

### Proyecto Masa Valverde overview (see FIG 1, 2, 3)

Masa Valverde was discovered in 1986 by the Adaro/Peñarroya JV when drill testing a 0.8mGal residual gravity anomaly. It is located within the world-class Iberian Pyrite Belt of southern Spain and Portugal. Geographically, the project lies just 14km SW from Valverde del Camino town, 6km south from the active Sotiel polymetallic UG mine (Mubadala/Trafigura JV) and approximately 28km SW from Proyecto Riotinto copper mine. It consists of two investigation permits totaling approximately 4,000 hectares in aggregate.

From a geological viewpoint the Masa Valverde deposit is located along the Southern Domain of the Iberian Pyrite Belt which was supplied by continental sources and relatively minor, local volcanic activity (Leistal et al., 1998). It includes most of the large deposits: Aznalcollar–Los Frailes, Sotiel-Migollas-Elvira, Masa Valverde and Tharsis among others. They share a series of common features such as slate host-rock, stratabound mineralization, presence of a well-defined underlying “stockwork”, lack of strong zonation of metal contents, and high pyrite content (Tornos et al., 2009). Its formation corresponds to a single event of Late Famennian (Devonian) age, close to the boundary with the Carboniferous (Tornos et al., 2009).

Masa Valverde is a blind polymetallic project with a current NI 43-101 compliant resource as detailed below:

<b>Zone</b>	<b>Classification<sup>2</sup></b>	<b>Tonnage (Mt)</b>	<b>Cu(%)</b>	<b>Zn(%)</b>	<b>Pb(%)</b>	<b>Ag(g/t)</b>	<b>Au(g/t)</b>
Massive Sulphide, Cu zone	Inferred	19	0.68	0.88	0.87	41.71	0.81
Stockwork, Cu zone	Inferred	13	1.08	0.71	0.22	10.90	0.16
Massive Sulphide, Zn zone	Inferred	31	0.52	3.03	1.23	40.43	0.75
Stockwork, Zn zone	Inferred	3	0.43	2.29	0.75	18.83	0.33

Mineral Resource estimate<sup>1</sup> for the Masa Valverde deposit excerpted from the report No: R438.2017, NI 43-101 Technical Report on The Masa Valverde Project, Huelva Province, Spain, by CSA Global Canada Geosciences Ltd (report effective date: December 15, 2017).

<sup>1</sup> Numbers rounded to reflect the precision of an Inferred MRE and do not include factors such as external dilution, mining losses and process recovery losses.

<sup>2</sup> Resource classification as defined by the Canadian Institute of Mining, Metallurgy and Petroleum in their document “CIM Definition Standards for Mineral Resources and Mineral Reserves” of May 2014.

The resource is underpinned by more than 48,000m of historic diamond drilling and an extensive geological and geophysical database. Overall drill spacing is +/-100m. Within the historical resource drilling several higher grade Zn and Cu-rich zones have been identified. Based on that, it is expected that additional infill drilling will enhance the continuity and thus the grade and resource quality. The table below includes selected drill holes intercepts

<b>DH</b>	<b>From</b>	<b>To</b>	<b>Interval (m)</b>	<b>Cu(%)</b>	<b>Zn(%)</b>	<b>Pb(%)</b>	<b>Au(g/t)</b>	<b>Ag(g/t)</b>	<b>Zone</b>
<b>MV-35</b>	629.15	667.20	38.05	0.4	4.4	2.1	0.7	43	Western MassSulph.  Western, Stockwork
including	642.00	652.00	10.00	0.3	6.2	2.6	0.9	52	
and	667.20	733.20	66.00	1.5	0.1	0.0	<i>na</i>	4	
including	667.20	689.15	21.95	2.1	0.2	0.0	<i>na</i>	6	
<b>MV-29</b>	570.25	658.40	88.15	0.7	4.3	1.3	0.4	29	Central MassSulph.
including	585.35	604.35	19.00	0.5	7.1	2.9	0.5	58	
<b>MV-01</b>	514.45	550.45	36.00	0.5	6.0	2.2	1.9	64	Central. MassSulph.
including	532.75	540.80	8.05	0.6	8.1	2.8	1.9	73	
and	693.95	759.90	65.95	0.6	4.4	1.5	0.6	32	
including	694.95	699.00	4.05	0.6	11.9	1.5	0.7	49	
<b>A-01</b>	442.00	479.00	37.00	0.6	5.1	1.9	0.8	55	Central MassSulph.
<b>A-14</b>	547.00	592.00	45.00	1.5	1.3	0.2	<i>na</i>	13	Central Stockwork
including	558.00	580.00	22.00	1.9	1.0	0.0	<i>na</i>	12	

The known deposit is 1350m long, up to 200m wide and plunges 30° NW from a depth of approximately 430m to at least 800m below surface. It is made up of two massive sulphide bodies separated by a stockwork zone that can exceed 100m in thickness. The upper body true thickness varies between a few meters and 70m whilst the lower body is smaller and thinner but this may be due to incomplete drilling. The deposit seems to be closed off both laterally and at depth although additional drilling will be needed to confirm it.

Mineralogy is quite similar to other massive sulphide deposits in the Iberian Pyrite Belt (“IPB”) consisting of pyrite and, to a lesser degree and in order of decreasing abundance, sphalerite, galena, chalcopyrite, tetrahedrite and arsenopyrite. Massive sulphides can be Zn or Cu rich as well as the stockwork type mineralization although in this case Cu is predominant.

Preliminary metallurgical test-work carried out by SGS Canada in 2016 showed that sulphide mineralization is recoverable by conventional flotation, producing acceptable Zn and Cu concentrate grades and encouraging Cu recoveries in the massive sulphide Cu ore and in the stockwork. However Zn recoveries are moderate-low in the Zn-rich polymetallic mineralization.

QEMSCAN work indicates potential recoveries for Cu of 74–90%, 74–94% for Zn and 79–90% for Pb, strongly suggesting that a more comprehensive testwork program is likely to improve these recoveries considerably.

Deleterious metals contents as As and Hg are relatively high in the massive sulphide ores. However the Cu-rich, stockwork-type mineralization has very low levels in those elements.

### Majadales discovery (see FIG 4 and 5)

Atalaya originally acquired an option over Proyecto Masa Valverde for a two-year period (2018 – 2019). The main objective was to find new mineralized bodies around the known deposit. Exploration activities included geophysics (200km VTEM survey and ground and borehole EM surveys), core drilling (21,530m in 42 drill holes) and a detailed mineralogical study, among others. Of those holes, 30 were focused on the Majadales discovery and the rest for testing other geophysical anomalies (8 holes) and to explore the NW and SE extensions of Masa Valverde (4 holes). Total expenditures during the option period amounted to €2.7 million and were funded by Atalaya. Those works led to the discovery of the Majadales massive sulphide deposit in July 2018. It was the fifth hole of the campaign and the second one drill testing a coincident gravity and EM anomaly.

Majadales sulphide body, located 1.2 km ESE of Masa Valverde, consists of a mineralized layer of mostly massive and semi-massive sulphides and minor stockwork-type mineralization. It is NW-SE oriented and gently dipping 25° to NE. The current orebody dimensions are 650m by 200m, true thicknesses varying between 4 and 24.5m and situated between 300-430m depth. Average grades of the massive sulphides drill intercepts are 1%Cu, 2.8%Zn, 1.3%Pb and 0.30g/t Ag. Preliminary mineralogical work showed that pyrite is the predominant sulphide followed by chalcopyrite sphalerite and galena. Minor sulphide minerals are arsenopyrite and tethradrite. As and Hg are relatively high.

The deposit is mostly closed in all directions. However the east limit corresponds to a NE trending post-mineral fault that leaves open the possibility for a deposit extension on the other side of the fault. Limited drilling conducted so far between Masa Valverde and Majadales, where a VTEM anomaly had been delineated, failed to connect both deposits. However additional exploration drilling is warranted in order to confirm this.

A summary with some of the best drill holes intersections is inserted below:

<i>DH</i>	<i>From</i>	<i>To</i>	<i>Interval (m)</i>	<i>Cu(%)</i>	<i>Zn(%)</i>	<i>Pb(%)</i>	<i>Au(g/t)</i>	<i>Ag(g/t)</i>
MJ-06	355.90	380.50	24.60	1.0	3.0	1.4	0.2	49
including	362.00	368.00	6.00	1.5	4.3	2.0	0.2	71
MJ-09	397.50	420.20	22.70	1.2	1.6	0.6	0.4	30
including	397.50	402.50	5.00	2.1	3.1	1.6	0.2	72
MJ-11	337.55	349.65	12.10	1.0	5.3	2.2	0.4	63
and	367.50	371.50	4.00	2.3	0.3	0.0	0.0	8

### Exploration potential (see FIG 3 and 4)

The Masa Valverde project consist on two investigation permits named PI Valverde and PI Beas that cover approximately 4,000 has in the Iberian Pyrite Belt.

Most of the exploration work completed up to now has been done in PI Valverde, where Masa Valverde and Majadales deposits have been discovered.



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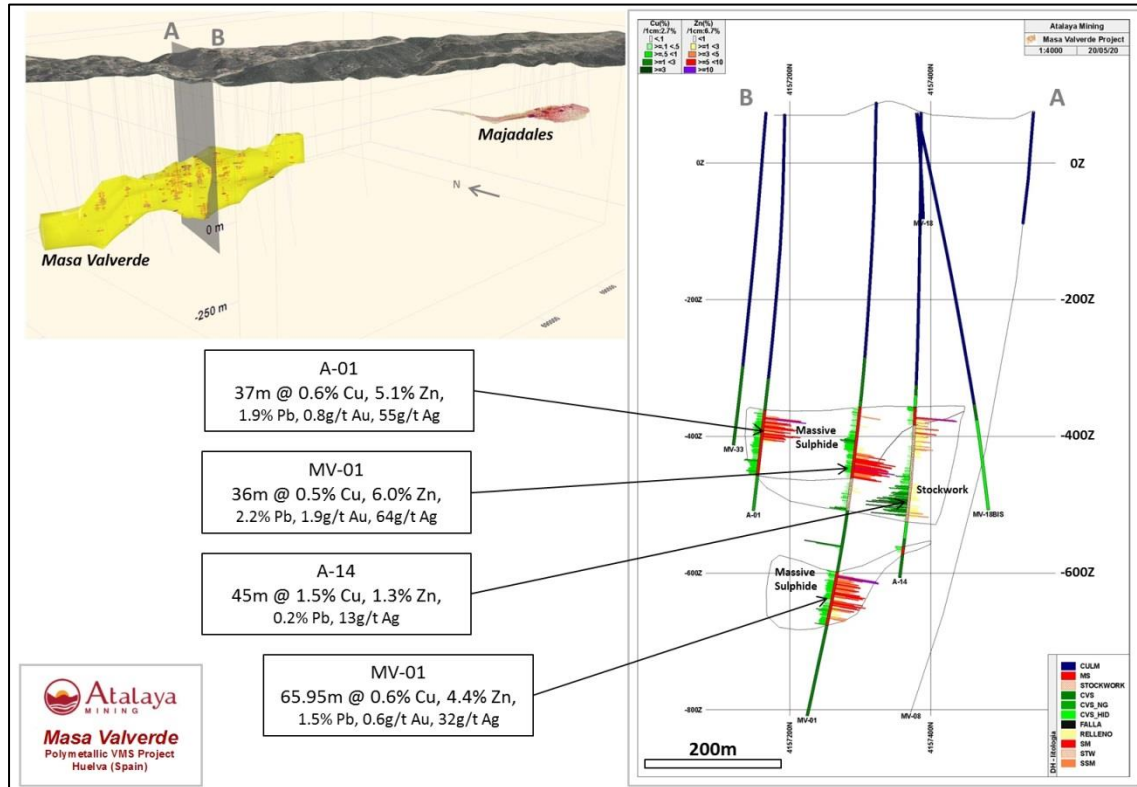
The exploration potential inside PI Valverde is considered by Atalaya to be high. Several significant geophysical and geochemical anomalies still remain poorly drill tested. The most significant one being Campanario-Descamisada, a 5km long, NW trending geochemical and geophysical anomaly with abundant old workings, gossans and some promising shallow drill intercepts in historical drilling (8.25m at 1.27% Cu). Atalaya Mining had completed just 3 holes in this anomaly during the option period, all of which intersected stockwork and disseminated sulphide mineralization which clearly deserves follow up work.

PI Beas is located south of PI Valverde, and the property is covered by shales of the Culm Group, which represent the hanging wall of the volcanic unit that hosts the massive sulfide orebodies. This permit remains so far almost unexplored.

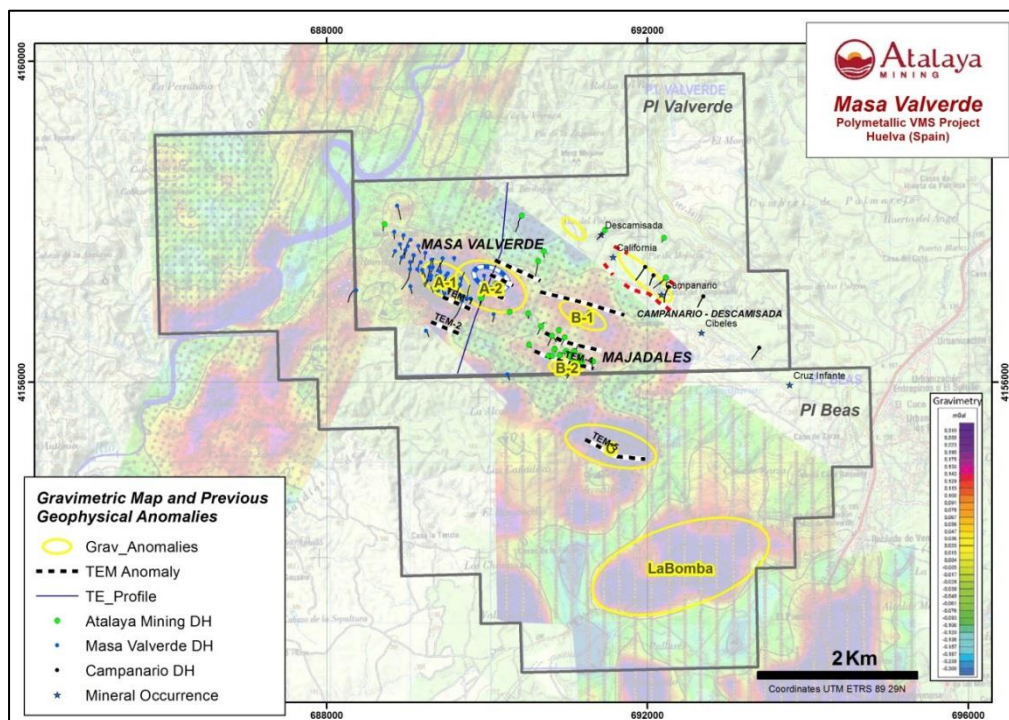




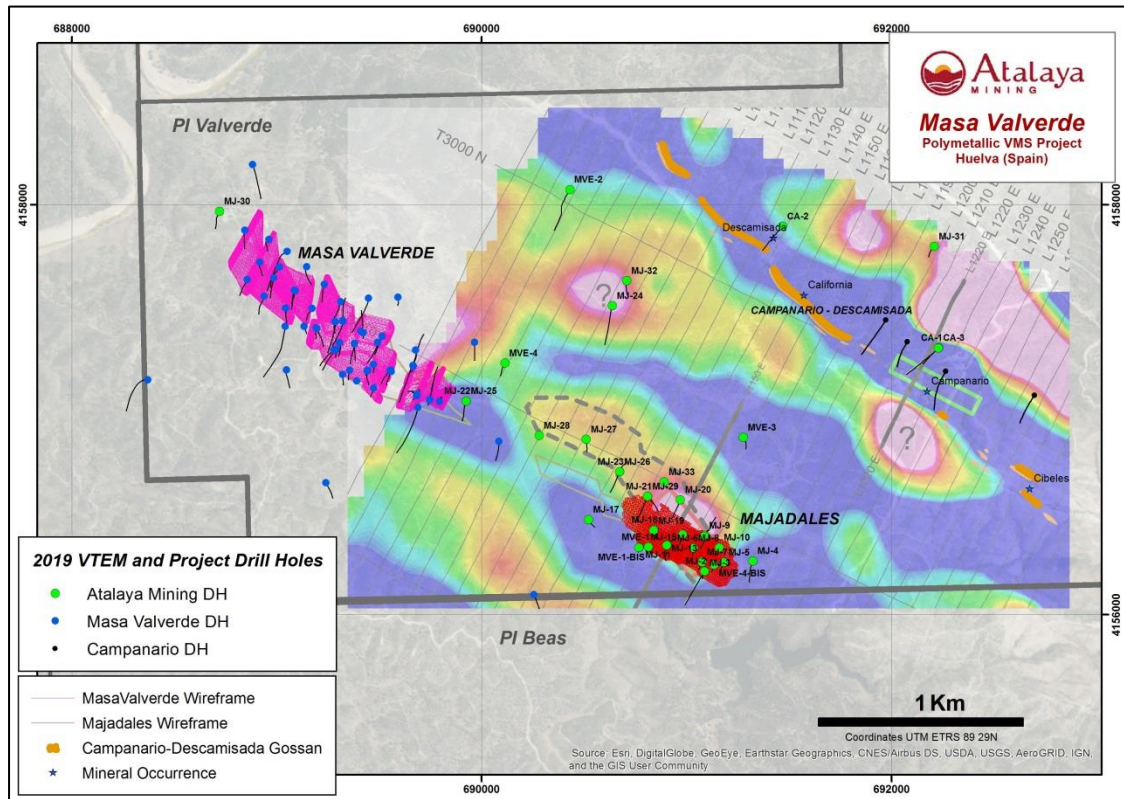
**Figure 2.** 3D view (looking towards NE) of the Masa Valverde and Majadales deposits and representative cross section (NNE-SSW oriented) of Masa Valverde.



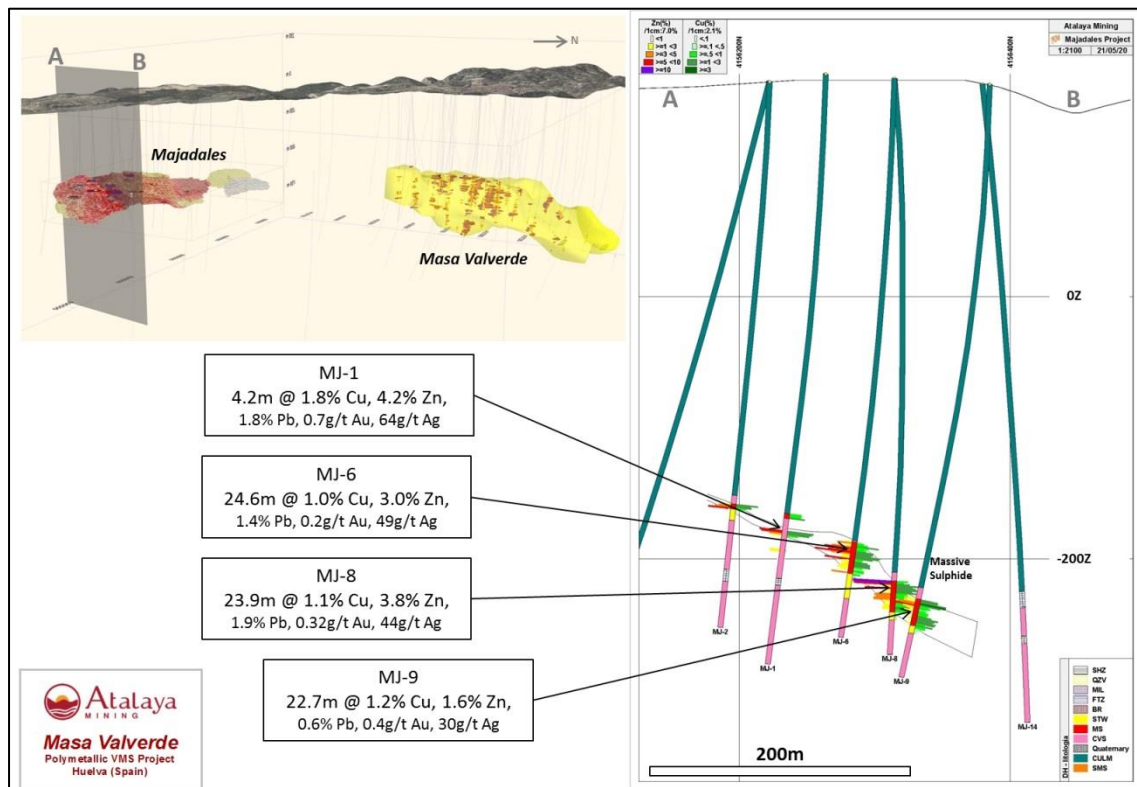
**Figure 3.** Main geophysical anomalies over the Residual Gravity Map (d=2.7g/cc) projected to 300m depth (compilation of 1986-1990 and 2016-2017 gravity surveys, IGT 2017).



**Figure 4.** Drill hole map and main 2019 VTEM (BFz38dv) anomalies.



**Figure 5.** 3D view (looking towards SW) of the Majadales and Masa Valverde deposits and representative cross section (NNE-SSW oriented) of Majadales.



**Glossary of Terms**

Ag	Silver
As	Arsenic
Au	Gold
Cu	Copper
g/t	Grams per tonne
Gal	Unit of gravity
Hg	Mercury
Inferred mineral resource	That part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.
Mt	Million tonnes
Pb	Lead
QEMSCAN	Quantitative Evaluation of Minerals by Scanning Electron Microscopy
Zn	Zinc