

16 January 2020

Atalaya Mining Plc.
(“Atalaya” or “the Company”)
Fourth Quarter 2019 Operations Update and 2020 Guidance

Atalaya Mining Plc. (AIM:ATYM, TSX:AYM), the European mining and development company, is pleased to announce its operations update for the fourth quarter of 2019 and to provide guidance for 2020.

Operating Highlights

		Q4		Q3	Full year		
		2019	2018	2019	2019	2018	2020 Guidance
Ore mined	(M tonnes)	2.3	2.8	2.7	10.4	9.8	15.0
Waste mined	(M tonnes)	6.0	4.3	4.4	17.9	17.7	22.7
Ore milled	(M tonnes)	2.9	2.6	2.6	10.5	9.8	14.0 – 15.0
Cu grade	(%)	0.56	0.48	0.47	0.49	0.49	0.45
Cu recovery	(%)	83.58	89.15	87.38	87.09	88.30	84 – 86
Cu production	(tonnes)	13,527	11,172	10,568	44,950	42,114	55,000 – 58,000

- Record quarterly copper production of 13,527 tonnes achieved in Q4 2019 (Q4 2018: 11,172 tonnes);
- Full year 2019 copper production increased by 6.7% to 44,950 tonnes (FY2018: 42,114 tonnes). This is in the upper range of the updated guidance provided on 17 October 2019;
- The expansion is now complete with the processing plant fully commissioned and operating at an increased annualised rate of 15Mtpa since January 2020;
- The annual copper recovery rate was 87.09% compared with 88.30% in 2018 driven by lower recovery rates achieved during Q4 2019 owing to the ramp-up of the SAG mill;
- On-site concentrate inventories at the end of Q4 2019 were approximately 2,221 tonnes. All concentrate in stock at the beginning of the quarter, and produced during the quarter, has been delivered to the port at Huelva.
- Copper prices slightly decreased during the quarter compared with the previous quarter, with an average realised price per pound of copper payable, including the QPs closed in the period, of \$2.65/lb compared with \$2.68/lb in Q3 2019. The average copper spot price during the quarter was \$2.67/lb. The realised price during the quarter, excluding QPs, was approximately \$2.67/lb.
- Q4 2019 cash operating costs will be provided with the 2019 Financial Statements

2020 Guidance

- Full year 2020 copper production is estimated to be in the range of 55,000 to 58,000 tonnes.

Exploration Highlights

Exploration and infill drilling continue in Atalaya pit and Cerro Colorado pit. Results from ongoing exploration drilling in Q4 2019 were positive with 1,019 m drilled at San Dionisio in Atalaya pit and 1,170 m drilled at Filón Sur in Cerro Colorado.

Results of new Atalaya drill data continue defining and validating historical data of the rich Cu stockwork in the area.



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Corporate Highlights

Proyecto Touro

During the quarter, the Company continued addressing additional information requests from administrative bodies. Atalaya addressed comments from Aguas de Galicia, Natural Heritage and the General Directorate of Mines. Further update will be provided in due course.

Legal Update

As previously reported, the Company has received judgments relating to certain issues on the AAU and the Mining Permits from the Tribunal Superior de Justicia de Andalucía. The Junta de Andalucía is continuing with the process of resolving the administrative issues identified and is making public statements in support of Atalaya. The Company continues to operate the mine normally and remains confident that the process will not impact operations at Riotinto.

Alberto Lavandeira, Atalaya CEO, commented:

“We are pleased to have completed the expansion at Proyecto Riotinto which is now successfully operating at the increased annualised capacity of 15Mtpa since January 2020. We are also pleased to have delivered production rates at the higher end of our expectations in the final quarter of the year. This track record gives us confidence in our ability to achieve our increased 2020 production forecasts.”

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