

28 October 2020

**Atalaya Mining Plc.**  
**(“Atalaya” or “the Company”)**

**Atalaya approves feasibility study to evaluate production of cathodes at Proyecto Riotinto using newly developed E-LIX System**

Atalaya Mining Plc (AIM:ATYM, TSX:AYM) is pleased to announce that it has commenced the execution of a feasibility study to evaluate the economic viability of producing cathodes from complex sulphide ores prevalent in the Iberian Pyrite Belt through the application of a new extraction process called the E-LIX System (more details below) with a new industrial scale plant (the “Feasibility Study”). The production of cathodes has the potential to generate cost savings by reducing charges associated with concentrate transportation, treatment and refining, and penalty elements, while also reducing carbon emissions.

**About E-LIX System**

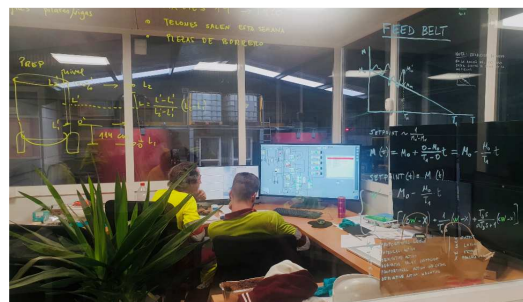
E-LIX System is a newly developed electrochemical extraction process developed and owned by Lain Technologies Ltd (“Lain Tech”) which is led by Dr. Eva Lain, who holds a PhD in Electrochemistry research from the University of Cambridge.

Through the application of singular catalysts and physicochemical conditions, E-LIX System is able to achieve high metal recoveries under low residence times, by accomplishing rapid reaction rates while overcoming classic surface passivation issues that have typically impaired metal recovery from complex sulphide ores. E-LIX System is considered to be a more environmentally friendly process than existing technologies; it is a zero emissions process that does not consume water nor acid and runs under mild operating conditions (atmospheric pressure and room temperature). Hence, the process is additionally characterised by ease and safety of operation.

General view of Pilot Plant



Leaching tanks



Control room



Zinc SX circuit



Control systems at the Pilot Plant



Copper SX circuit

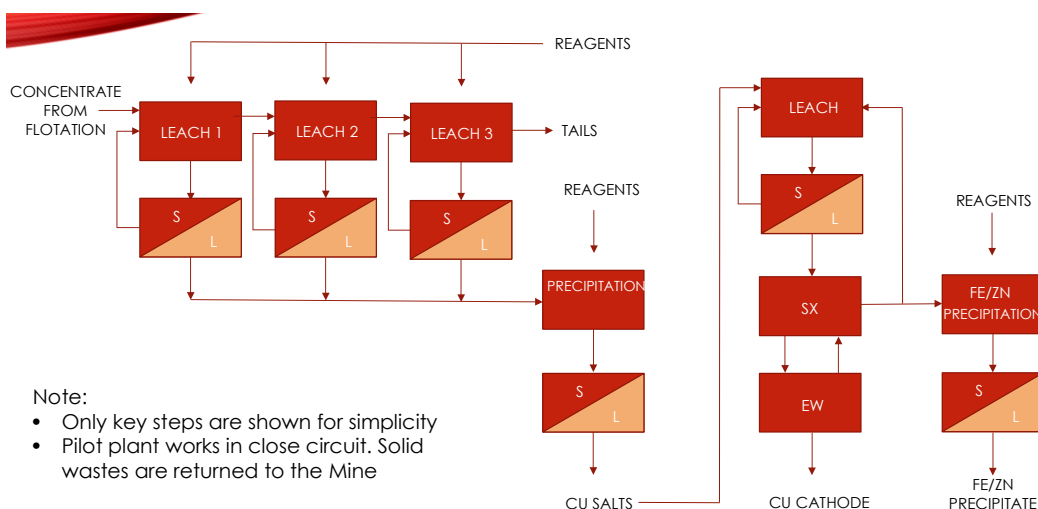


Dr. Eva Lain with a copper cathode

### **Development and proof of concept of E-LIX System**

The E-LIX System was patented in 2014 by Lain Tech and has been developed in collaboration with Atalaya from an initial concept in the laboratory to a fully operational pilot plant located at Proyecto Riotinto (the “Pilot Plant”).

The Pilot Plant with a capacity of 5 tonnes per day has been running for the past nine months, with only mandatory stoppage owing to COVID-19 restrictions. Leach rates of up to 250 kilograms per hour have been achieved processing copper concentrates, zinc concentrates and blends of different types of sulphides. The Pilot Plant also contains a solvent extraction and electrowinning (“SX-EW”) section and has successfully produced high purity copper cathodes as a proof of concept. Excellent leach results with recovery rates well over 90% have been attained. Fast kinetics for copper and zinc have also been successfully achieved overcoming the well-known passivation problem of leaching primary sulphides.



The Pilot Plant has demonstrated that the E-LIX System treats effectively the impurity levels typically associated with the complex sulphides present in the world-class pyrite belt that runs through the South of Portugal and Spain and prevalent at Proyecto Riotinto.

### Partnership between Lain Tech and Atalaya

During the past five years Atalaya has provided financial assistance to Lain Tech to develop the E-LIX System and has now reached an agreement with Lain Tech to use its patents, on an exclusive licence basis within the Iberian pyrite belt in Spain and Portugal (“Licence Agreement”).

Under the terms of the Licence Agreement and based on the encouraging operating results at the Pilot Plant, the Company has commissioned a Feasibility Study to evaluate the construction of an industrial scale plant for the production of a minimum of 10,000 tonnes of copper cathode metal a year. The Feasibility Study at a cost of approximately €1 million will be funded by Atalaya and is expected to be finalised in 2021. The Licence Agreement provides for a profit sharing arrangement between Atalaya and Lain Tech.

The Feasibility Study will be based on the results obtained from the Pilot Plant and aims to confirm the scalability of the E-LIX System and the capital and operating costs of the industrial plant. Should the industrial plant be built, it will be funded and constructed by Atalaya with Lain Tech designing, operating and managing the E-LIX System.

Atalaya believes that the use of the E-LIX System could potentially be applicable to the large amount of complex sulphide ore inventory present throughout the Iberian pyrite belt, including Atalaya’s mining properties such as Proyecto Riotinto and Proyecto Masa Valverde.



**Atalaya Mining Plc**  
1 Lampousas Street  
1095 Nicosia, Cyprus  
Tel: +357 22442705  
Fax: +357 22421956  
[www.atalayamining.com](http://www.atalayamining.com)

**Alberto Lavandeira, CEO, commented:**

*“We are fortunate to have been given this unique opportunity to work with Dr. Eva Lain in the development of the E-LIX System. I believe this system has the potential to play an important role in the economic treatment of many complex orebodies worldwide. We look forward to updating the market on the results of the Feasibility Study.”*

**Contacts:**

Newgate Communications	Elisabeth Cowell / Adam Lloyd / Tom Carnegie	+ 44 20 3757 6880
4C Communications	Carina Corbett	+44 20 3170 7973
Canaccord Genuity (NOMAD and Joint Broker)	Henry Fitzgerald-O'Connor / James Asensio	+44 20 7523 8000
BMO Capital Markets (Joint Broker)	Tom Rider / Michael Rechsteiner / Neil Elliot	+44 20 7236 1010
Peel Hunt LLP (Joint Broker)	Ross Allister / David McKeown	+44 20 7418 8900

**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. For further information, visit [www.atalayamining.com](http://www.atalayamining.com)