

11 July 2019

**Atalaya Mining Plc. (“Atalaya” or “the Company”)
 Second Quarter 2019 Operations Update**

Atalaya Mining Plc (AIM:ATYM, TSX:AYM), the European mining and development company, is pleased to announce its operations update for the second quarter of 2019.

Proyecto Riotinto

		Q2		Q1	Full year
		2019	2018	2019	2019 Guidance
Ore mined	(M tonnes)	2.8	2.6	2.5	11.4
Waste mined	(M tonnes)	3.6	4.8	3.8	17.8
Ore milled	(M tonnes)	2.6	2.5	2.4	11.4
Cu grade	(%)	0.48	0.48	0.46	0.47
Cu recovery	(%)	88.72	87.31	90.27	85 – 87
Cu production	(tonnes)	10,888	10,446	10,219	45,000 – 46,500

Q2 2019 copper production was 10,888 tonnes, a 4.2% increase compared with the equivalent quarter of 2018. 2.6Mt of ore were processed with an average copper head grade of 0.48% and a recovery rate of 88.72%. With respect to the equivalent quarter of 2018, throughput and recoveries have increased 3% and 1.6% respectively, while copper head grade is 0.7% lower but in line with anticipated grades for the period. In comparison with Q1 2019, copper production has increased 6.5% as a result of slightly higher throughput and better grades.

Guidance for copper production in 2019 continues to be in the range of 45,000 to 46,500 tonnes. Commissioning of the plant expansion in the second half of 2019 will increase production to a range of between 50,000 to 55,000 tonnes in 2020.

Mining operations are progressing according to plan and at similar levels to previous quarters. On a combined basis, ore, waste and marginal ore have been 2.3 million m³ in Q2 2019, the same as in Q1 2019. Additional mining equipment is available on site to meet the increase in production scheduled for H2 2019.

On-site concentrate inventories at the end of the quarter were approximately 3,452 tonnes. All concentrate in stock at the beginning of the quarter and produced during the quarter was delivered to the port at Huelva.

Copper prices were slightly higher during the quarter compared with the previous quarter, with an average realised price per pound of copper payable, including the Quotation Periods (“QPs”) closed in the period, of \$2.81/lb compared with \$2.80/lb in Q1 2019. The average copper spot price during the quarter was \$2.77/lb. The realised price during the quarter, excluding QPs, was approximately \$2.76/lb.

Cash operating costs for Q2 2019 are expected to be lower than the full year 2019 cost guidance ranges previously provided of \$1.95-2.15/lb. Further details on costs will be provided with the Q2 Financial Statements in August.

Exploration is progressing well with two drilling programmes under way. Residual massive sulphides and stockwork mineralisation are the targets under the Atalaya pit. Lateral extensions of massive sulphides and stockwork are also being drilled at Filon Sur. Geological modelling is being updated as information becomes available.



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Expansion to 15Mtpa at Proyecto Riotinto

The 15Mtpa expansion project has progressed materially during the quarter and is now almost finalised with mechanical completion expected in the next few weeks. New flotation and concentrate handling areas are finished and operational while the new primary crushing area is mechanically finished and commissioning has started. In the new milling area, mechanical activities are progressing and will be completed in the coming weeks.

Proyecto Touro

During Q1 2019, feedback from the relevant administrative bodies was received as part of the assessment of the Environmental Impact Studies. The Company continues to address additional requests to complement current management plans.

Legal update

The Company has been notified that the Junta de Andalucía has started the administrative process to resolve the previously reported legal issues identified by the Tribunal Superior de Justicia de Andalucía relating to the Unified Environmental Declaration and the Mining Permits.

The Company continues to operate normally at Proyecto Riotinto.

Alberto Lavandeira, CEO commented:

“With the mechanical completion of the Riotinto expansion and modernisation project expected imminently, the Company will progressively increase the level of copper production during the remainder of the year. Completion of the project on time and on budget is an excellent outcome for the Company and continues to demonstrate its operational capabilities.”

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

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About Atalaya Mining Plc

Atalaya is an AIM and TSX-listed mining and development group which produces copper concentrates and silver by-product at its wholly owned Proyecto Riotinto site in southwest Spain. In addition, the Group has a phased, earn-in agreement for up to 80% ownership of Proyecto Touro, a brownfield copper project in the northwest of Spain which is currently in the permitting stage. For further information, visit www.atalayamining.com