

A version of this announcement containing all referenced figures can be found on the Company's website at www.atalayamining.com (the "Website Announcement").

5 July 2022

Atalaya Mining Plc.

("Atalaya" or "the Company")

Positive Drilling Results from the Campanario Trend

Shallow polymetallic mineralisation including massive and semi-massive sulphides intersected as part of four-rig drilling campaign at Proyecto Masa Valverde

Atalaya Mining Plc (AIM: ATYM, TSX: AYM) is pleased to announce the results of the first 22 exploration drill holes completed to date on the Campanario Trend, one of several mineralised zones comprising Proyecto Masa Valverde ("PMV"). PMV is located in southern Spain approximately 28 km to the south of Atalaya's 15 Mtpa mill at Proyecto Riotinto (see Figure 1 in the Website Announcement).

Highlights

- Initial drilling results confirm PMV's continued exploration potential and the possibility to quickly define a shallow mineral resource
- Shallow polymetallic mineralisation includes:
 - CA15: 35.20m at 0.70% Cu, 1.53% Zn, 1.39% Pb and 62.50 g/t Ag (1.71% CuEq) from 77.80m from surface
 - CA21: 18.10m at 1.19% Cu, 0.08% Zn, 0.32% Pb and 36.66 g/t Ag (1.40% CuEq) from 43.20m from surface
- Drilling to date has focused around the historical Campanario workings, which only represents approximately 10% of the entire strike length of the mineralised structure
- Intersected mineralisation includes massive and semi-massive sulphides as well as stockwork-type material, consistent with the Masa Valverde and Majadales deposits
- Initial drilling results demonstrate the significant exploration potential of Atalaya's strategic land package in the world-class Iberian Pyrite Belt

Alberto Lavandeira, CEO, commented:

"We are pleased with these initial drilling results from the Campanario Trend which confirm the expectations we had on the exploration potential of PMV. We continue working on defining the potential shallow mineral resource in the short term which to date has only been drill tested in approximately 10% of the entire mineralised structure. In addition, we have several coincident geochemical and geophysical targets pending for drill testing indicating that we are still far from knowing the ultimate exploration potential of PMV."

We believe that these initial results will not only have a positive impact on future development scenarios and project economics, but they also highlight the significant exploration potential of the Iberian Pyrite Belt."

About Proyecto Masa Valverde

PMV consists of several volcanogenic massive sulphide ("VMS") type deposits including Masa Valverde, Majadales, the Campanario Trend and other drill ready targets. Atalaya's exploration

team discovered the Majadales deposit and in 2020 acquired a 100% interest in PMV. The project is strategically located approximately 28 km from Proyecto Riotinto, therefore future development scenarios are expected to utilise the Company's existing 15 Mtpa processing plant.

In April 2022, Atalaya announced a new independent resource estimate for PMV that was prepared in accordance with CIM guidelines and disclosure requirements of NI 43-101, including:

- Masa Valverde Indicated Mineral Resource of 16.9 Mt at 0.66% Cu, 1.55% Zn, 0.65% Pb, 27 g/t Ag and 0.55 g/t Au (1.51% CuEq)
- Masa Valverde Inferred Mineral Resource of 73.4 Mt at 0.61% Cu, 1.24% Zn, 0.61% Pb, 30 g/t Ag and 0.62 g/t Au (1.37% CuEq)
- Majadales Inferred Mineral Resource of 3.1 Mt at 0.94% Cu, 3.08% Zn, 1.43% Pb, 54 g/t Ag and 0.32 g/t Au (2.55% CuEq)

Atalaya expects to complete a PEA for PMV by the end of the year.

Four rigs are currently operating at PMV, as part of the Company's €10 million exploration programme for 2022. Two rigs are devoted to the Campanario Trend and the rest are drill testing the Fix Loop Electromagnetic ("FLEM") anomalies west of the Masa Valverde deposit. So far, three holes were completed at two of the FLEM anomalies. The results of that programme will be released in a future announcement.

About the Campanario Trend

The Campanario Trend is a five kilometre north-west trending mineralised corridor, located one kilometre north of the Masa Valverde and Majadales VMS deposits. Campanario is characterised by the presence of numerous small historical workings and coincident soil geochemical and geophysical anomalies (see Figure 2 in the Website Announcement).

Historical mining activity (from 1876 – 1917) along the Campanario Trend was at a small scale and focused on narrow zones of massive sulphides. Near-surface oxidation of the massive sulphides, mainly pyrite, generated gossans which were also investigated for gold potential.

Total historical mine production is estimated to be 0.22 million tonnes at 1.5% Cu from six main mining areas situated from the east to the west: Cruz Infante, Cibeles, Campanario, California, Descamisada and Descamisada Oeste. Drilling to date by Atalaya has focused around the historical Campanario workings which, by size, are the most important along the Campanario Trend.

Notably, immediately to the west of the historical Descamisada Oeste mine, the FLEM geophysical survey delineated a significant conductor (Loop 14 in Figure 2 in the Website Announcement) which is interpreted to be the potential west extension of the main mineralised corridor. To the east of the historical Campanario workings and coincident with the Cruz Infantes and old Cibeles mines, a previous VTEM ("Versatile Time Domain Electromagnetic") survey delineated a zone of elevated conductivity which could be related with the presence of massive sulphides at depth.

Despite the numerous historical workings, the semi-continuous outcropping mineralisation and the proximity to the large Masa Valverde deposit, the Campanario Trend remained under-explored for many years. The last drilling campaign was carried out in 1995 by the Spanish state-owned company Adaro.

Campanario Trend Initial Drilling Results

Atalaya has completed 22 drill holes at the Campanario Trend with assay results produced by the certified laboratory at Proyecto Riotinto. In addition, assays including gold were produced by an independent external laboratory (ALS) up to hole CA-13.

Drilling was focused around the historical Campanario workings, located in the central part of the five kilometre long Campanario Trend (see drill hole map in Figure 3 in the Website Announcement). Assay results received to date included intersections that are the best so far in terms of “grade x thickness” factor.

Local stratigraphy consists of black shales with varying graphite content, coherent acid rocks of rhyodacitic composition and, to a lesser extent, volcanic tuffs. Mineralised zones are mainly hosted in the black shale levels which are intensely folded and sheared and often show zones of sericitic, chloritic and silicic alteration.

Except near surface where it is oxidised (gossans), the main mineralisation styles are massive and semi-massive sulphides and stockwork-type. Pyrite is the predominant sulphide mineral with subordinate chalcopyrite, sphalerite, galena and sulphosalts. Mineralisation is polymetallic with elevated As, Sb, Hg and Bi values, therefore Atalaya believes the E-LIX System has strong potential to unlock value from any future mined material from the Campanario Trend.

The geometry of the mineralised zones varies down dip from steeply dipping to moderately dipping to the north-north-east and may include several parallel lenses of massive and semi-massive sulphides, with individual true thicknesses varying from 1-2 metres up to 20-25 metres. Two representative cross sections are included in Figure 4 in the Website Announcement.

The mineralised system remains completely open laterally but seems to get thinner at depth in some sections. Pinch and swell geometry is evident, quite likely due to syn/late deformation.

Table 1: Selected Campanario Drill Holes

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au ¹ (g/t)	CuEq ² (%)
CA15	77.80	113.00	35.20	0.70	1.53	1.39	62.50	n/a	1.71
<i>Including</i>	92.00	102.10	10.10	1.27	3.32	1.87	77.17	n/a	3.08
CA16	88.00	116.00	28.00	0.45	0.14	0.25	22.61	n/a	0.62
<i>Including</i>	88.00	99.30	11.30	0.97	0.08	0.27	41.03	n/a	1.19
<i>Inc.</i>	90.80	93.30	2.50	2.21	0.13	0.61	72.31	n/a	2.61
CA21	43.20	61.30	18.10	1.19	0.08	0.32	36.66	n/a	1.40
<i>Including</i>	43.20	48.00	4.80	3.85	0.16	0.86	95.34	n/a	4.38

¹ Assays are from the certified laboratory at Proyecto Riotinto, which does not assay for gold, therefore gold is not included in the CuEq calculation.

² Metal prices and recoveries used for CuEq calculation are: \$9,600/t Cu and 80%; \$3,500/t Zn and 80%; \$2,300/t Pb and 60%; \$23/oz Ag and 35%.



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The full set of results from the 22 holes is shown below in Table 2.

Next Steps

Drilling at PMV will continue testing the shallow lateral extensions of mineralisation found to date at the Campanario Trend as well as drill testing the FLEM geophysical anomalies west of the Masa Valverde deposit.

Mineralogical and petrographic studies are already in progress as well as sampling for initial metallurgical testwork.

Data gathering during the current drilling programme at Campanario will form the basis of the new geological model which will support an initial mineral resource estimation.

Qualified Person Statement

Alberto Lavandeira has reviewed the technical information contained within this announcement in his capacity as a Qualified Person, as required under the AIM Rules for Companies. Alberto Lavandeira is the Chief Executive Officer for the Company and is a member of good standing with the Association of Mining Engineers of Spain, with over 41 years' experience.

Table 2: Campanario Trend Drill Hole Data

Hole ID	Length (m)	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au ¹ (g/t)	CuEq ² (%)
CA1	533.50	No Significant Intersection								
CA2	414.20	No Significant Intersection								
3 CA3	326.30	148.10	160.50	12.40	0.17	0.66	0.25	5.16	0.22	0.51
3 CA4	251.20	161.50	167.00	5.50	0.27	1.30	0.77	24.36	0.34	1.02
		182.00	183.00	1.00	0.15	3.69	1.94	22.00	0.21	1.95
3 CA5	299.50 <i>Including</i>	154.00	169.00	15.00	0.38	1.56	0.91	14.27	0.18	1.18
		158.00	161.00	3.00	1.04	3.69	2.27	32.00	0.51	2.98
		189.00	191.00	2.00	0.12	0.09	0.03	1.00	0.05	0.17
		209.00	213.00	4.00	0.15	0.43	0.26	6.50	0.05	0.38
3 CA6	328.30	149.70	158.10	8.40	<i>Adit intercepted. Fill material up to 0.90% Cu</i>					
3 CA7	248.60	150.00	160.00	10.00	0.18	0.67	0.21	7.80	0.10	0.51
3 CA8	275.00	159.00	169.00	10.00	0.35	2.53	1.27	25.40	0.31	1.63
		215.00	223.00	8.00	0.43	0.19	0.15	8.38	0.17	0.58
		227.00	231.00	4.00	0.16	0.27	0.11	4.50	0.11	0.31
CA9	268.40	No Significant Intersection								
3 CA10	272.50	159.00	161.00	2.00	0.25	0.17	0.05	12.00	0.08	0.38
3 CA11	341.00 <i>Including Inc.</i>	123.70	144.00	20.30	0.50	0.56	0.73	55.87	0.66	1.12
		123.70	133.00	9.30	0.76	0.66	0.86	85.82	1.07	1.61
		131.00	133.00	2.00	1.50	0.12	0.22	63.00	1.02	1.95
		165.00	166.30	1.30	0.28	0.19	0.89	56.23	0.23	0.73
		184.00	194.00	10.00	0.38	0.05	0.15	42.90	1.11	0.73
		186.00	188.00	2.00	0.76	0.09	0.23	100.00	0.23	1.21
3 CA12	260.00 <i>Including</i>	117.00	125.50	8.50	0.46	0.96	0.65	35.31	0.45	1.12
		118.60	120.00	1.40	1.17	0.12	0.67	114.14	1.08	1.89
3 CA13	280.20	116.00	123.00	7.00	0.14	1.03	0.36	4.86	0.05	0.61
4 CA14	218.00	78.10	83.10	5.00	0.49	4.33	1.47	77.83	n/a	2.60
		90.20	92.70	2.50	0.62	0.97	1.08	123.31	n/a	1.58
		100.40	103.50	3.10	0.46	6.09	1.46	92.04	n/a	3.25
		114.40	116.00	1.60	1.04	0.48	0.57	23.33	n/a	1.39
		123.20	125.00	1.80	0.33	0.06	0.16	12.10	n/a	0.42
4 CA15	290.00 <i>Including Including</i>	77.80	113.00	35.20	0.70	1.53	1.39	62.50	n/a	1.71
		79.00	81.00	2.00	1.56	0.09	1.13	171.40	n/a	2.37
		92.00	102.10	10.10	1.27	3.32	1.87	77.17	n/a	3.08

		<i>Including</i>	108.90	113.00	4.10	0.51	2.40	1.77	54.13	n/a	1.89
			158.00	161.00	3.00	0.70	1.31	0.69	24.53	n/a	1.39
		<i>Including</i>	158.00	158.80	0.80	1.73	1.10	0.95	66.73	n/a	2.53
4	CA16	179.40	88.00	116.00	28.00	0.45	0.14	0.25	22.61	n/a	0.62
		<i>Including</i>	88.00	99.30	11.30	0.97	0.08	0.27	41.03	n/a	1.19
		<i>Inc.</i>	90.80	93.30	2.50	2.21	0.13	0.61	72.31	n/a	2.61
4	CA17	200.00	100.20	101.50	1.30	0.94	0.02	1.19	22.58	n/a	1.24
4	CA18	227.00	104.50	109.10	4.60	1.03	0.04	0.12	21.64	n/a	1.14
4	CA19	141.00	60.30	65.30	5.00	0.28	0.04	0.13	31.45	n/a	0.42
			73.00	84.30	11.30	0.37	0.04	0.11	22.70	n/a	0.48
		<i>Including</i>	77.00	77.50	0.50	2.14	0.05	0.08	16.62	n/a	2.23
		<i>Including</i>	81.00	84.30	3.30	0.47	0.06	0.17	27.07	n/a	0.61
4	CA20	157.10	No Significant Intersection								
4, 5	CA21	139.30	43.20	61.30	18.10	1.19	0.08	0.32	36.66	n/a	1.40
		<i>Including</i>	43.20	48.00	4.80	3.85	0.16	0.86	95.34	n/a	4.38
4	CA22	298.80	105.60	117.00	11.40	0.12	1.03	0.50	22.56	n/a	0.66

¹ Table showing detailed drilling results over 0.10% Cu.

² Metal prices and recoveries used for CuEq calculation are: \$9,600/t Cu and 80%; \$3,500/t Zn and 80%; \$2,300/t and 60%; \$23/oz Ag and 35%; \$1,800/oz and 20%.

³ Assays from ALS laboratory, which assays for gold.

⁴ Assays are from the certified laboratory at Proyecto Riotinto, which does not assay for gold, therefore gold is not included in the CuEq calculation.

⁵ This intersection includes 3m not recovered, probably that is an adit from 55 to 58m. Metal content of this interval is considered as zero in the calculations of the intercepts.

Figure 1: Proyecto Masa Valverde Location (refer to Website Announcement)

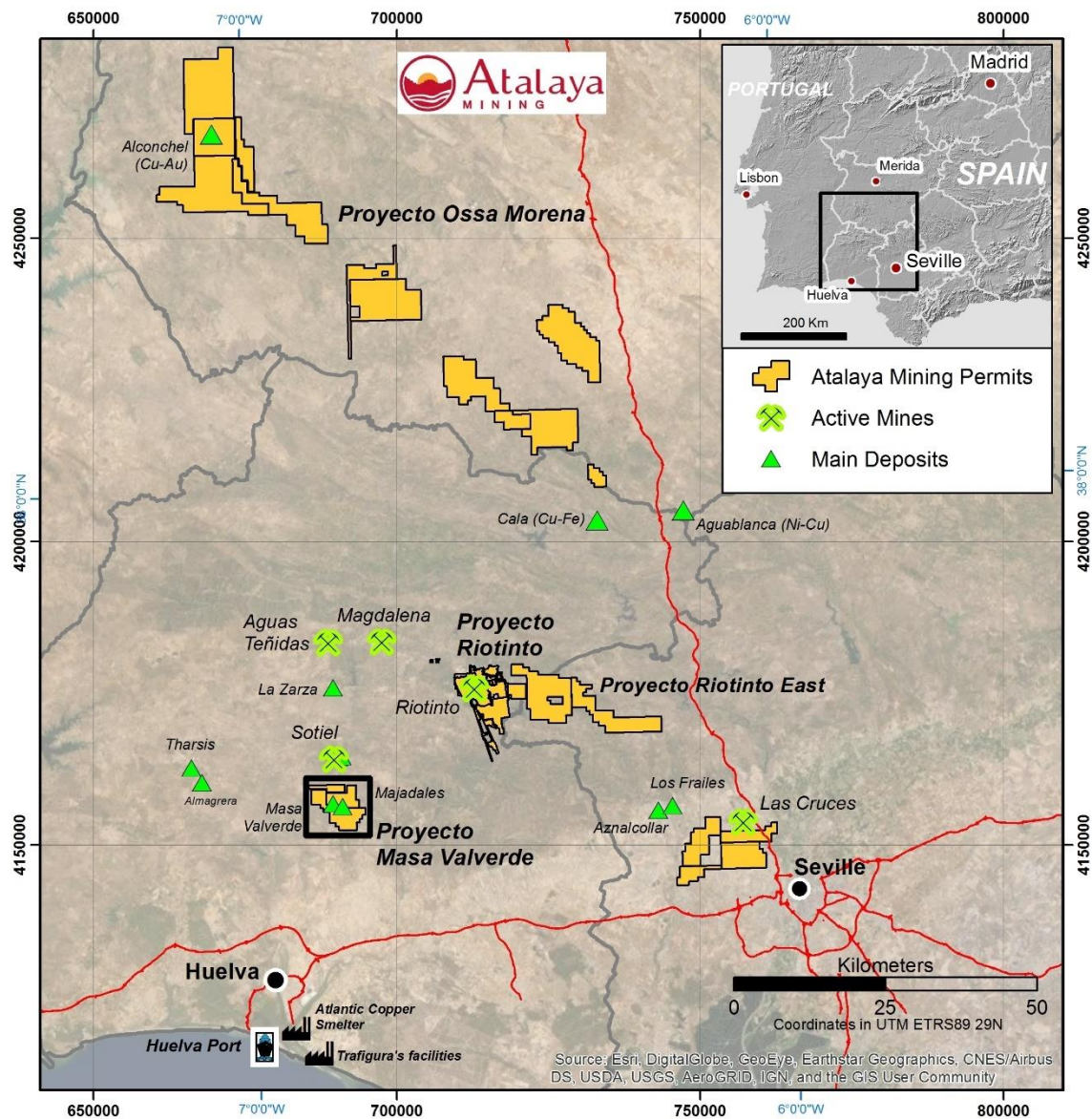


Figure 2: Campanario Trend Anomalies (refer to Website Announcement)

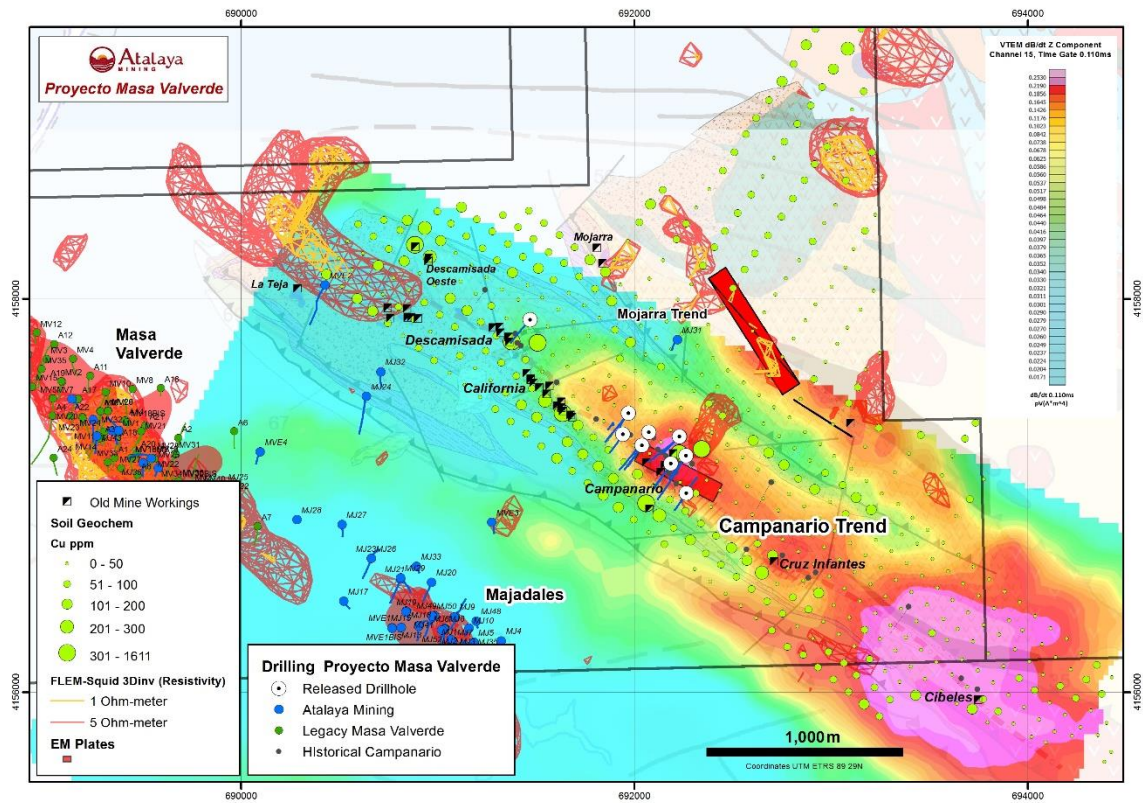
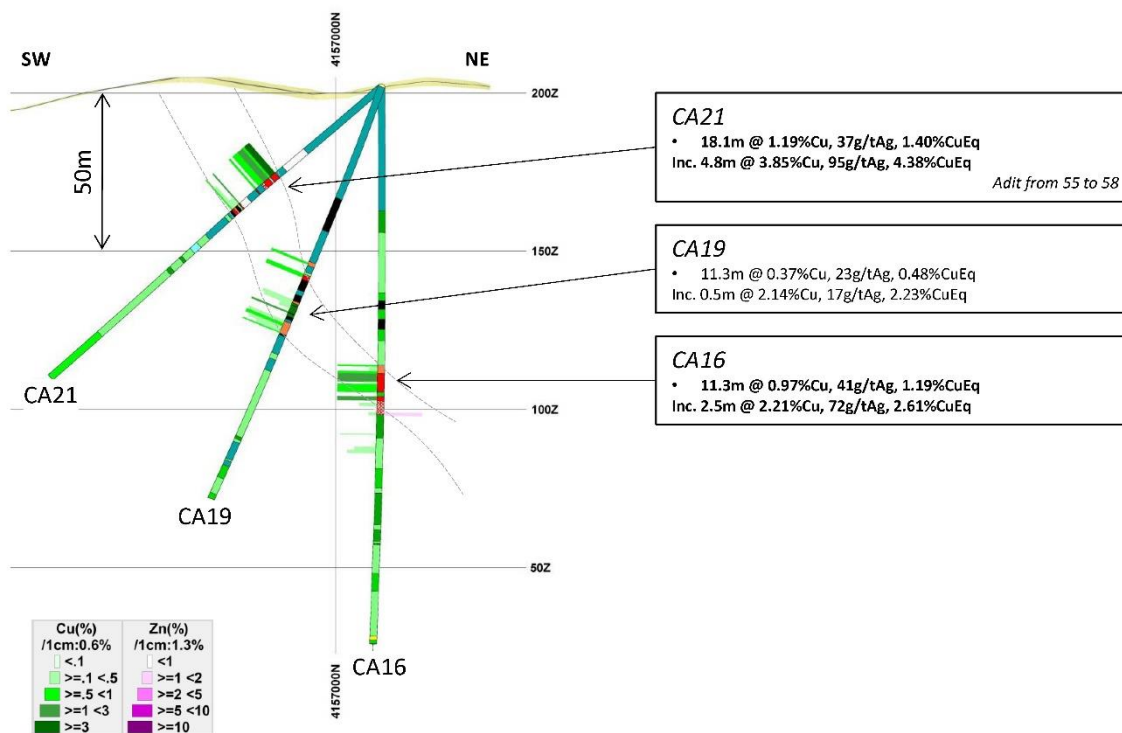
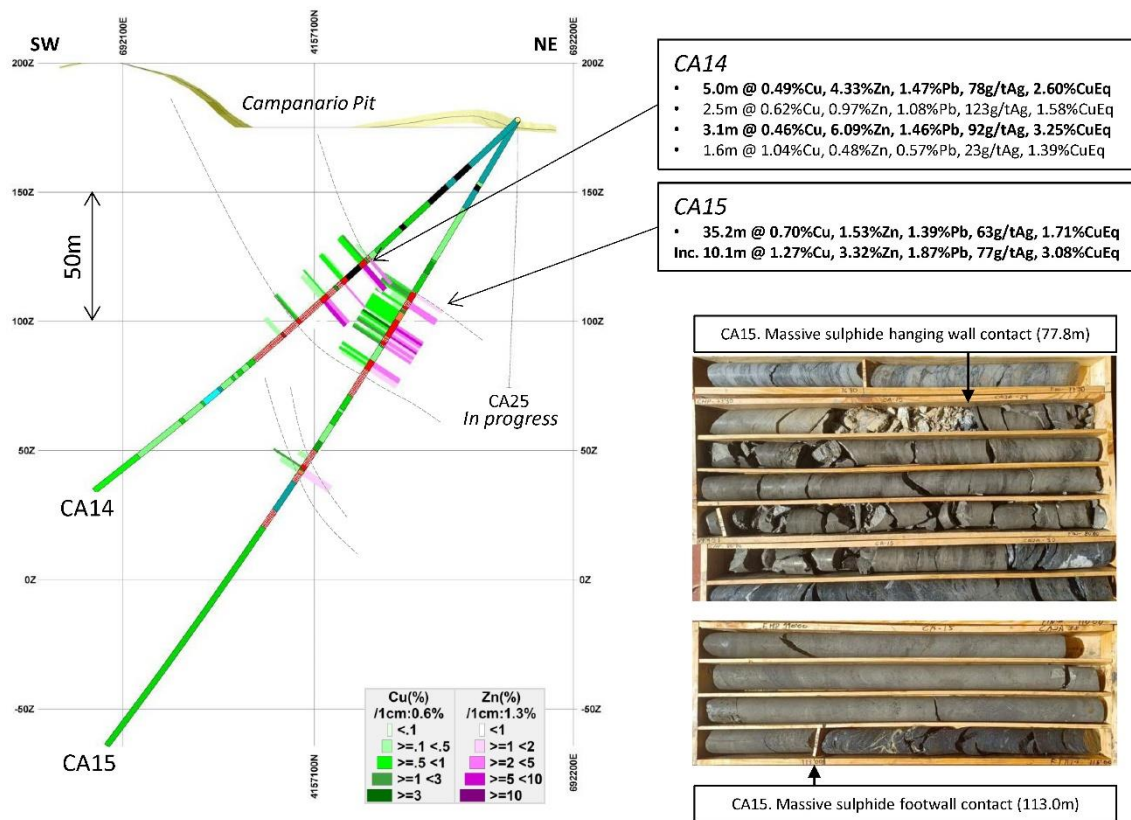


Figure 4: Representative Cross Sections (refer to Website Announcement)



Glossary of Terms

Ag	Silver
As	Arsenic
Au	Gold
Bi	Bismuth
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
Cu	Copper
CuEq	Copper Equivalent
FLEM	Fixed Loop Electromagnetic Survey
g/t	Grams per tonne
Hg	Mercury
Indicated Mineral Resources	<p>An Indicated Mineral Resource is 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.</p> <p>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.</p> <p>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.</p>
Inferred Mineral Resource	<p>An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity.</p> <p>An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.</p>
kt	Thousand tonnes
Measured Mineral Resources	<p>A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.</p> <p>Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an</p>

	Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.
Mineral Resources	A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such a form and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
Mt	Million tonnes
Mtpa	Million tonnes per annum
n.a.	Not available
NI 43-101	Canadian National Instrument for the Standards of Disclosure for Mineral Projects
Pb	Lead
PEA	Preliminary Economic Assessment
PPM	Parts per million
Sb	Antimony
Stockwork	It's a complex 3D network of structurally controlled or randomly oriented veins. They are common in many ore deposit types. They are also referred to as stringer zones.
VMS	Volcanic Massive Sulphide
Zn	Zinc

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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. Atalaya's current operations include the Cerro Colorado open pit mine and a modern 15 Mtpa processing plant, which has the potential to become a centralised processing hub for ore sourced from its wholly owned regional projects around Riotinto that include Proyecto Masa Valverde and Proyecto Riotinto East. In addition, the Group has a phased earn-in agreement for up to 80%



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ownership of Proyecto Touro, a brownfield copper project in the northwest of Spain, as well as a 51% interest in Proyecto Ossa Morena. For further information, visit www.atalayamining.com