rio Tinto Project	**Goodwill**	**Total**
Cost			
At 1 January 2014	14,821	10,023	24,844
Additions	40,541	-	40,541
At 30 September 2014	55,362	10,023	65,385
Derecognition*	(37,707)	-	(37,707)
At 31 December 2014	**17,655**	**10,023**	**27,678**
Additions	**7,650**	**123**	**7,773**
Disposal/closure of subsidiaries	**-**	**(813)**	**(813)**

At 30 September 2015	**25,305**	**9,333**	**34,638**
Provision for impairment			
On 1 January 2014	-	10,023	10,023
Provision for the period	-	-	-
At 31 December 2014	**-**	**10,023**	**10,023**
Provision for the period	**-**	**123**	**123**
Disposal/closure of subsidiaries	**-**	**(813)**	**(813)**
At 30 September 2015	**-**	**9,333**	**9,333**
Net book value			
At 30 September 2015	**25,305**	**-**	**25,305**
At 31 December 2014	17,655	-	17,655

Carrying Value of Intangible Assets

The ultimate recoupment 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 sale of the respective areas. The Company conducts impairment testing on an annual basis unless indicators of impairment are present at the reporting date.

In considering the carrying value of the assets at Proyecto Riotinto, including the intangible assets and any impairment thereof, the Company assessed the carrying values having regard to (a) the current recovery value (less costs to sell) and (b) the net present value of potential cash flows from operations. In both cases, the estimated net realisable values exceeded current carrying values and thus no impairment has been recognised.

Goodwill of €9,333,000 arose on the acquisition of the remaining 49% of the issued share capital of EMED Tartessus S.L. ("EMEDT") back in September 2008. This amount was fully impaired on acquisition, in the absence of the mining license back in 2008.

On 21 January 2015, the Company completed the purchase of the remaining 5% of the issued share capital of Eastern Mediterranean Minerals (Cyprus) Ltd ("EMM"), held by Hellenic Mining Public Company Ltd, for a consideration of €7,500. The purchase of the non-controlling interest resulted in a goodwill of €123,490. This goodwill was immediately impaired. The Company currently holds only 10% of the issued share capital of EMM following the sale of 90% of the issued share capital of EMM on 8 September 2015.

*** Derecognition of Intangible Assets**

In September 2008, the Group moved to 100% ownership of EMEDT (and thus full ownership of Proyecto Riotinto) by acquiring the remaining 49% of the issued capital of EMEDT. The cost of the acquisition was satisfied by issuing 39,140,000 Ordinary Shares to MRI Trading AG ("MRI") at an issue price of 21p per Ordinary Share and a deferred cash settlement of €53 million, (including loans of €9,116,617.30 owed to companies related to MRI incurred in relation to the operation of Proyecto Riotinto) and a further €15,900,000 depending on the price of copper (the "Deferred Consideration"). The obligation to pay the Deferred Consideration is subject to the satisfaction of the following conditions (the "Conditions"): (a) all authorisations to restart mining activities in Proyecto Riotinto having been granted by the Junta de Andalucía ("Permit Approval"); and (b) the Group securing a senior debt finance facility for a sum sufficient to restart mining operations at Proyecto Riotinto ("Senior Debt Facility") and being able to draw down funds under the Senior Debt Facility. The Deferred Consideration is payable in instalments over a period of six or seven years following satisfaction of the Conditions. On 11 November 2011 MRI novated its right to be paid the Deferred Consideration to Astor Management AG ("Astor"). As security, inter alia, for the obligation to pay the Deferred Consideration to Astor, EMED Holdings (UK) Limited has granted a pledge to Astor Resources AG over the issued capital of EMEDT and the Company has provided a parent company guarantee.

As at 30 September 2015, the Permit Approval condition has been satisfied. However, the Group has not entered into arrangements in connection with a Senior Debt Facility and, in the absence of drawdown of funds by the Group pursuant to a Senior Debt Facility, there is significant doubt concerning the legal obligation on the Company to pay any of the Deferred Consideration (Note 15). As a result, the Directors decided to derecognise the amount included in the Q2 and Q3 2014 unaudited interim financial statements and in the 2014 year-end financial statements, and revert to the categorisation of the arrangements with Astor as a contingent liability as was done in the 2013 year-end financial statements. This treatment has continued to apply in the nine months to 30 September 2015.

7. Trade and other receivables

	30 Sept 2015	31 Dec 2014
Receivables from related parties	**-**	56
Deposits and prepayments	**664**	156
VAT	**8,598**	1,852
Other receivables	**1,017**	162
	10,279	2,226

The fair values of trade and other receivables approximate to their carrying amounts as presented above.

8. Share capital and share premium

					Shares	Share Capital	Share premium	Total
					000's	GBP'000	GBP'000	GBP'000
Authorised								
Ordinary shares of GBP0.0025 each					6,000,000	15,000	-	15,000
Issued and fully paid					**000's**	**EUR'000**	**EUR'000**	**EUR'000**
Balance at 1 January 2015					**1,439,866**	**4,409**	**149,823**	**154,232**
Issue Date	**Price (GBP)**	**Details**						
25 June 2015	0.0475	Share placement		a)	2,060,521	7,223	130,017	137,240
		Share issue costs			-	-	(2,921)	(2,921)
		Warrant issue costs			-	-	(122)	(122)
		Derivative element of conversion of convertible note			-	-	440	440
Balance at 30 September 2015					**3,500,387**	**11,632**	**277,237**	**288,869**

Authorised capital

2015

On 23 June 2015, the shareholders approved an increase in the authorized share capital of the Company from GBP 5,500,000 to GBP 15,000,000 by the creation of 3,800,000,000 new ordinary shares of GBP 0.0025 each in the capital of the Company ranking pari passu with the existing ordinary shares of GBP 0.0025 each in the capital of the Company.

Issued capital

2015

a) On 25 June 2015, 2,060,520,685 shares at GBP 0.0025 were issued at a price of GBP 0.0475. Upon the issue an amount of €130,017,000 was credited to the Company's share premium reserve.

Following the Company's Extraordinary General Meeting on 13 October 2015, the consolidation of ordinary shares came into effect on 21 October 2015, whereby all shareholders received one new ordinary share of nominal value GBP 0.075 for every 30 existing ordinary shares of nominal value GBP 0.0025. As a result, the Company's authorised share capital is now 200,000,000 ordinary shares of GBP 0.075 each, with the issued share capital being 116,679,555 ordinary shares of GBP 0.075 each.

Warrants

The Company has issued warrants to advisers to the Group. Warrants, noted below, expire five or three years after the grant date and have exercise prices ranging from 4.75p to 10.5p.

Details of share warrants outstanding as at 30 September 2015:

	Number of warrants 000's
Outstanding warrants at 1 January 2015	**6,315**
- granted during the reporting period	**7,877**
Outstanding warrants at 30 September 2015	**14,192**

9. Other reserves

	Share option	Bonus share	Available-for-sale investment	Total
At 1 January 2014	5,724	-	-	5,724
Bonus shares issued in escrow	-	88	-	88
Recognition of share based payments	184	-	-	184
At 30 September 2014	5,908	88	-	5,996
Bonus shares issued in escrow	-	151	-	151
Bonus shares released from escrow	-	(195)	-	(195)
Change in value of available-for-sale investment	-	-	(202)	(202)
Recognition of share based payments	65	-	-	65
At 31 December 2014	**5,973**	**44**	**(202)**	**5,815**
Change in value of available-for-sale investments	**-**	**-**	**(514)**	**(514)**
Bonus shares issued in escrow	**-**	**75**	**-**	**75**
Warrant issue costs	**122**	**-**	**-**	**122**
Recognition of share based payments	**114**	**-**	**-**	**114**

At 30 September 2015	**6,209**	**119**	**(716)**	**5,612**

Share options

No share options were issued in the period from 1 January 2015 to 30 September 2015. Details of share options outstanding as at 30 September 2015:

	Number of share options 000's
Outstanding options at 1 January and 30 September 2015	**27,950**

Following the share consolidation on 21 October 2015, the consolidated number of options outstanding is 931,654.

10. Trade and other payables

	30 Sept 2015	31 Dec 2014
Non-current trade and other payables		
Social Security*	**2,463**	4,631
	2,463	4,631
Current trade and other payables		
Trade payables	**19,664**	7,181
Social Security*	**3,074**	3,048
Land options and mortgage	**789**	731
Accruals	**1,062**	2,047
Tax liability	**-**	15
Other	**90**	18
	24,679	13,040

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

* On 25 May 2010 EMEDT recognized a debt with the Social Security's General Treasury in Spain amounting to €16.9 million that was incurred by a previous owner in order to stop the execution process by Public Auction of the land over which Social Security had a lien. €11.4 million has been repaid to date. Originally payable over 5 years, the repayment schedule was subsequently extended until June 2017.

11. Convertible note

	30 September 2015		31 December 2014	
	Debt component	**Derivative component**	Debt component	Derivative component
Opening balance	**13,952**	**130**	11,267	2,034
Accrued interest	**1,178**	**-**	1,309	-
Accretion expense	**31**	**-**	691	-
Foreign exchange	**894**	**-**	685	-
Fair value of the derivative component	**-**	**(130)**	-	(1,904)
Repayment	**(16,055)**	**-**	-	-
Closing balance	**-**	**-**	13,952	130

	30 Sept 2015	31 Dec 2014
Current		
Derivative component	**-**	130
Debt component	**-**	13,952
	-	14,082

On 12 July 2013 the Company issued Convertible Notes (the "Notes") in the amount of GBP 9,582,000 of which GBP 7,026,800 was subscribed by XGC and GBP 2,555,200 was subscribed by Orion. The Notes had an original term of 18 months to 12 January 2015 (the "Maturity Date"). As part of the Loan agreed on 24 December 2014 with the Note holders and others, the Maturity Date of the Notes was extended to be the earlier of 30 March 2015 and the date on which the Loan was due for payment. On 27 March 2015, by virtue of the extension of the maturity date of the Loan, the maturity date was extended to be the earlier of 30 June 2015 and the date of which the Loan was due for repayment. The Notes carried a coupon of 9% per

annum in the first 12 months and 11% thereafter. Interest was capitalised every three months and rolled up, payable either on the Maturity Date or the earlier conversion or redemption of the Notes.

Within the period of 10 business days prior to the Maturity Date, the Note holders could have elected to convert all outstanding principal and accrued interest of their Notes into ordinary shares of 0.25 pence each in the Company ("Ordinary Shares"). Note holders could also have elected to convert their Notes following the Company seeking to redeem the Notes or a potential business sale or change of control of the Company. In addition, the Notes would have automatically converted into new Ordinary Shares at the time the Company (or any of its subsidiaries) made its first drawdown (the “Drawdown Date”) from a facility made available by senior financial institutions for the restart of operations at the Company's Proyecto Riotinto in Andalucía, Spain. Where the Notes automatically converted on funds being made available under a senior secured debt facility, the conversion price of the Notes was the lower of 9 pence per share and the VWAP of a Company share on AIM for the 20 immediately preceding trading days immediately preceding the Drawdown Date. In all other cases, the Notes would have converted at 9 pence per share.

The Company may have elected to redeem for cash the principal and accrued interest of the Notes at any time between 12 July 2014 (first anniversary of the date of issue) and the first to occur of the Drawdown Date or Maturity Date upon giving the holders of the Notes not less than 15 business days' notice. A Note holder could have chosen to convert their Notes into Ordinary Shares rather than have them redeemed but if they did so it would have been at a price of 9 pence per share and was not conditional on the Drawdown Date occurring. The Notes benefited from security interests granted by the Company over the share capital of EMED Holdings (UK) Limited and EMED Marketing Limited as well as certain intra-group debts owing to the Company. In addition, the Company and certain of its subsidiaries had undertaken not to further encumber their assets or share capital, save in certain circumstances, including in connection with the proposed senior debt facility required in order to restart operations at Proyecto Riotinto.

The Notes were subject to certain standard events of default following which Note holders could have elected to immediately redeem their Notes and accrued interest. Assuming that the Notes converted in full at a conversion price of 9 pence per share (including the conversion of 21 months' accrued interest) the Note Holders would have received 125,494,668 shares. The Company paid intermediary fees of GBP 192,000 on the issuance of these Notes.

The Notes were considered hybrid financial instruments comprising a Note liability and a conversion feature for Ordinary Shares ("the Conversion Feature"). As the conversion price (9 pence) was denominated in a currency other than the Company's functional currency, the Conversion Feature was considered to be a derivative financial instrument and was measured at fair value through profit or loss.

On 25 June 2015, in connection with the Subscription, Placing and Open Offer to raise GBP 64.9 million announced on 28 May 2015, the liability to pay the outstanding principal of the Notes together with accrued interest up to and including 15 May 2015 was satisfied by the issue of 241,668,731 shares for the conversion of the Notes at 4.75 pence per share.

12. Bridge loan facility

	30 Sept 2015	31 Dec 2014
Current		
Bridge loan	**-**	19,764
Bridge Loan – Financing costs	**-**	(1,217)
Total	**-**	18,547

On 24 December 2014, the Company agreed an unsecured bridging finance facility for up to US$30 million (the "Loan") with Trafigura, Orion and Hong Kong Xiangguang, an affiliate of XGC) (Trafigura, Orion and Hong Kong Xiangguang being the "Lenders"). The initial instalment of the Loan of US$24 million was drawn down on 30 December 2014, with the remaining US$6 million drawn down in early April 2015. The Loan was repayable on the earliest of three months following the receipt of the initial Loan funds, a change of control of the Company or the Company raising debt or equity funding in an amount equal to or greater than the amounts outstanding under the loan agreement.

The Company paid interest on the outstanding amount of the Loan at a rate of 10% per annum and there were no penalties for early repayment of the Loan, but in the event of a payment default the interest rate would have risen to 12% per annum. Each Lender was paid an arrangement fee of 2.5% of the amount of the Loan advanced by that Lender and the Company reimbursed the due diligence and associated costs of the Lenders in connection with the Loan and other historic costs up to an aggregate amount of US$1.5 million, of which US$1 million was paid out of the proceeds of the Loan and the balance of US$ 0.5 million was added to the Loan and repaid at the time the Loan was repaid. Any additional costs of the Lenders were not reimbursed at that time and were deferred until such time as further finance was raised in excess of amounts outstanding under the loan agreement or, if earlier, 15 April 2015. The arrangement fees and costs deducted amounted to US$ 1.5 million (€1.2 million). Trafigura was also granted the right to appoint an observer to attend meetings of the Board of Directors of the Company for such time as Trafigura holds not less than 15% of the issued share capital of the Company. This was in addition to the existing rights of Orion and XGC who each had the right to appoint a Director to the Board.

On 27 March 2015, the Company agreed with the Lenders to extend the Maturity Date of the Loan by three months to 30 June 2015. In consideration for extending the term of the Loan, should a meeting of shareholders not be called by 30 April 2015 in order to approve a long term funding package, the Company had agreed to pay an extension fee of 0.5% on all outstanding amounts (including accrued interest and costs) owed to the Lenders pursuant to the Loan and the Convertible Notes. Additionally, a further fee equal to 1% would have been payable should a meeting of shareholders not be called by 31 May 2015. All other repayment terms of the Loan remained unchanged.

On 25 June 2015, in connection with the Subscription, Placing and Open Offer to raise GBP 64.9 million announced on 28 May 2015, the liability to pay the outstanding principal of the Loan together with accrued interest up to and including 15 May 2015 was satisfied by the issue of 452,648,133 shares for the conversion of the Notes at 4.75 pence per share.

13. Acquisition and disposal of subsidiaries

There were no acquisitions in the nine months ended 30 September 2015.

On 15 July 2015, the Company disposed of 70% of the issued share capital of Eastern Mediterranean Resources (Slovakia) s.r.o. The proceeds from the sale were €3,000. On a Group level the disposal resulted in a profit of €3,000.

On 3 September 2015, the Company disposed of 90% of the issued share capital of Eastern Mediterranean Minerals (Cyprus) Limited (“EMM”) and its 100% subsidiaries - Tredington Ventures Limited (“Tredington”) and Winchcombe Ventures Limited (“Winchcombe”) for a total consideration of €134,658. The disposal of EMM resulted in a Group profit of €44,390. The disposal of its subsidiaries Tredington and Winchcombe resulted in a Group profit of €2,780 each.

14. Related party transactions

The following transactions were carried out with related parties:

14.1 Compensation of key management personnel

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

	Three months ended 30 Sept 2015	Three months ended 30 Sept 2014	**Nine months ended 30 Sept 2015**	Nine months ended 30 Sept 2014
Directors’ remuneration and fees	**133**	247	**391**	562
Share option-based benefits to directors	**14**	32	**42**	95
Bonus shares issued to director, in escrow	**25**	101	**75**	101
Key management personnel remuneration	**137**	51	**452**	343
Termination fees of key management personnel	**259**	-	**259**	-
Share option-based and other benefits to key management personnel	**5**	(36)	**31**	103
	573	395	**1,250**	1,204

14.2 Share-based benefits

The directors and key management personnel have not been granted options during the nine month period.

14.3 Transactions with shareholders

	30 Sept 2015	31 Dec 2014
XGC – Convertible note interest	**864**	960
XGC – Convertible note extension fee	**57**	-
XGC – Bridge loan	**1,888**	6,588
XGC – Bridge loan financing fee	**-**	439
XGC – Bridge loan interest	**411**	-
XGC – Bridge loan extension fee	**38**	-
Orion – Convertible note interest	**314**	349
Orion – Convertible note extension fee	**21**	-
Orion – Bridge loan	**1,888**	6,588
Orion – Bridge loan financing fee	**-**	339
Orion – Fees for raising capital	**576**	-
Orion – Bridge loan interest	**411**	-
Orion – Bridge loan extension fee	**38**	-
Trafigura – Bridge loan	**1,888**	6,588
Trafigura – Bridge loan financing fee	**-**	439
Trafigura – Fees for raising capital	**441**	-
Trafigura – Bridge loan interest	**411**	-
Trafigura – Bridge loan extension fee	**38**	-

14.4 Period-end balances with shareholders

	30 Sept 2015	31 Dec 2014
XGC – Convertible note debt component	-	10,232
XGC – Convertible note derivative component	-	95
XGC – Bridge loan	-	6,588
Orion – Convertible note debt component	-	3,720
Orion – Convertible note derivative component	-	35
Orion – Bridge loan	-	6,588
Trafigura – Bridge loan	-	6,588
	-	33,846

15. Contingent liabilities

Deferred consideration

In September 2008, the Group moved to 100% ownership of EMEDT (and thus full ownership of Proyecto Riotinto) by acquiring the remaining 49% of the issued capital of EMEDT. The cost of the acquisition was satisfied by issuing 39,140,000 Ordinary Shares to MRI Trading AG ("MRI") at an issue price of 21p per Ordinary Share and a deferred cash settlement of €53 million ("Deferred Consideration"), (including loans of €9,116,617.30 owed to companies related to MRI incurred in relation to the operation of Proyecto Riotinto). The obligation to pay the Deferred Consideration is subject to the satisfaction of the following conditions (the "Conditions"): (a) all authorisations to restart mining activities in Proyecto Riotinto having been granted by the Junta de Andalucía ("Permit Approval"); and (b) the Group securing a senior debt finance facility for a sum sufficient to restart mining operations at Proyecto Riotinto ("Senior Debt Facility") and being able to draw down funds under the Senior Debt Facility.

Originally the Group was obliged to pay the Deferred Consideration in instalments commencing on the date of drawdown under the Senior Debt Facility until the second anniversary of commercial production at Proyecto Riotinto. On 31 March 2009, pursuant to a deed of amendment, MRI consented to the Group paying the Deferred Consideration over a period of six or seven years following satisfaction of the Conditions (the "Payment Period"). In return, the Company agreed to potentially pay further Deferred Consideration of up to €15,900,000 in regular instalments over the Payment Period depending upon the price of copper. Any such additional Deferred Consideration would only be payable if, during the relevant period, the average price of copper per tonne is US$6,614 or more (US$3.00/lb). On 11 November 2011 MRI novated its right to be paid the Deferred Consideration to Astor Management AG ("Astor").

As security, inter alia, for the obligation to pay the Deferred Consideration to Astor, EMED Holdings (UK) Limited has granted a pledge to Astor Resources AG over the issued capital of EMEDT and the Company has provided a parent company guarantee. As at the date of this report, the Permit Approval condition has been satisfied. However, the Group has not entered into arrangements in connection with a Senior Debt Facility and, in the absence of drawdown of funds by the Group pursuant to a Senior Debt Facility, there is significant doubt concerning the legal obligation on the Company to pay any of the Deferred Consideration.

On 2 November 2015, the Company announced that it was in receipt of a formal claim from Astor (the "Claim"). The Claim was made in the High Court of Justice in London against the Company and certain other members of the Group. In its Claim, Astor is claiming, inter alia, that the Conditions have been satisfied and the first instalment of the Deferred Consideration is due (together with damages). The Company is disputing this and intends to vigorously defend the proceedings.

As the Group has not entered into arrangements in connection with a Senior Debt Facility, the Directors decided to derecognise the amount included in the Q2 and Q3 2014 unaudited interim financial statements and in the 2014 year-end financial statements, and revert to the categorisation of the arrangements with Astor as a contingent liability as was done in the 2013 year-end financial statements. This treatment has continued to apply in the nine months to 30 September 2015.

Judicial and administrative cases - Spain

On 23 September 2010, EMEDT was notified that the Andalucían Water Authority ("AWA") had initiated a Statement of Objections and Opening of File (the "Administrative File 2010") following allegations by third parties of unauthorized industrial discharges from the Tailings Management Facility ("TMF") at the Rio Tinto Copper Mine in the winter months of late 2010 and early 2011. These assertions are judicial (alleging negligence) and administrative (alleging damage to the environment) in nature. At that time, the Company owned 33% of the TMF and the owners of the remaining 67% are co-defendants (Rumbo and Zeitung).

In December 2011 the judicial claims were dismissed in the initial discovery phase by the appeals Court (upholding a lower court decision) finding that the controlled discharges of excess rainwater were force majeure events carried out to protect the stability of the TMF, thereby ensuring public safety and protection of the environment (the "Court Decisions"). Given that all judicial claims were dismissed in the very early stages of the court´s investigation, no formal charges were ever made against EMEDT or against any of its Directors or Officers.

Now that the Court Decisions are final, the Administrative File 2010, which can only result in a monetary sanction against the co-defendants, was re-opened. The defence arguments successfully used in a later case which has been dismissed on 11 February 2015 will be used in the Administrative 2010 and the management is positive that they will be accepted.

On January 2, 2013 EMEDT, Rumbo and Zeitung were notified of a Resolution of Fine and Damages (in a total amount of €1,867,958.39). In February 2013 EMEDT appealed this Resolution and the Court has agreed that the Fine and Damages amount be secured by a mortgage over certain properties owned by the Company until the final decision on the alleged discharges is known.

In the Company's view, no "industrial discharge" took place, but rather a force majeure controlled discharge of excess rainwater accumulated in the TMF since industrial operations ceased in the early 2000´s with no actual damage to the environment having taken place.

In the Company's view it is unlikely that any fine or sanction will be imposed against EMEDT once the Administrative File 2010 reaches its final conclusion after all appeals are exhausted in approximately 3-5 years.

On 28 January 2014, EMEDT was notified that the Huelva Territorial Delegation of the Ministry of Environment (which has absorbed the former AWA) had initiated another disciplinary proceeding for unauthorized discharge (the "Administrative File 2013") of administrative nature following allegations by the administration of alleged unauthorized industrial discharges from the TMF at the Rio Tinto Copper Mine during the heavy rains occurred from 7 March to 25 April 2013. The Administration has proposed the amount of €726,933.30 as compensation for alleged damages to the environment ("Public Water Domain") and a fine of between €300,507 to €601,012. On 11 February 2015, the Huelva Territorial Delegation of the Ministry of Environment dismissed the case. This outcome is especially relevant as it can now be used as a precedent for defence of any other proceedings of a similar nature.

On 19 February 2015, EMEDT was notified that the Huelva Territorial Delegation of the Ministry of Environment had initiated another disciplinary proceeding for unauthorised discharge (the "Administrative File 2014") which has proposed a fine of between €300,507 to €601,012. On 10 March 2015 the Company submitted the relevant defence arguments.

In the Company´s view, it is unlikely that any fine or sanction will be imposed against EMEDT once the Administrative files reach their final conclusion and taking into account the already accepted allegations and mentioned arguments of defence.

Rehabilitation obligation

The Group anticipates that a rehabilitation liability will be recognised upon commencement of operations at Proyecto Riotinto, the amount of which is not determinable at this time as it is subject to further discussion with the relevant authorities.

16. Commitments

Spain

There are no minimum exploration requirements at Proyecto Riotinto. However, the Group is obliged to pay municipal land taxes which currently are approximately €110,000 per year in Spain and the Group is required to maintain the Rio Tinto site in compliance with all applicable regulatory requirements.

As part of the consideration for the purchase of land from Rumbo, EMEDT has agreed to pay a royalty to Rumbo subject to commencement of production of $250,000 in each quarter where the average price of LME copper or the average copper sale price achieved by the Group is at least $2.60/lb. No royalty is payable in respect of any quarter where the average copper price for that quarter is below this amount and in certain circumstances any quarterly royalty payment can be deferred until the following quarter. The royalty obligation terminates 10 years after commencement of production.

Commencement of production is defined as being the first to occur of processing of ore at a rate of nine million tonnes per annum for a continuous period of six months or the date that is 18 months after the first product sales from Proyecto Riotinto. Additionally, if after seven years from the date of the land purchase, the Group has not obtained all necessary licenses to open and operate Proyecto Riotinto, the land will be sold back to Rumbo for €1. Should the Group sell the land prior to this date to a third party, Rumbo shall be paid €5.5 million and the above mentioned royalty novated to the third party.

EMEDT has 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. Under the joint venture agreement, EMEDT 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 million. Costs are then borne by the joint venture partners in accordance with their respective ownership interests. Half of the costs paid by EMEDT in connection with the feasibility study can be deducted from any royalty which may fall due to be paid.

At Proyecto Riotinto, the Group has four year options with each of Zeitung and Inland for the purchase of certain land plots adjacent to the mine at a purchase price of €4.202 million (expiry date 31 July 2016) and €4.648 million (expiry date 2 August 2016) respectively. The Zeitung option requires an annual option payment from the Group of €119,500 and the Inland option requires an annual payment of €130,500 which is deductible from the purchase price. In each case, half of the purchase price can be made by the issue of shares in the Company based on a weighted average market price at the time of the purchase.

Slovakia

Annual tenement rental fees are €20,000. The Company has met all of its obligations to date. All annual technical and financial reports have been submitted on time. Exploration commitments are in the order of €65,000. In December 2014, the Company entered into a conditional Earn-in Agreement with Prospech Ltd ("Prospech"), a private Australian exploration company, in relation to 2 exploration licences held by the Company's 100% owned Slovakian subsidiary, Slovenske Kovy s.r.o. Prospech will invest up to a €1 million over a three-year period in return for an 81% interest in Slovenske Kovy. By the end of August 2015, Prospech has satisfied phase one expenditure requirement.

In July 2015 EMED entered into a Sale and Purchase Agreement with FDP Real Estate & Investments a. s., a private Slovak company, in relation to its 100% owned subsidiary EMED Slovakia s.r.o. The Buyer has undertaken all of the running costs of EMED Slovakia, whilst the Seller will retain a 30% free-carried equity in EMED Slovakia, which has been now renamed to Mining Group Slovakia s.r.o.

17. Events after the reporting period

On 2 November 2015, the Company announced that it was in receipt of a formal claim from Astor (the "Claim"). The Claim was made in the High Court of Justice in London against the Company and certain other members of the Group. The Claim arose out of the issues previously notified to the market and as disclosed in the note 15 above. In its Claim, Astor is claiming, inter alia, that the Conditions to payment of the Deferred Consideration have been satisfied and, accordingly, that the first instalment of the Deferred Consideration is due (together with damages). The Company is disputing the Claim and intends to vigorously defend the proceedings.

Following the Company's Extraordinary General Meeting 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 7.5p for every 30 existing ordinary shares of nominal value 0.25p.

There were no other events after the reporting period, which would have a material effect on the consolidated financial statements.

Management's Responsibility for Financial Reporting

The accompanying condensed interim unaudited consolidated financial statements of Atalaya Mining Plc were prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the condensed interim unaudited consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarised in Note 2 to the condensed interim unaudited consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the condensed interim unaudited consolidated financial statements and for ensuring that management fulfils its financial reporting responsibilities. An Audit and Financial Risk Management Committee assists the Board of Directors in fulfilling this responsibility. The members of the Audit and Financial Risk Management Committee are not officers of the Company. The Audit and Financial Risk Management Committee meets with management to review the internal controls over the financial reporting process, the consolidated financial statements and the auditors' year-end report. The Audit and Financial Risk Management Committee also reviews the Annual Report to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit and Financial Risk Management Committee reports its findings to the Board of Directors for its consideration in approving the condensed interim unaudited consolidated financial statements for issuance to the shareholders.