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

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Atalaya Mining Plc.
("Atalaya" or "the Company")

Acquisition of 51% Interest in Rio Narcea Nickel, S.L. and Additional Investigation Permits in Spain

Atalaya Mining plc (AIM: ATYM, TSX: AYM) is pleased to announce that it has established a significant presence, covering approximately 1,114 sq km, in the Ossa Morena Metallogenic Belt, in southwest Spain. The Ossa-Morena Metallogenic Belt has strong exploration potential for a range of base and precious metals and is north of the Iberian Pyrite Belt where Atalaya operates its flagship Proyecto Riotinto mine (figure 1 on the Website Announcement).

This has been achieved through the execution of a definitive purchase agreement (the "Transaction") with Grupo Sacyr S.A. (the "Vendor"), which includes the following:

- The acquisition of a 51% interest in Rio Narcea Nickel, S.L. ("RNN"), which owns 17 investigation permits.
- The acquisition of a 100% interest in three investigation permits that are also located along the Ossa-Morena Metallogenic Belt.
- This group of 20 permits will be known collectively as Proyecto Ossa Morena ("POM") and are strategically distributed along prospective zones of the Ossa Morena Metallogenic Belt (figure 2 on the Website Announcement), and in particular, along the southern flank of the major Olivenza-Monesterio Antiform ("OMA").
- In addition to the POM permits, Atalaya is also acquiring from the Vendor a 51% interest in four investigation permits in the Sevilla province and a 100% interest in two investigation permits in the Almeria province, both in the south of Spain.

Atalaya will pay a total of €2.5 million in cash in three instalments, and grant a 1% net smelter return ("NSR") royalty over all acquired permits. The first payment of €0.5 million will be made following execution of the purchase agreement. The second and third instalments of €1 million each will be made once the environmental impact statement ("EIS") and the final mining permits for any project within any of the investigation permits acquired under the Transaction are secured.

POM Highlights:

- POM includes the Alconchel copper-gold-iron project, which has a NI 43-101 compliant total indicated plus inferred resource of 23 Mt at 0.53% Cu, 0.15 g/t Au and 11.2% Fe (Golder Associates, October 2017).

- Also includes two advanced-stage Au and Cu-Au exploration projects, Guijarro and Vicaria respectively, and several drill-ready coincident geochemical and geophysical anomalies. All these are located along the southern flank of the OMA.
- Atalaya plans to conduct infill and step out drilling at Alconchel, and additional exploration drilling at Pallares, Vicaria and Guijarro projects among others. The aim of that work is to expand the known resources at Alconchel and advance the Pallares, Vicaria and Guijarro projects to the resource definition stage.
- The POM exploration budget for 2022 is up to €2 million and, among other activities, will include approximately 10,000 metres of core drilling.
- The Aguablanca Ni-Cu-PGE mine, now on care and maintenance, is located 15 km southeast of POM. The current owner of Aguablanca owns the remaining 49% interest in RNN.

Alberto Lavandeira, CEO, commented:

“With this acquisition, Atalaya has secured a prominent land position in one of the most prospective and underexplored metallogenic belts in Western Europe. Its location, close to the Iberian Pyrite belt where our Riotinto copper mine and other exploration projects are currently advancing, will allow us to carry out aggressive exploration programmes in a cost and time efficient manner. Priority will be given to advance the Alconchel copper-gold-iron project because of its excellent exploration potential which underpins our geologists’ belief that the current known resources can be increased significantly. For example, the Pallares Cu-Au discovery, located 3.5km east of Alconchel and not included in the current resources, supports this thesis. This is an exciting time for Atalaya as it seeks new growth opportunities to build on its success at Riotinto and beyond.”

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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% ownership

of Proyecto Touro, a brownfield copper project in the northwest of Spain. For further information, visit www.atalayamining.com

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 42 years' experience.

Figure 1. Location map Proyecto Ossa Morena (Southwest Spain)

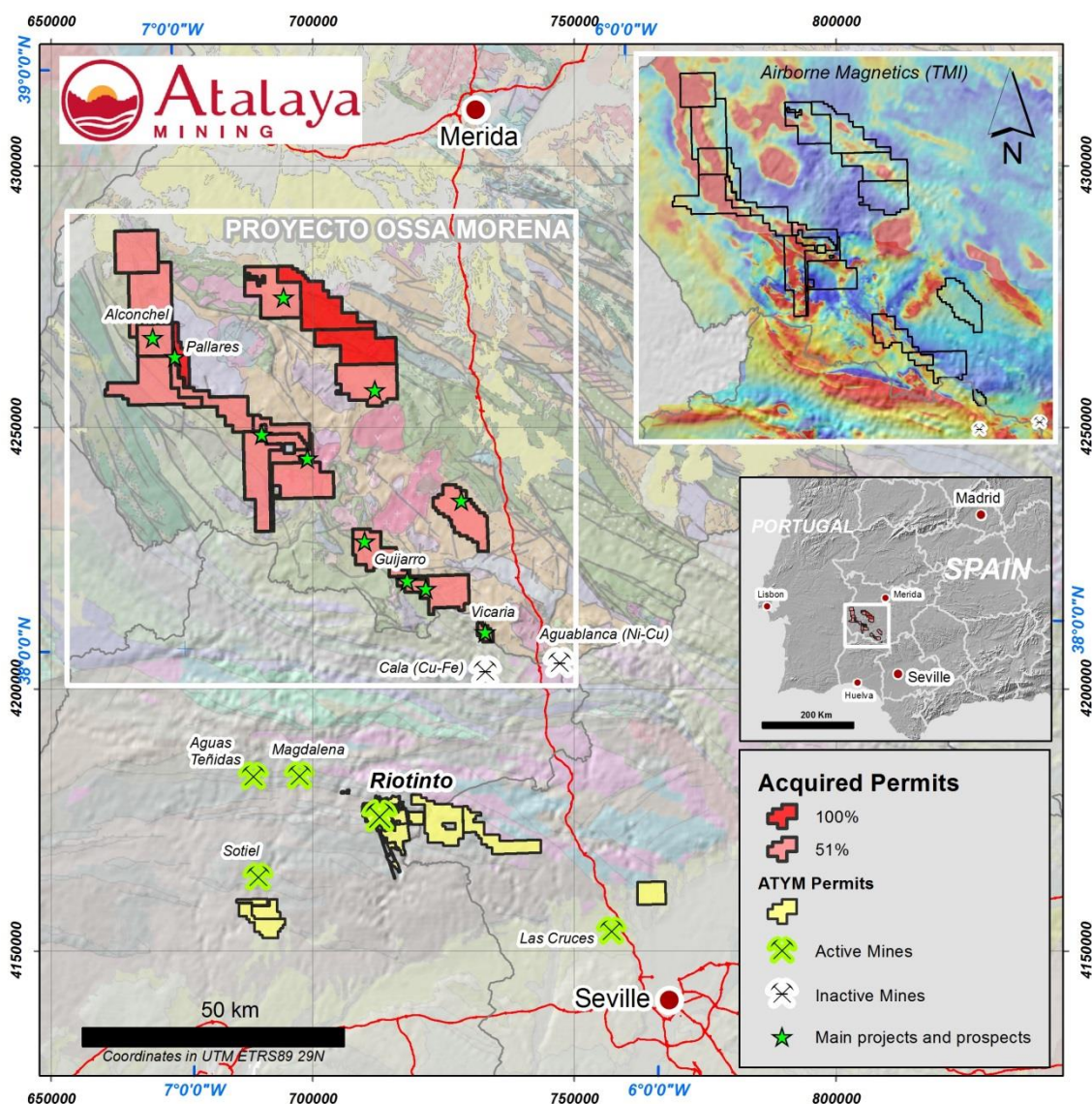


Figure 2. Main projects and prospects along Proyecto Ossa Morena

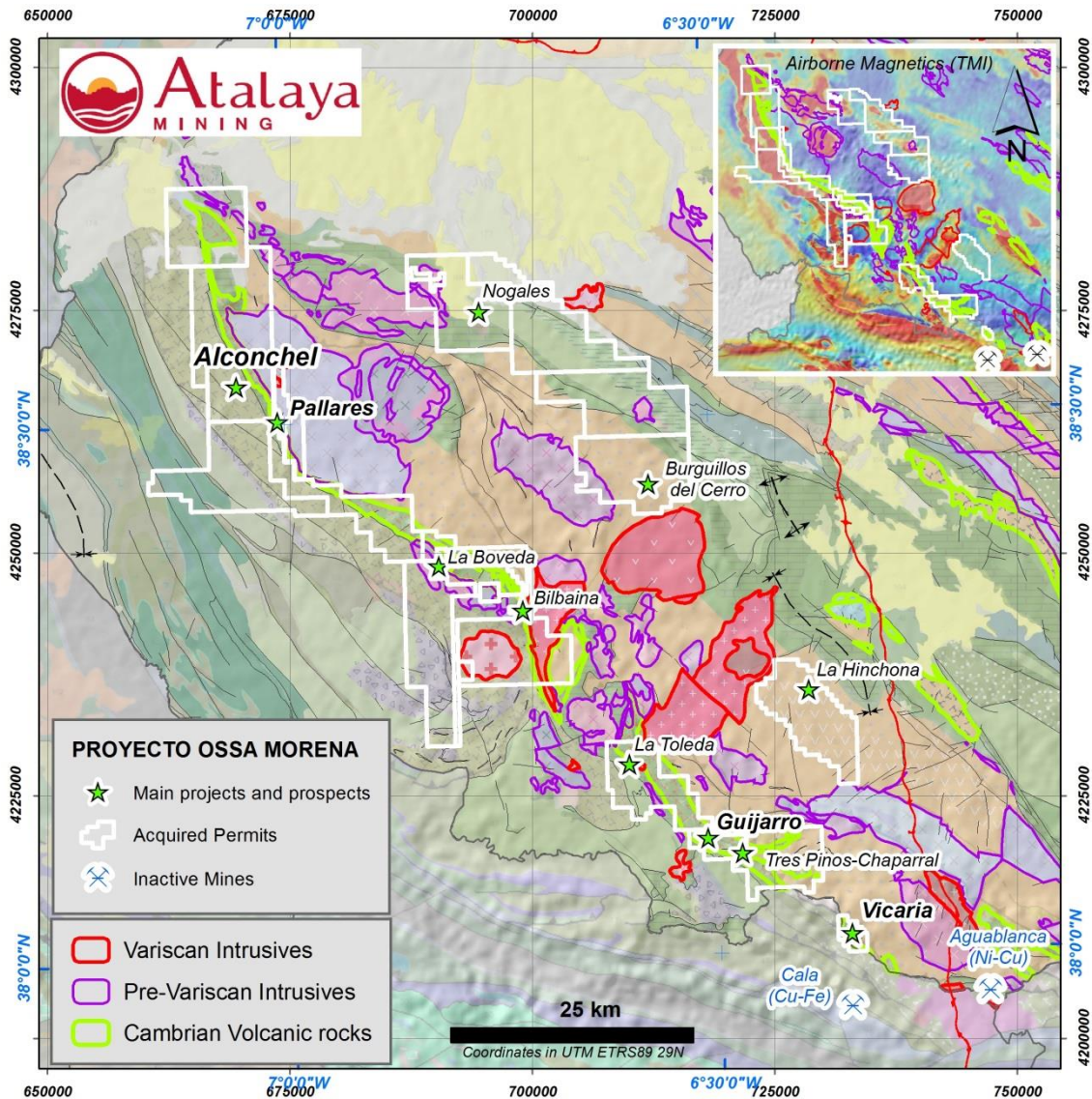


Figure 3. Geology and mineralization on the Alconchel – Pallares area

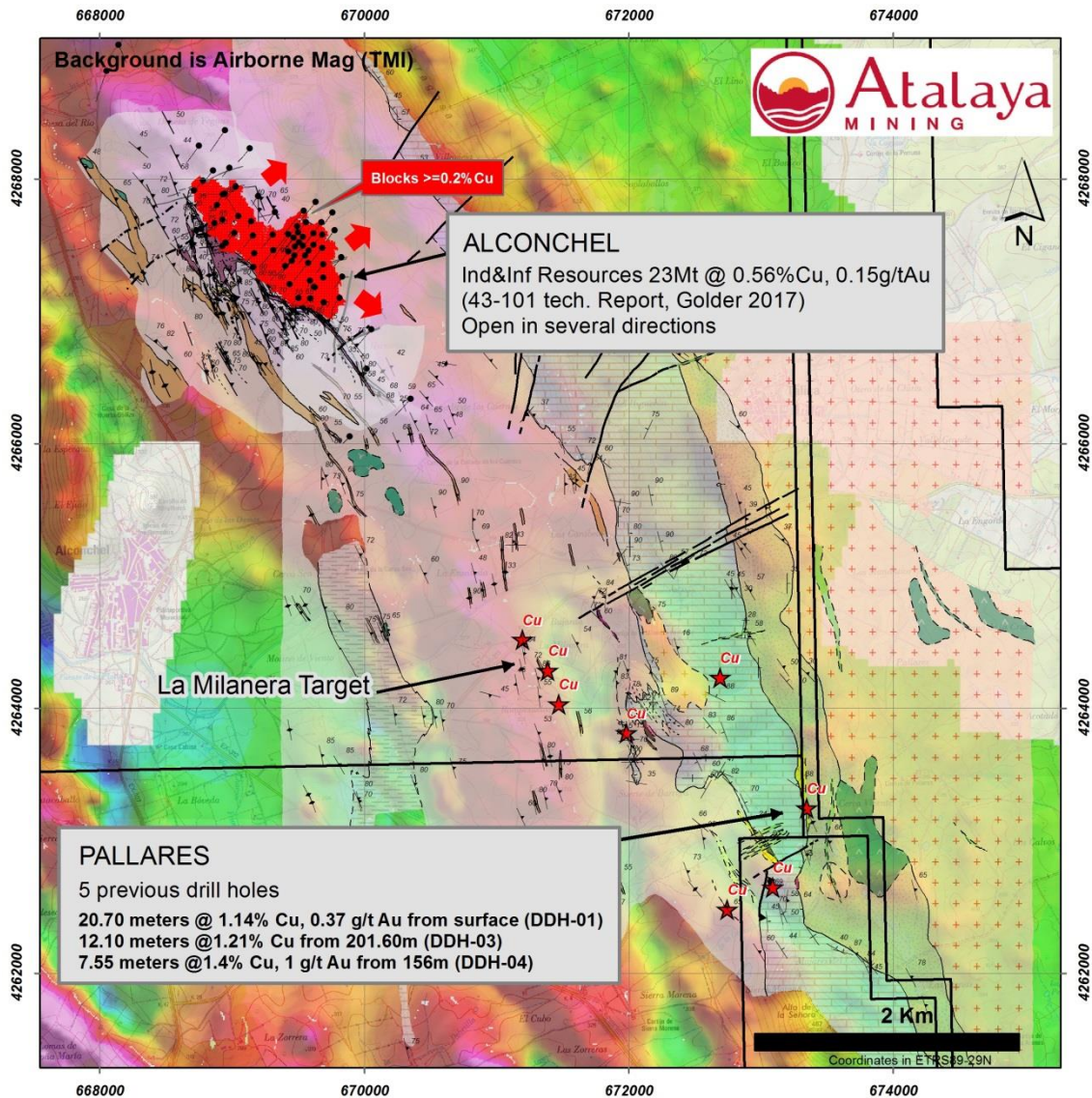


Figure 4. Alconchel block model and geological cross section

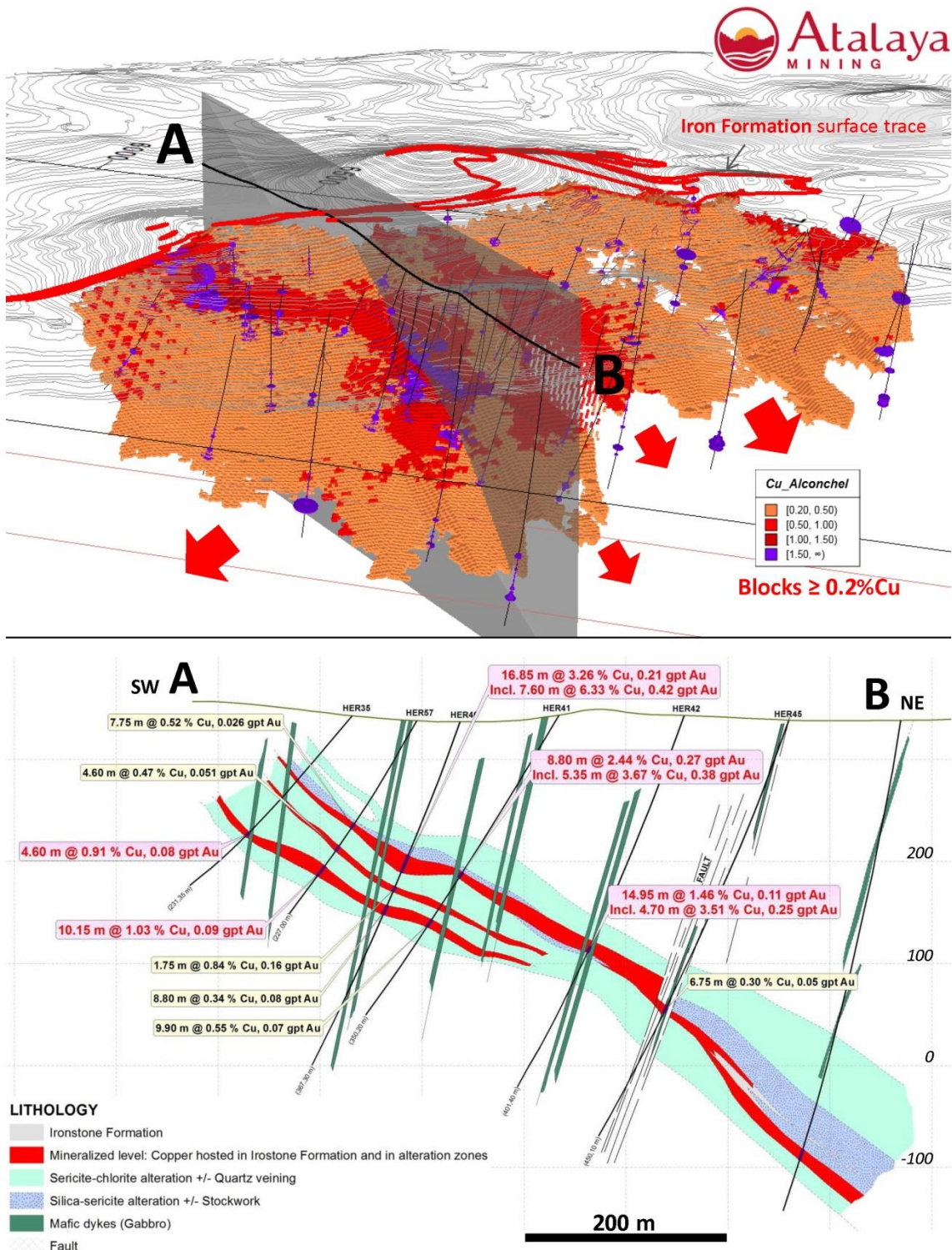
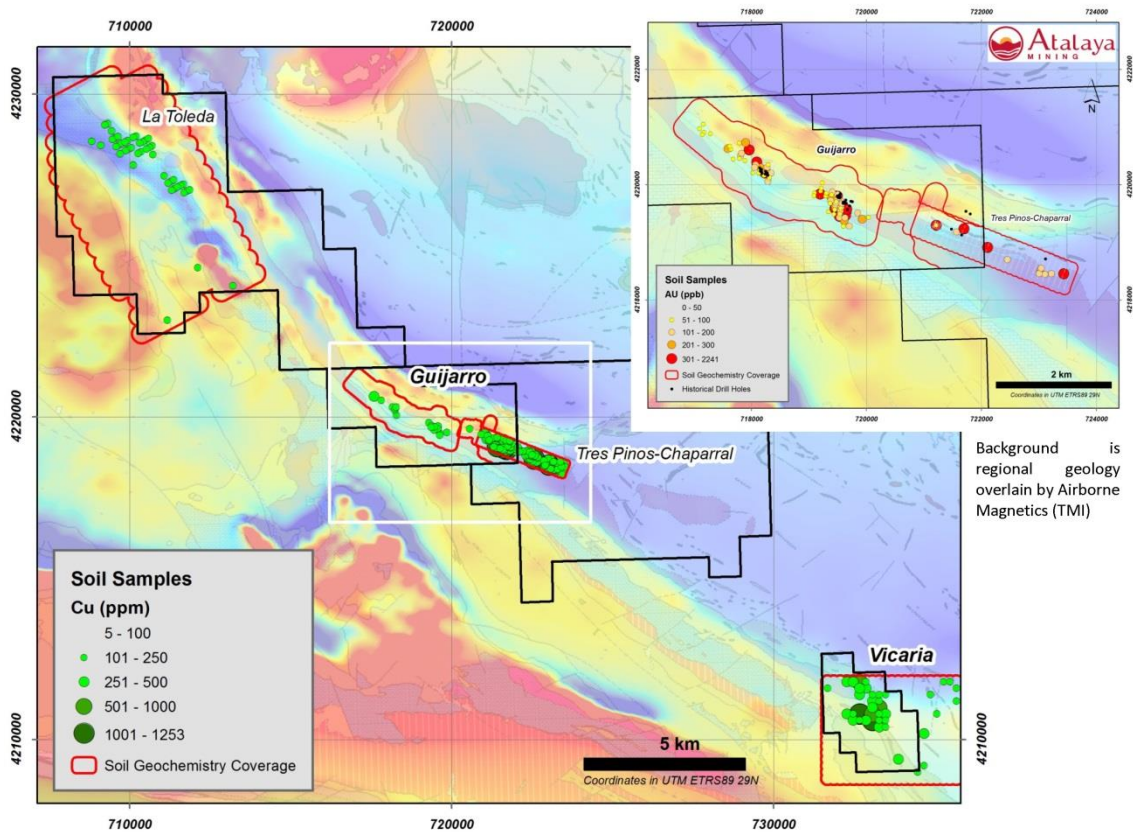


Figure 5. Geology, airborne magnetics and main soil geochemical anomalies at Guijarro and Vicaria projects



Alconchel Copper-Gold-Iron Project

Alconchel is the most advanced project within POM. It is an outcropping Cu-Au-Fe replacement-type system hosted by an exhalative, iron-barite rich formation of Lower Cambrian age. To date, 81 core holes have been drilled totalling 21,706 metres (figure 3 on the Website Announcement).

In October 2017, Golder Associates completed a NI 43-101 compliant resource estimate at a 0.25% Cu cut-off as detailed below:

Zone	Classification⁽¹⁾	Tonnage (Mt)	Cu(%)	Au(g/t)	Fe(%)
Alconchel Cu-Au-Fe	Indicated Resources	7.76	0.66	0.17	12.25
Alconchel Cu-Au-Fe	Inferred resources	15.03	0.47	0.14	11.18

(1) The consolidated Mineral Resources for Alconchel are reported in accordance with NI 43-101 and have been estimated in conformity with generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" Guidelines. It is considered sufficiently robust and is representative of the sample data. Mineral Resource grade and tonnage estimates are based on assay data from 72 drillholes corresponding to 18,464 m of diamond drilling cores well organized and properly stored. 4,323 samples were assayed at an accredited laboratory with respective certificates. The database was closed in the first half of August 2017.

Mineral Resources are not Mineral Reserves and do not necessarily demonstrate economic viability. There is no certainty that all or any part of this Mineral Resource will be converted into Mineral Reserves.

Alconchel has open pit and underground mining potential due to its shallow dipping, stratiform geometry and the presence of significant higher-grade zones at depth, for example drill hole HER40 which cut 16.85 metres of true thickness at 3.26% Cu and 0.22 g/t Au from 143 metres depth. The mineralised system is still open in several directions (figure 4 on the Website Announcement).

Due to its simple mineralogy (chalcopyrite, pyrite, and magnetite/hematite) and geochemistry (no deleterious elements) the preliminary metallurgical test-work carried out to date returned encouraging results.

Pallares Cu-Au prospect

The regional exploration potential around Alconchel has been improved by the discovery of a similar style of mineralisation only 3.5km to the east, the Pallares prospect (figure 3 on the Website Announcement). Limited historical drilling returned promising intersections, including 20.70 metres at 1.14% Cu and 0.37 g/t Au from surface (DDH-01); 12.10 metres at 1.21% Cu and 0.07 g/t Au from 201.60 metres depth (DDH-03) and 7.55 metres at 1.4% Cu and 1 g/t Au from 156 metres depth (DDH-04).

Mineralisation at Pallares is related to a 1km long coincident soil geochemical and geophysical anomaly (IP chargeability) which remains mostly untested. The fact that the host rock for the mineralisation at Pallares is not the exhalate, barite-iron rich formation but the contact between shales and carbonates has very positive exploration implications at property and regional scale because it confirms that economic Cu-Au mineralisation can also be host at different stratigraphic levels and not only in the exhalative unit as in Alconchel.

Vicaria Copper-Gold Project

Cu-Au mineralisation at this project is characterised by massive and semi-massive sulphides hosted by strongly altered and brecciated carbonate rocks of Lower Cambrian age. Pyrite is the predominant sulphide mineral with subordinate chalcopyrite. Gossans are abundant at surface.

Previous exploration work includes four small drilling campaigns: Exxon in the 1970s (2 core holes, no data available), Rio Tinto Minera in 1992-1993 (815 metres in 23 shallow percussion drilling holes), Rio Narcea Gold Mines in 2005 (4 core holes totaling 683 metres) and Valoriza/Atalaya in 2019 (951 metres in 9 core holes).

A selection of best intersections includes: 36 metres at 1.2% Cu and 0.16 g/t Au (RTM); 7.50 metres at 1.44% Cu (RNGM) and 13.65 metres at 0.36% Cu (Valoriza/Atalaya).

Known mineralisation at Vicaria is associated with a large Cu soil anomaly which in some cases is coincident with geophysical, VTEM and IP chargeability anomalies. Most of this soil anomaly remains pending for drill testing (figure 5 on the Website Announcement).

Guijarro Gold Project

This is a low-sulphidation gold system related to acid volcanic rocks with strong silicification and disseminated pyrite mineralisation. Previous exploration work included two small drilling campaigns: 1,091 metres in 23 shallow holes in 1993 by Rio Tinto Minera (RC and core holes) and 1,148 metres in 8 core holes in 2006 by RNN. Among the best intersections to highlight: 40 metres at 1 g/t Au from surface (RC hole) and 21 metres at 3.60 g/t Au from 15 metres depth (core hole).

Gold mineralisation is associated with a large, >2km long, soil geochemical anomaly which to date has been drill tested at just two small zones: Guijarro and Chocolatero (figure 5 on the Website Announcement). Grab sampling in the westernmost part of that anomaly returned up to 135 g/t Au. Follow up work, including drilling, has not yet been conducted in that zone.

Glossary of Terms

Ag	Silver
As	Arsenic
Atalaya	Atalaya Mining plc
Au	Gold
Cu	Copper
Fe	Iron
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.
Ni	Nickel
NI 43-101	Canadian Securities Administrators' National Instrument 43-101 - Standards of Disclosure for Mineral Projects
Mt	Million tonnes
OMA	Olivenza-Monesterio Antiform
Ossa-Morena Metallogenic Belt	A mineral belt located in the southwest of Spain and north of the Iberian Pyrite Belt
Pb	Lead
PGE	Platinum Group Elements
POM	Proyecto Ossa Morena
RNN	Rio Narcea Nickel, S.L.
Zn	Zinc