

13 April 2018

Atalaya Mining Plc
(“Atalaya” or the “Company”)
Issue of Equity – Buyout of Rumbo Royalty

Atalaya Mining plc (AIM:ATYM, TSX:AYM) is pleased to announce the issue of equity to buy out the royalty agreement with Rumbo 5.Cero, S.L. (“Rumbo”).

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 for ten years up to a maximum amount of US\$10,000,000.

Following the announcement on 13 February 2018 where Atalaya announced the issuance of new ordinary shares in the Company to satisfy the two first instalments due under the Royalty Agreement, Atalaya has agreed with Rumbo to buy the Royalty Agreement for a total consideration of US\$4,750,000 to be paid through the issuance of 1,600,907 new ordinary shares of 7.5p in the Company (“Rumbo Shares”). The shares have been issued at the 30-day volume weighted average price (the “Calculation Period”) of 211.8p per share and using the average US\$ to GBP exchange rate for the Calculation Period of 1.4008. The Company has also agreed to pay the VAT associated with the transaction through a cash payment of US\$997,500 to Rumbo, which is recoverable by Atalaya upon an ordinary course application for a VAT reclaim from the Spanish tax authorities.

Admission of New Ordinary Shares to Trading

Application has been made for the Rumbo Shares to be admitted to trading on AIM (the “Admission”) and admission of the Rumbo Shares to trading is expected to commence on or around 18 April 2018.

Following the issue of the Rumbo Shares, the total number of Ordinary Shares in issue will be 137,076,557. 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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This information is provided by RNS
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