



Premier pure-play copper producer in Europe

January 2022



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## **Technical Disclosure**

Unless otherwise noted, all scientific and technical information relating to the Proyecto Riotinto is based on and derived from a technical report entitled "Technical Report Update on the Mineral Resources and Reserves of the Riotinto Copper Project" dated July 2018, prepared by Alan C. Noble, P.E. of Ore Reserves Engineering, William L. Rose, P.E. of WLR Consulting, Inc. and Jay T. Pickarts, P.E., (the "Technical Report"), each of whom are "Qualified Persons" as defined in the Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). The information contained herein is subject to all of the assumptions, qualifications and procedures set out in the Technical Report and reference should be made to the full details of the Technical Report which is filed under the Company's corporate profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on its website.

## **Market and Industry Data**

This Presentation also contains or references certain market, industry and peer group data which is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although the Company believes these sources to be generally reliable, such information is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other inherent limitations and uncertainties. The Company has not independently verified any of the data from third party sources referred to in this presentation and accordingly, the accuracy and completeness of such data is not guaranteed.

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# Company Highlights

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# Atalaya Overview

## Premier pure-play copper producer in Europe

### Copper producer with scale, growth and consistency

- 2021 production guidance was increased to 54-56 kt
- Riotinto reserves plus known orebodies support long LOM

### Health, Safety and ESG aligned with best practices

- Strong relationships with local communities
- Navigating COVID safely while minimising down-time
- Implementing several environmental initiatives

### Strong pipeline of organic growth projects

- Projects that leverage common or existing infrastructure
- Development of orebodies located adjacent to or within trucking distance of current operations
- Low capex intensity = potential for high returns

### Led by team of proven mine builders and operators

- Strong track record of executing capital projects
- Significant in-house capabilities = reduced costs

### Low risk investment proposition

- Assets are located in top mining jurisdictions
- Robust cash generation and strong balance sheet
- Recently declared inaugural dividend
- Continues to trade at a discount to its peers




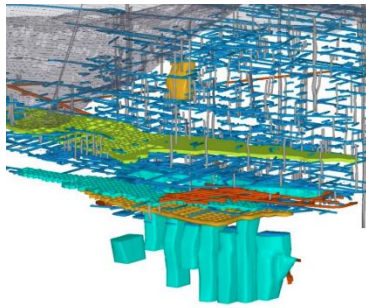
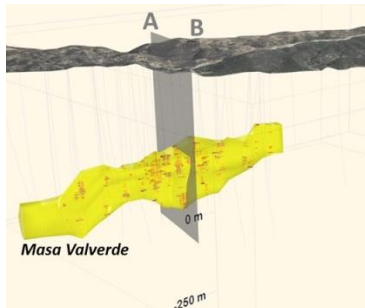

## Capitalisation Summary

Ticker - LSE: AIM		ATYM
Ticker - TSX		AYM
Share price (06-Jan-22)	GBp	429
Basic shares	m	138.2
Fully-diluted shares	m	142.1
Market capitalisation (basic)	£m	593
Market capitalisation (basic)	US\$m	804
Cash (at 30-Sept, post inaugural dividend)	€m	93
Debt & leases (at 30-Sept)	€m	58
Enterprise Value (basic)	US\$m	764
Dividend yield (based on inaugural dividend)		6.8%



# Asset Overview

Robust portfolio of growth options that benefit from developed infrastructure

	Riotinto District				Proyecto Touro
	Cerro Colorado (current open pit)	San Dionisio / Planes-San Antonio (adjacent deposits)		Masa Valverde (satellite project)	
Location	Andalucía, Spain				Galicia, Spain
Ownership	100%	100%		100%	Up to 80%
Stage	Producing (2016 – commercial production)	PEA / FS		Exploration / Permitting	Permitting (Pre-feasibility complete)
Primary Metals	Cu	Cu   Zn		Cu   Zn	Cu
Reserves	~703 kt Cu <sup>(1)</sup>	-		-	~392 kt Cu <sup>(4)</sup>
M,I&I Resources (Inclusive)	~750 kt Cu <sup>(1)</sup>	Historical (non-43-101) <sup>(2)</sup>		Inferred (43-101) <sup>(3)</sup>	
		~800 kt Cu ~56 Moz Ag	~1,180 kt Zn ~0.75 Moz Au	~440 kt Cu ~72 Moz Ag	~1,270 kt Zn ~1.3 Moz Au
					

1. Reserves and resources as at Dec-2020
2. Historical (non-43-101) resource estimate per Rio Tinto technical report by Behre Dolbear (Feb-2013) as available on SEDAR

3. Per NI 43-101 Technical Report by CSA Global Canada Geosciences Ltd (Dec-2017)
4. As at Sept-2017; shown on a 100% basis

# 2021 Production Results

New annual production record achieved thanks to strong throughput and recoveries

## Record annual Cu production

56,139 tonnes

55,890, 2020

## Higher throughput & recoveries offset lower grades

15.8 Mt ore processed

14.8, 2020

0.41% Cu ore grade

0.45%, 2020

86.01% Cu recovery

84.52%, 2020

## 2022 guidance: Steady production expected

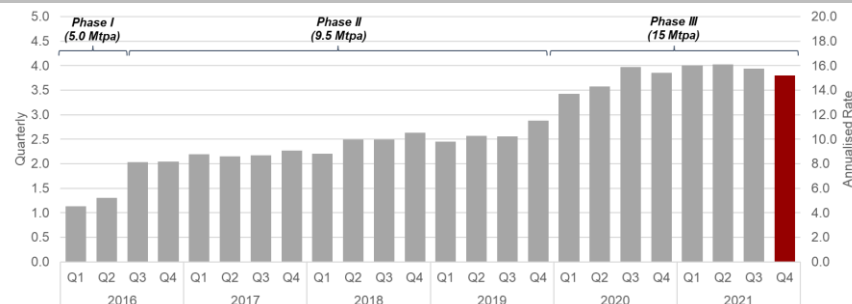
15.2 – 15.8 Mt ore  
processed

0.42% Cu ore grade

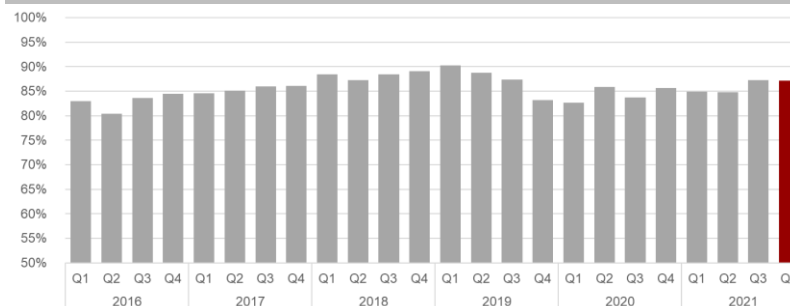
83 – 86% Cu recovery

54,000-56,000 tonnes  
Cu production

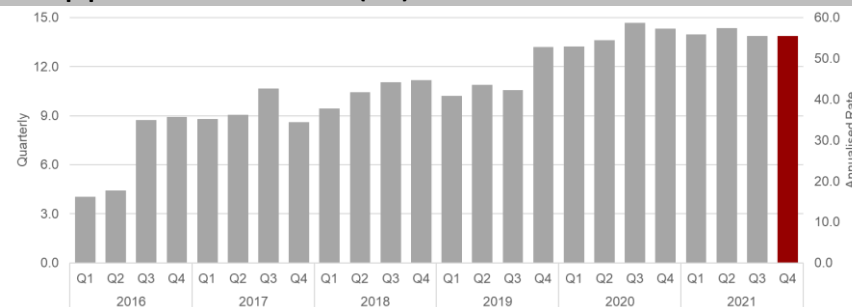
## Ore Throughput (Mt)



## Copper Recovery



## Copper Production (kt)



# Q3 2021 Financial Results

Significant uplift in free cash flow generation vs. prior period

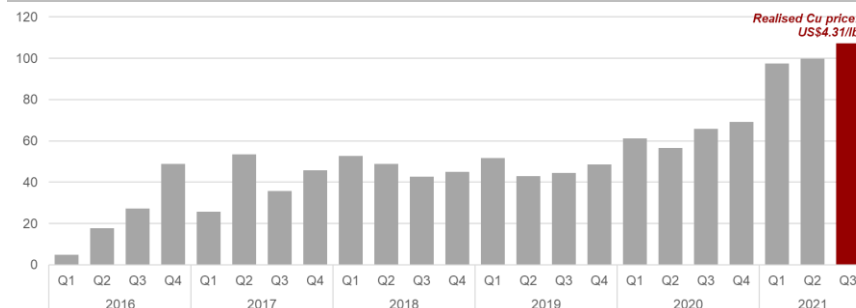
## Income statement highlights

Revenue: €107.2m €65.8m, Q3 2020	Op. costs: €(58.4)m €(43.6)m, Q3 2020
EBITDA: €48.8m €22.3m, Q3 2020	Profits: €38.2m €12.2m, Q3 2020

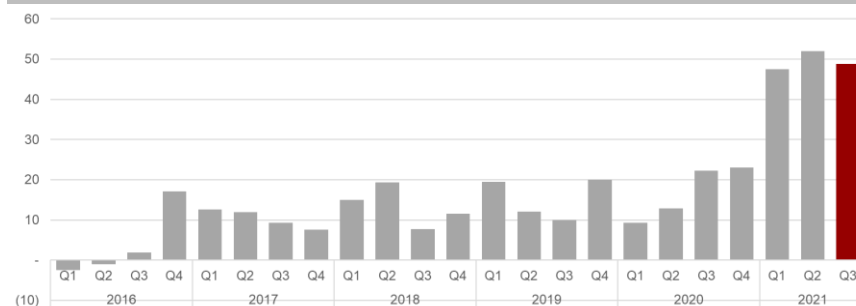
## Cash flow statement highlights

Operating CF: €58.2m €18.8m, Q3 2020	Investing CF: €(7.0)m €(6.3)m, Q3 2020
Financing CF: €(3.1)m €(15.1)m, Q3 2020	FCF <sup>(1)</sup> : €51.2m €12.5m, Q3 2020

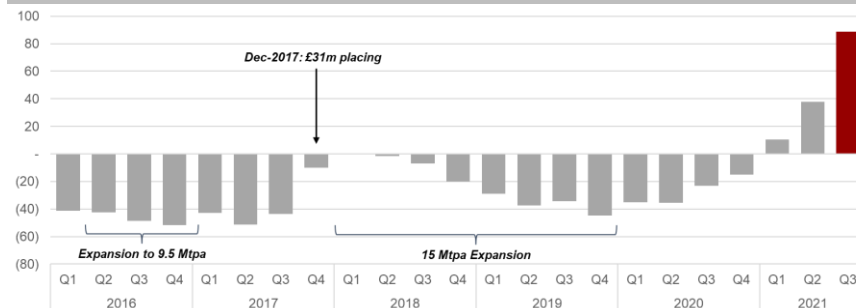
## Revenues (€m)



## EBITDA (€m)



## Net cash / (debt) (€m)<sup>(2)(3)</sup>

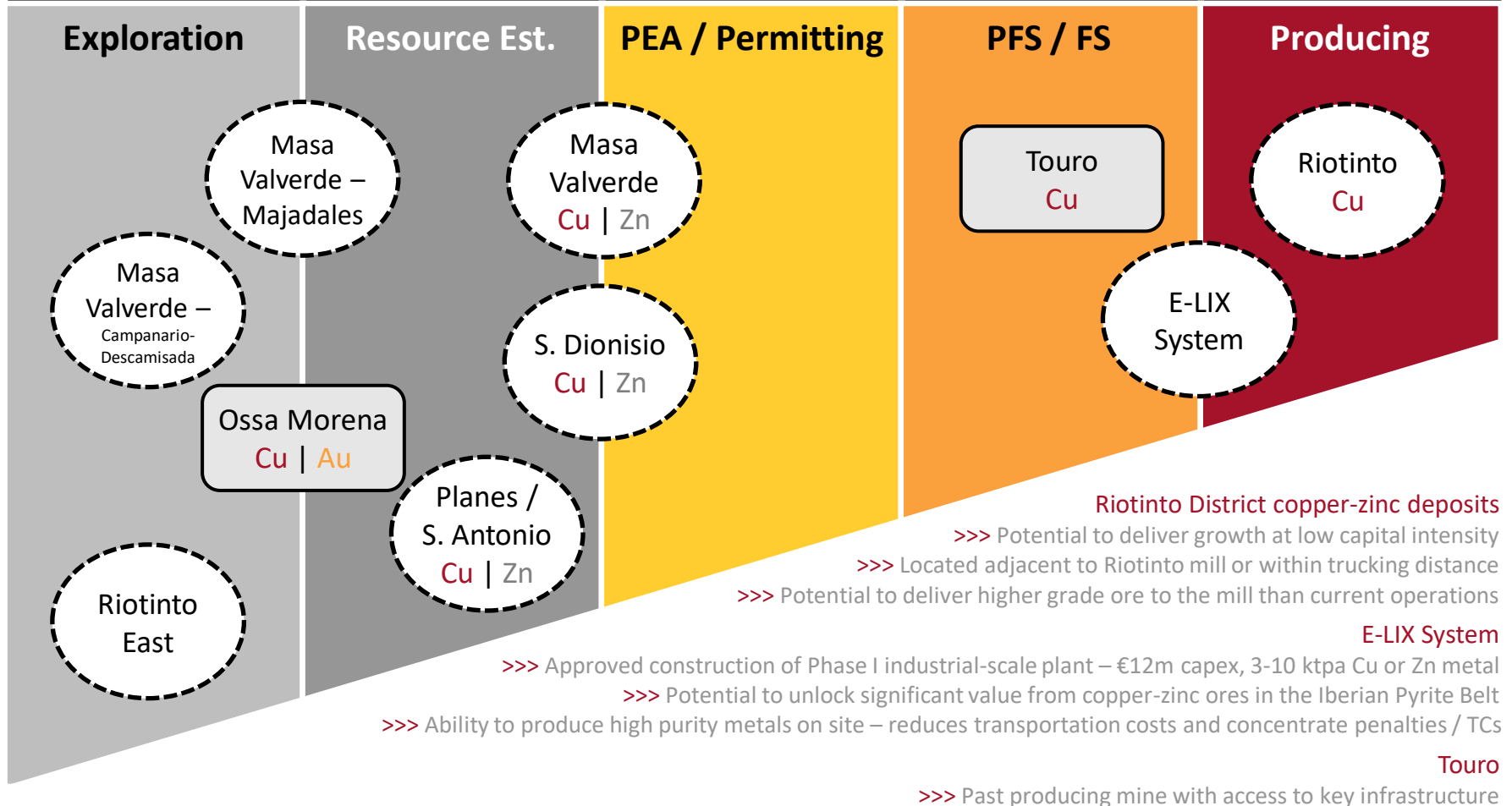


- Free Cash Flow represents Operating Cash Flow less Investing Cash Flow before payment of the Astor Deferred Consideration
- Astor Deferred Consideration shown as debt prior to Mar-2021
- Includes restricted cash of €15.4m

# Project Pipeline

Diverse portfolio of growth options can leverage common or existing infrastructure

Expertise to rapidly execute on capital projects, as demonstrated by Riotinto's re-start and expansions to 15 Mtpa





# Atalaya Positioning vs. Copper Peers



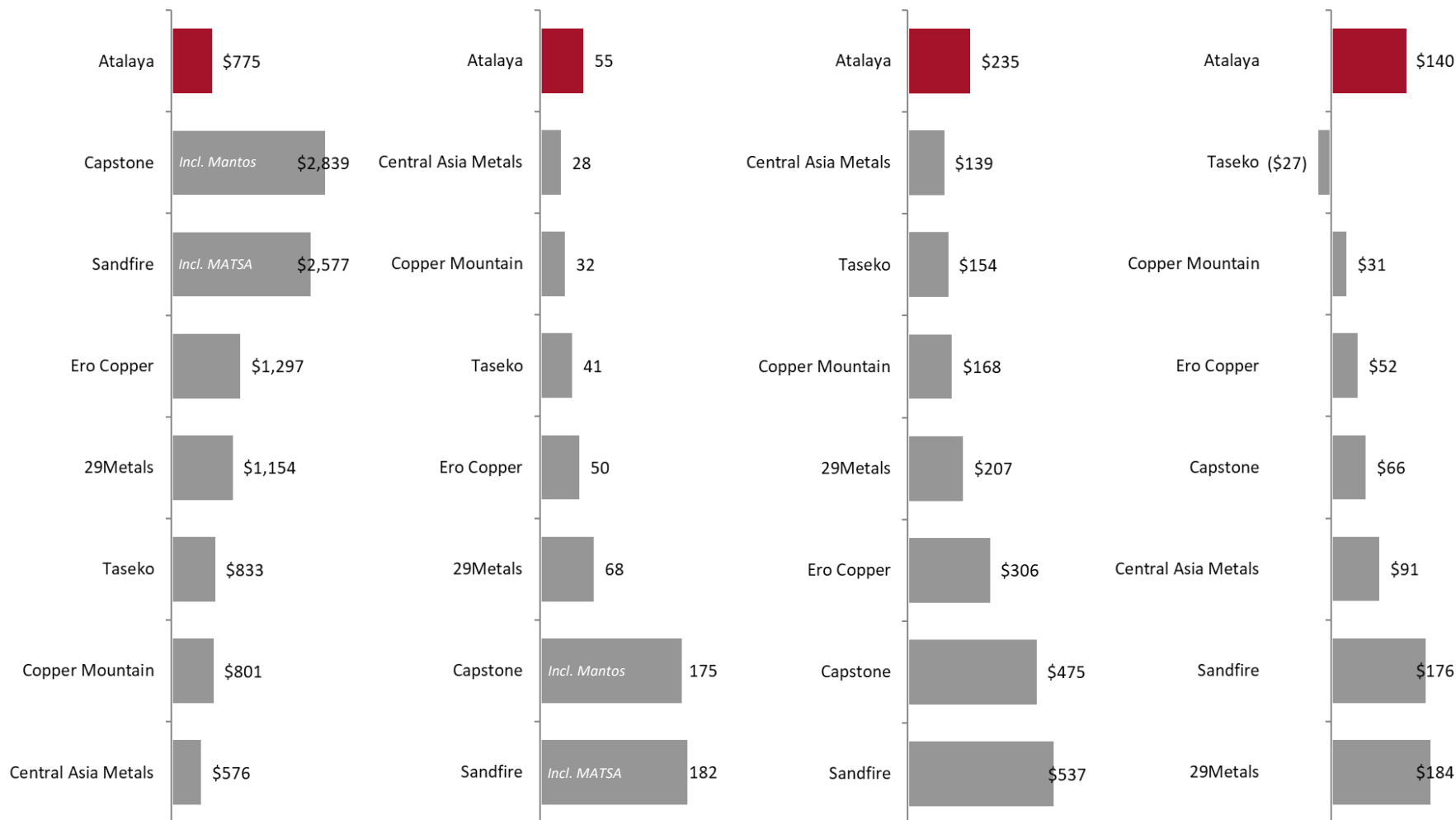
Undervalued producer with balance sheet strength and portfolio of organic growth options

Enterprise Value (US\$m)<sup>(1)</sup>

2021e Production (kt CuEq)<sup>(2)</sup>

2022e EBITDA (US\$m)<sup>(3)</sup>

2022e Free Cash Flow (US\$m)<sup>(4)</sup>



1. Fully diluted in-the-money basis; as at 6-Jan-2022
2. Attributable production; based on midpoint of guidance by disclosed metal and broker consensus metals prices

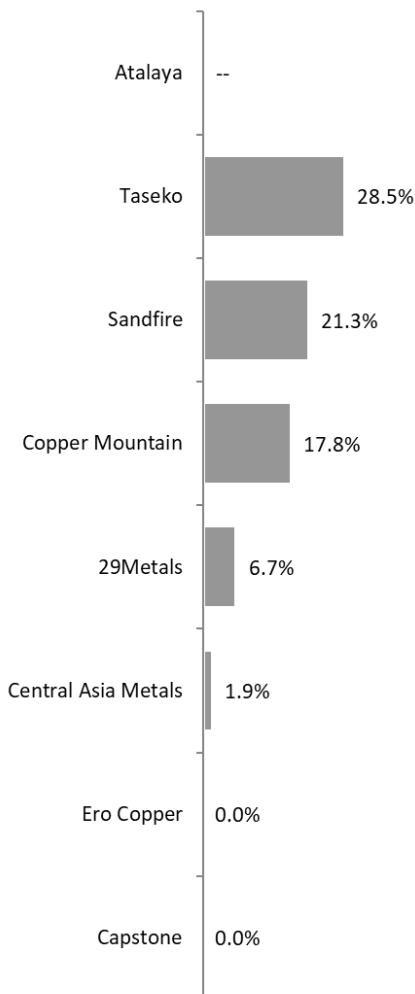
3. FactSet consensus estimates
4. FactSet consensus estimates; Free Cash Flow = Operating CF less capex

# Atalaya Positioning vs. Copper Peers

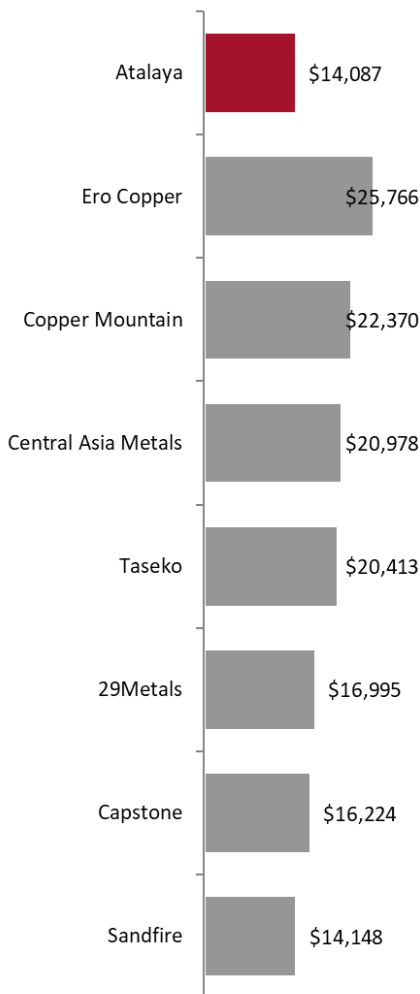


Undervalued producer with balance sheet strength and portfolio of organic growth options

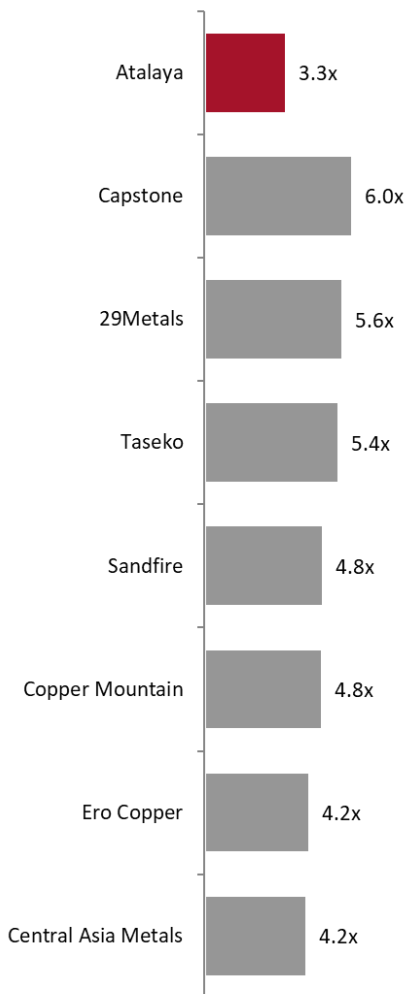
Net Debt / Enterprise Value



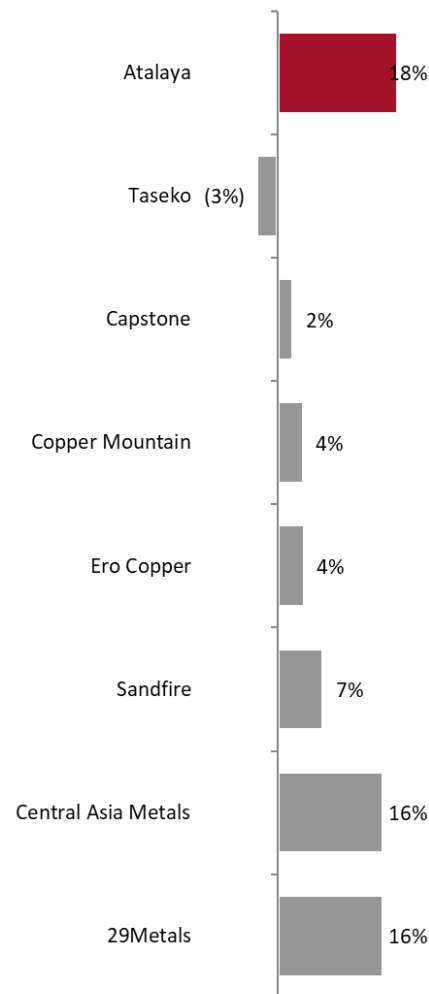
EV / Prod'n 2021e (US\$/t CuEq)<sup>(1)</sup>



EV / EBITDA 2022e<sup>(2)</sup>



2022e Free Cash Flow Yield<sup>(3)</sup>



Note: Net debt, EV, and production reflect announced acquisitions for Sandfire / Capstone

1. Attributable production; based on midpoint of guidance by disclosed metal and broker consensus metals prices

2. Based on FactSet consensus estimates

3. Based on FactSet consensus estimates for Operating CF and Capex; shown as a proportion of enterprise value

# MATSA Transaction Benchmarking

Sandfire's acquisition of MATSA highlights Atalaya's strategic positioning

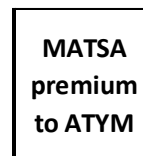
- Sandfire Resources (ASX: SFR) announced the acquisition of MATSA for ~US\$1.9 billion in cash in September 2021

- MATSA is Atalaya's neighbour in the Iberian Pyrite Belt
- Acquired from joint owners Trafigura and Mubadala Investment Co.

- This transaction highlights the strategic value of:

- Assets located in tier 1 mining jurisdictions like Spain
- Operations and large land positions in world-class mineral districts like the Iberian Pyrite Belt

## Key Metrics



		Transaction metrics	Current trading metrics	
Enterprise Value	US\$m	1,865	775	
Mill Capacity	Mtpa	4.7	15.0 (nameplate) 16.0 (current run-rate)	
Cu Production	kt	66 (FY21A)	54-56 (2021E)	
CuEq Production	kt	104 (FY21A)		
Cu Reserves	Mt	0.7	1.0	
CuEq Reserves	Mt	1.1	1.0	
Cu Resources	Mt	1.9	2.6 <sup>(1)</sup>	
CuEq Resources	Mt	3.9	4.4 <sup>(1)</sup>	
Reserve Life	Years	6	>12 <sup>(2)</sup>	
Resource Life	Years	~12	>20 <sup>(2)</sup>	
EBITDA	US\$m	387 (FY21A)	236 (9m 2021A, annualised)	
EV / EBITDA		4.8x	3.3x	47%
EV / CuEq Reserves	US\$/lb	0.76	0.35	120%
EV / CuEq Resources	US\$/lb	0.22	0.08	170%

Source: Sandfire Resources and Atalaya public filings

1. Includes San Dionisio and Planes-San Antonio historical resources, plus Masa Valverde, 80% Touro and 51% Ossa Morena

2. Based on Riotinto District only and 15 Mtpa throughput; resource life includes San Dionisio and Planes-San Antonio historical resources and Masa Valverde

# Approach to Health, Safety and ESG

Safety and sustainability initiatives are aligned with industry best practices

<p>Atalaya has committed to the Ten Principles of the United Nations Global Compact as part of its corporate strategy and Sustainability Policy</p>	<b>Health &amp; Safety</b>	<ul style="list-style-type: none"> <li>– Continue to navigate COVID-19 safely</li> <li>– Occupational accident rates have significantly improved compared with previous years</li> <li>– “Zero damage” policy, with focus on employee training, accident prevention, emergency planning and drills and detailed investigation of accidents</li> <li>– ISO 45001 (OHSAS 18001) and ISO 9001 certifications</li> </ul>	
	<b>E</b> Environment	<ul style="list-style-type: none"> <li>– Continued focus on water management, improving air quality (i.e. particle levels) and reducing non-mining waste</li> <li>– Riotinto’s downstream, zero water discharge tailings dam complies with international best practice</li> <li>– Permitting process under way for 50MW solar power plant; could reduce carbon emissions / electricity costs</li> <li>– ISO 14001 certification</li> </ul>	
	<b>S</b> Social	<ul style="list-style-type: none"> <li>– Strong commitment to the Riotinto Mining Basin communities</li> <li>– Fundación Atalaya Riotinto sponsors programmes in four fields: Social Support, Culture &amp; Heritage, Local Development &amp; Education, and Health, Environment &amp; Sports</li> <li>– Investments in social activities of €0.6m in 2020 and €0.7m budgeted for 2021</li> </ul>	
	<b>G</b> Governance	<ul style="list-style-type: none"> <li>– Highly skilled Board of Directors, with experience in exploration, mining, capital markets, finance and M&amp;A</li> <li>– Board renewal process: departure of two Non-Independent Directors and recent appointment of new Independent Director</li> <li>– Atalaya adheres to the QCA Corporate Governance Code</li> </ul>	<div> <div> <b>5 / 7</b> Independent Directors             </div> <div> <b>6 / 7</b> Non-Executive Directors             </div> </div>

# Key Priorities for 2021 and Beyond

Continued focus on operational excellence, sustainability and delivering growth

## 2021 Objectives

- Meet or exceed original annual production and cost guidance **(on track – guidance improved)**
- Continue to safely manage COVID situation **(on track)**
- Advance growth options – E-LIX, Riotinto Cu-Zn, Masa Valverde, Touro **(on track)**
- Enhance internal strategy / external disclosure around sustainability **(on track)**
- Continue to evaluate a capital returns policy **(policy announced & inaugural dividend declared)**

## Near-Term Objectives

- Deliver key growth projects in a value accretive manner
- Continue to monitor external growth options
- Continue to enhance trading liquidity
- Redomicile parent company to the UK

## Strategic Objectives

- Become a multi-asset producer
- Leverage capabilities to enter new geographies
- Add exposure to other commodities that complement copper and company skillset
- Move to London Main Market at the right time

# Riotinto District Vision

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# Proyecto Riotinto Overview

Large-scale, long-life operation located in a prolific mining district



## Overview

History	<ul style="list-style-type: none"> <li>Historic mining activity dates back to at least 1000 BC</li> <li>In recent history, operated by the Rio Tinto Company, RTZ, Freeport-McMoRan and MRT (workers' co-operative)</li> <li>In 2008, acquired by Atalaya Mining (as EMED Mining)</li> </ul>			
Geology	<ul style="list-style-type: none"> <li>Located in the prolific Iberian Pyrite Belt</li> <li>VMS deposit, with mineralisation occurring as stockwork and massive sulphides</li> </ul>			
Facilities	<ul style="list-style-type: none"> <li>Conventional open-pit mine, processing facilities (crushing, grinding, flotation), waste dumps, tailings and water facilities, maintenance facilities and administrative offices</li> <li>Concentrate is transported by road to Huelva port</li> </ul>			
Timeline	<b>2015:</b> Initial restart of operations	<b>2016:</b> Commercial production (5.0 Mtpa)	<b>2017:</b> 9.5 Mtpa capacity reached	<b>2020:</b> 15 Mtpa capacity reached

## Key Figures

<b>55.9 kt Cu</b> production (2020A)	<b>US\$2.21/lb</b> AISC (2020A)
<b>~186 Mt</b> ore reserves <sup>(1)</sup>	<b>~703 kt Cu</b> contained reserves <sup>(1)</sup>
<b>&gt;15 Mt</b> processing capacity	<b>&gt;12 years</b> mine life
<b>100%</b> ownership	<b>75 km</b> from smelter & port

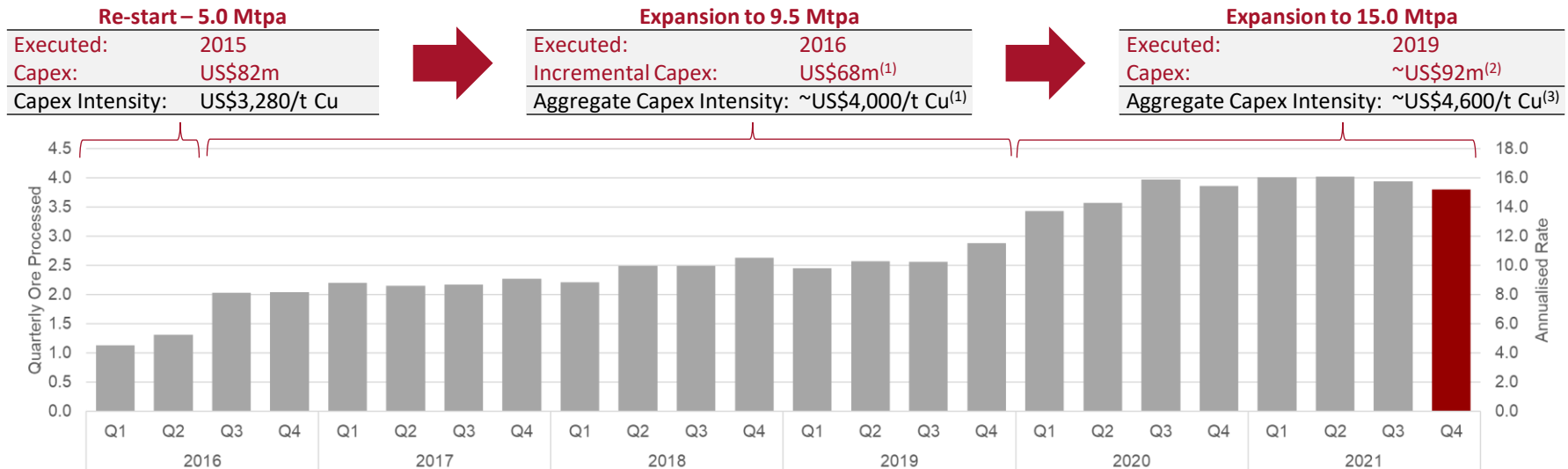


# Current Operations at Riotinto

History of delivering growth and currently operating above nameplate capacity



## Riotinto Growth Trajectory



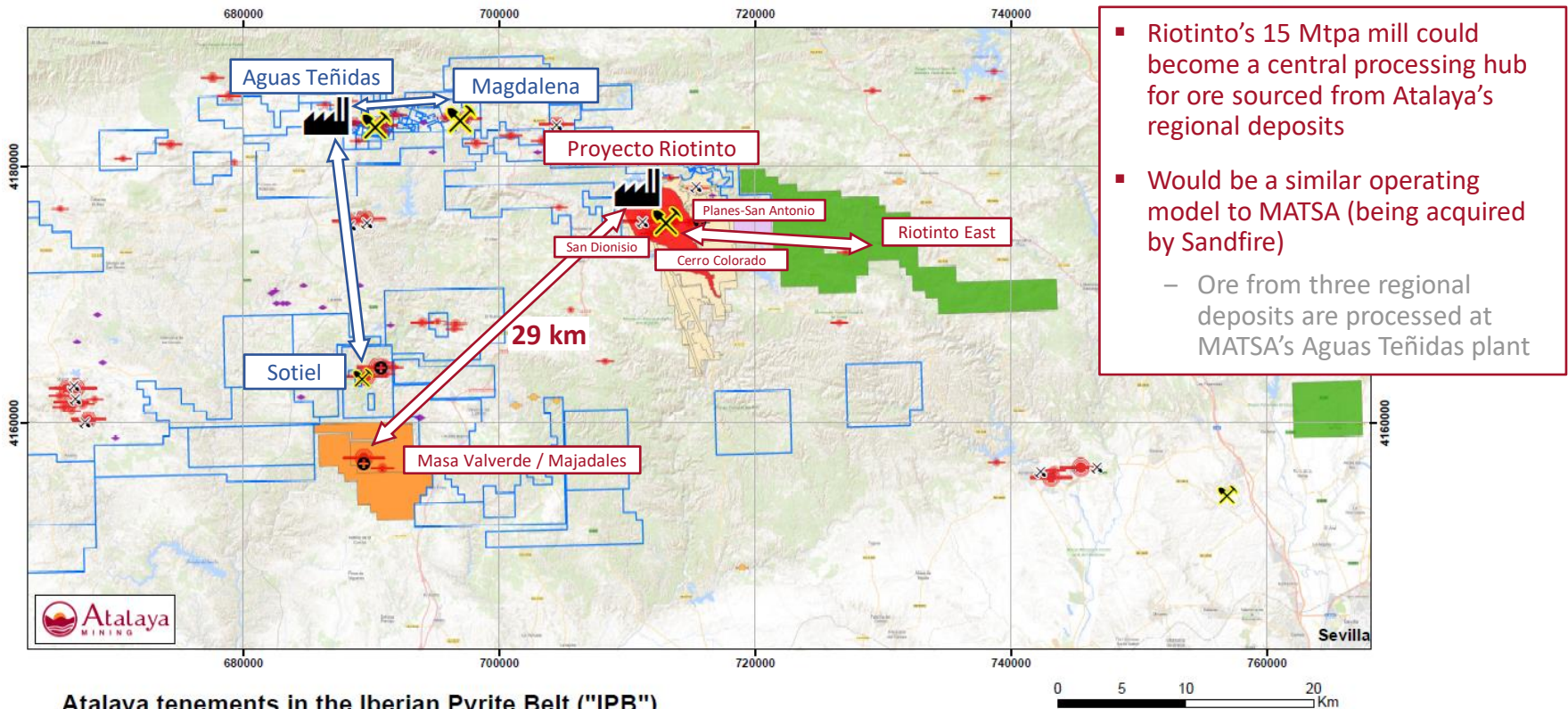
1. Approximately
2. Based on €80.4m and 1.15 EUR:USD
3. Based on midpoint of stated production range; for expected 15M incremental copper production of 15ktpa, capital intensity is ~US\$6,100/t Cu



# Potential Future Processing Hub

Atalaya's vision for the Riotinto District will leverage existing infrastructure and yield synergies

## Key Operations in the Iberian Pyrite Belt

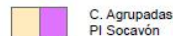


Atalaya tenements in the Iberian Pyrite Belt ("IPB")

### Proyecto Riotinto ("PRT")



CE PRT



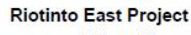
C. Agrupadas  
PI Socavón



MATSA tenements  
in the IPB



Masa Valverde  
CE Valverde  
PI Beas  
PI Mojarra



Riotinto East Project  
PI Agua Blanca  
PI Cerro Negro  
PI Los Herreros



Mine Plant

### Mines and main deposits

#### Type



Active Mine



Old Mine



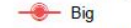
Deposit

### Mineral occurrences

#### VMS



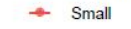
Very Big



Big



Medium

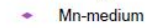


Small

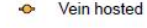
#### Mn



Mn-big



Mn-medium

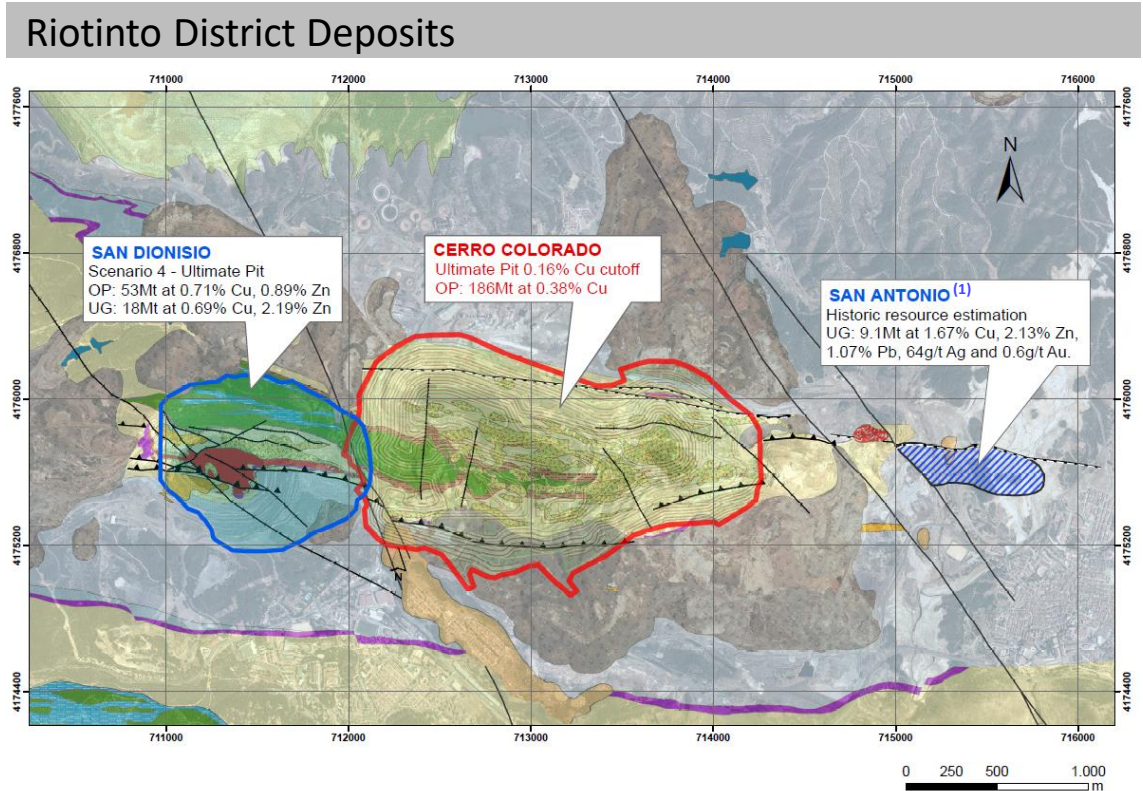


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# Riotinto Copper-Zinc Deposits

Significant potential from unmined orebodies located adjacent to current open pit

- Atalaya continues to evaluate the large Cu-Zn deposits located next to the Cerro Colorado open pit
  - Offer potential to expand ore inventory, extend mine life and leverage mill capacity
- San Dionisio deposit
  - Historic mining focused on copper and polymetallic ores
  - Internal resource estimate announced in Jun-2021
  - NI 43-101 report in progress and economic studies planned
- Planes-San Antonio deposit
  - Shallow polymetallic deposit that benefits from historic underground development
  - NI 43-101 compliant resource estimate is underway
  - Historical (non-43-101) resource estimate of **9.1 Mt at 1.67% Cu and 2.13% Zn<sup>(1)</sup>**



## San Dionisio – Internal Resource Estimate<sup>(2)</sup>

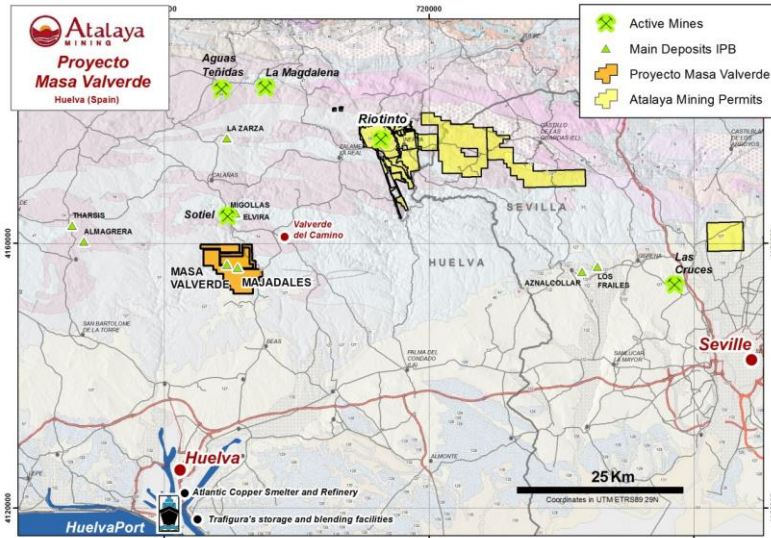
Mining Method	Strip Ratio w:o	Ore Mt	Grade			Contained Metal	
			CuEq	Cu	Zn	Cu kt	Zn kt
<b>Open Pit</b>	3.8	52.6	<b>0.91%</b>	0.71%	0.89%	373	468
<b>Underground</b>		18.3	<b>1.17%</b>	0.69%	2.19%	126	401

1. Rio Tinto technical report by Behre Dolbear, Feb-2013  
 2. See Atalaya 24-Jun-2021 press release for further details



# Proyecto Masa Valverde

High potential satellite deposits within trucking distance of Riotinto's 15 Mtpa mill



## Highlights

**Among the largest undeveloped VMS deposits**  
in the prolific Iberian Pyrite Belt

**Large, high grade historical inferred resource:**  
66 Mt at 2.57% CuEq.<sup>(1)(2)</sup>

**Significant synergies expected:**  
Located within 28 km of Riotinto's 15 Mtpa mill

**Meaningful exploration potential**  
Including the Majadales discovery and  
Campanario-Descamisada prospect

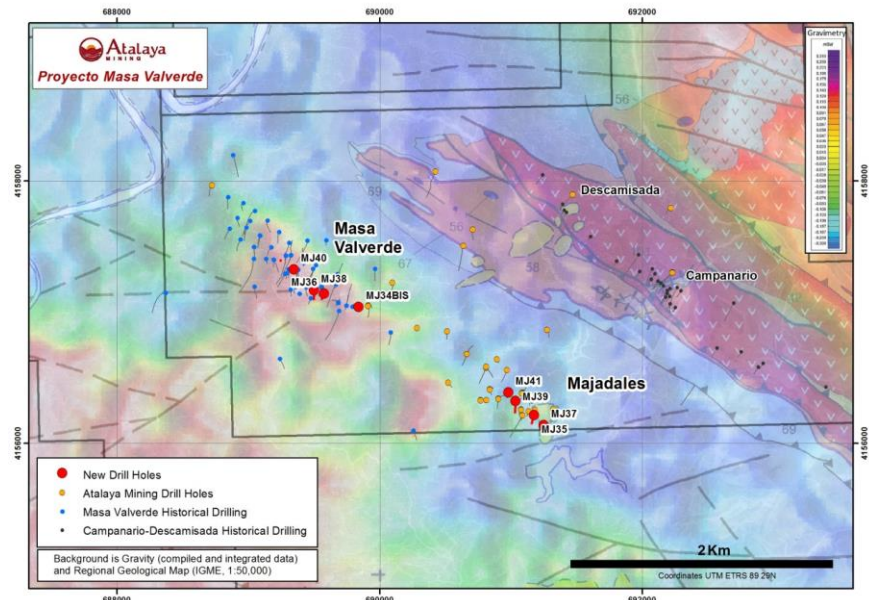
## Overview

### Background

- Acquired in October 2020
- Project area includes two exploration permits that cover an area of ~4,000 hectares

### Current Activities

- Exploration campaign underway with 2 rigs
- Current focus is the Masa Valverde polymetallic deposit, the Majadales discovery and the unexplored Campanario-Descamisada area
- NI 43-101 compliant resource estimate is in progress – expected Q1 2022
- Atalaya has filed for environmental permits



1. Masa Valverde deposit, as at Dec-2017; based on 66 Mt at 0.67% Cu, 1.92% Zn, 0.90% Pb, 34 g/t Ag and 0.63 g/t Au and metals prices in Oct-2020
2. Excludes the Majadales deposit

# Masa Valverde Exploration Update

Approved extension of ongoing drilling programme following encouraging results

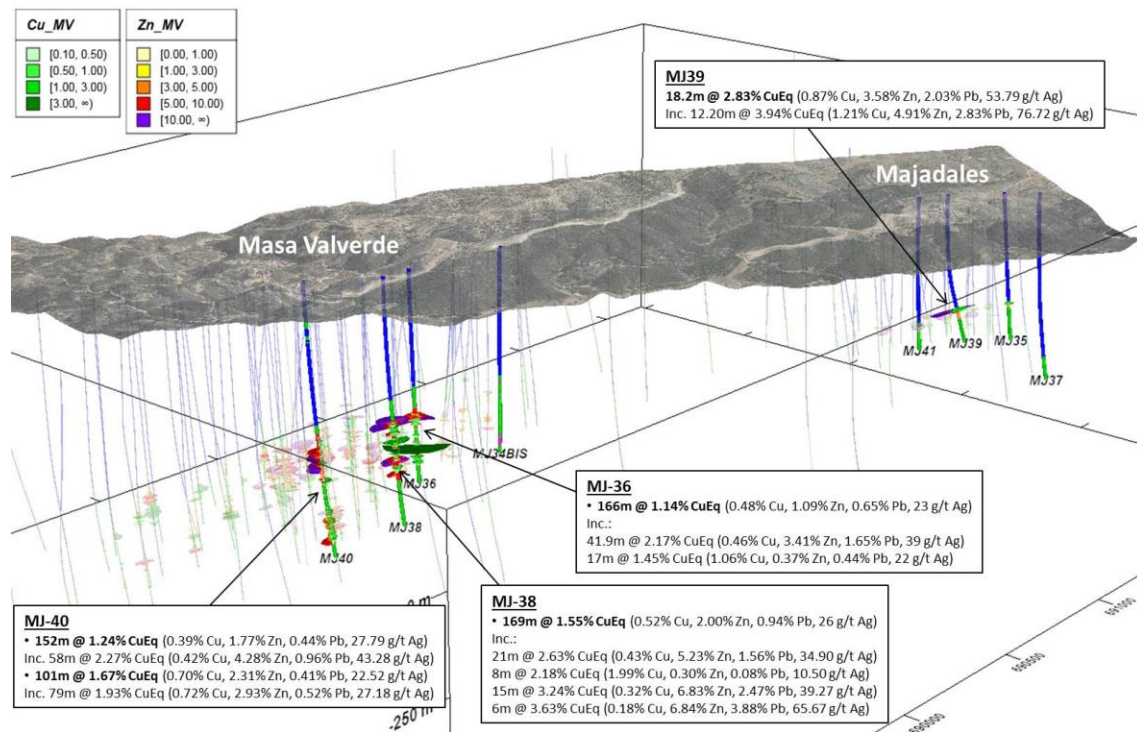
- Recent drilling intersected broad intervals of massive and stockwork type polymetallic sulphide mineralization

- Including significant high grade intercepts at MV and Majadales

- Goals of ongoing drill campaign:

- Gain confidence in resource estimate & obtain samples for metallurgical testing
- Define extensions of known mineralization at MV and Majadales deposits
- Test main geophysical anomalies generated during the recent FLEM survey
- Determine ultimate exploration potential of the promising Campanario-Descamisada target zone

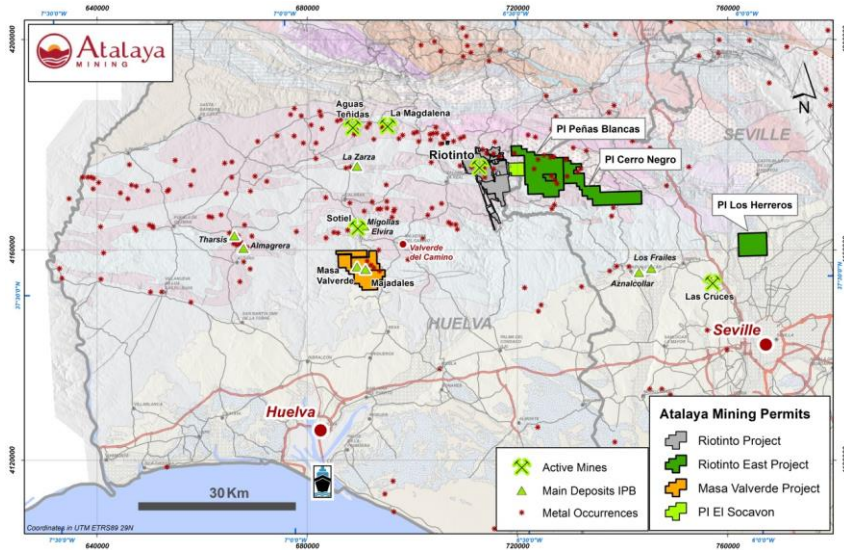
## Recent Drilling Highlights





# Proyecto Riotinto East

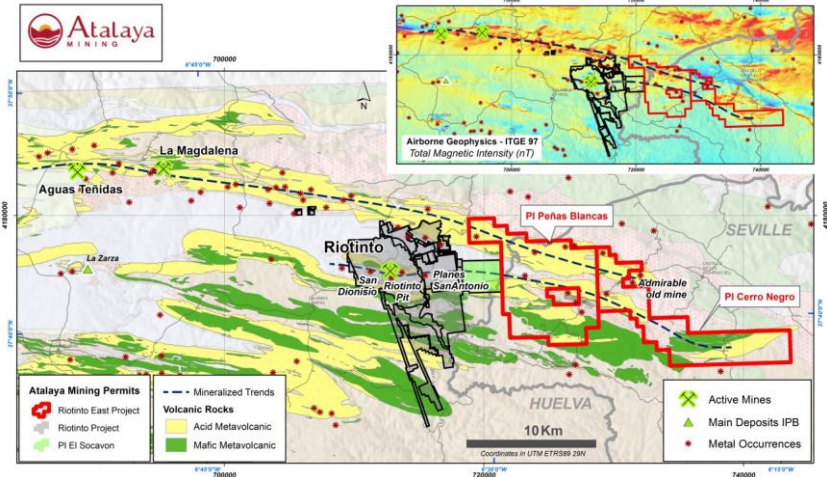
Atalaya continues to expand its regional footprint in the highly prospective Iberian Pyrite Belt



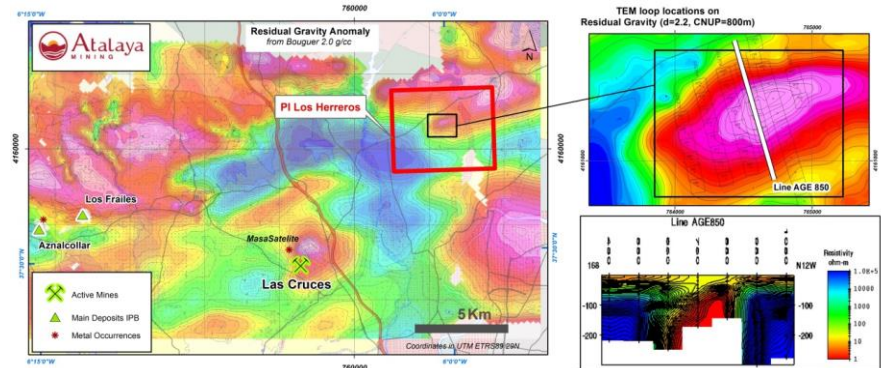
## Overview

- Atalaya has entered into an agreement to acquire 100% interests in the Peñas Blancas, Cerro Negro and Herreros investigation permits
  - Located east of Proyecto Riotinto
  - Cover ~12,368 hectares
  - Minimum spending commitment with an option to purchase any or all of permits thereafter
- Peñas Blancas and Cerro Negro share a similar stratigraphic and structural setting as Proyecto Riotinto
  - Several airborne magnetic anomalies have been delineated and mineral occurrences and small historic mines are known
  - Airborne Electro Magnetic surveys and soil sampling planned, followed by drill testing

## Peñas Blancas / Cerro Negro Investigation Permits



## Herreros Investigation Permit

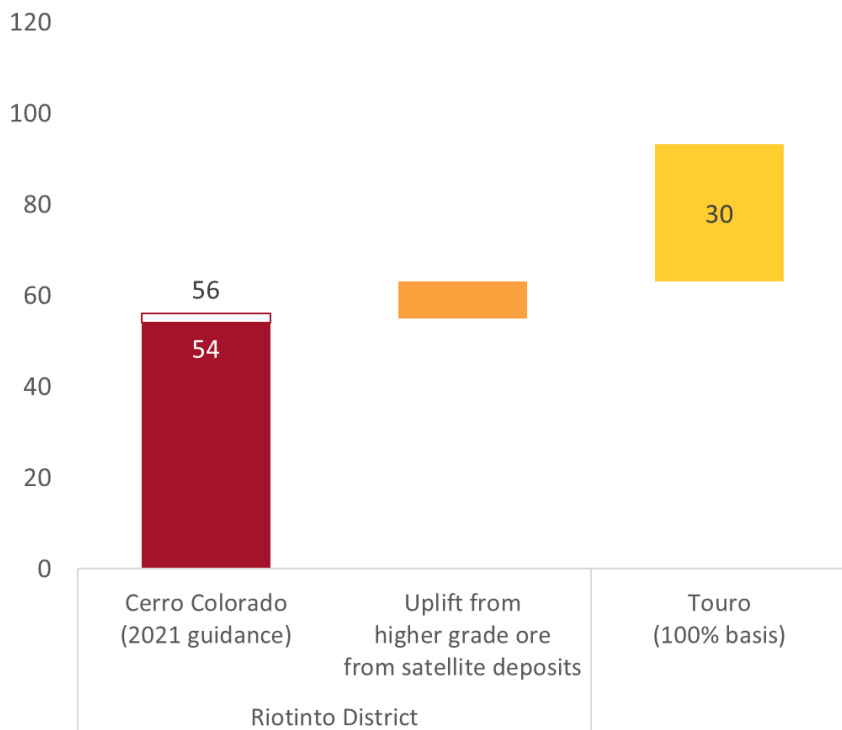


- The Herreros permit is located 10 km NE of the Las Cruces mine
  - Drilling is planned on an anomaly originally identified by RTZ

# Illustrative Production Potential

Potential to increase production and LOM by sourcing higher grade ore from the district

## Copper Production (kt)



## Illustrative Copper Production Uplift (kt)<sup>(1)(2)</sup>

		Ore feed from satellite deposits (Mt)					
		0.5	1.0	2.0	3.0	4.0	5.0
Copper grade from satellite deposits	0.50%	1	1	2	3	4	5
	0.55%	1	1	3	4	6	7
	0.60%	1	2	4	6	7	9
	0.65%	1	2	5	7	9	11
	0.71%	1	3	6	8	11	14
	0.75%	2	3	6	9	13	16
	0.80%	2	4	7	11	14	18
	0.90%	2	4	9	13	18	22
	1.00%	3	5	11	16	21	26
	1.10%	3	6	12	18	24	31
	1.20%	3	7	14	21	28	35
	1.30%	4	8	16	23	31	39
	1.40%	4	9	17	26	35	43
	1.50%	5	10	19	29	38	48
	1.60%	5	10	21	31	41	52

San Dionisio internal resource estimate  
(open pit)

1. Illustrative figures only
2. Key assumptions: throughput of 16 Mtpa, 85% recovery and 0.38% copper grade from Cerro Colorado

## Atalaya approved construction of an industrial-scale plant in January 2022



### Highlights

#### **Materially increases recoveries from complex polymetallic ores**

Expected to unlock significant value from Atalaya's Cu-Zn deposits and other assets in the Iberian Pyrite Belt and beyond

#### **Cost savings expected**

via reduced charges associated with concentrate transportation, treatment / refining and penalties

#### **Environmentally friendly:**

Reduces carbon emissions associated with concentrate transportation / smelting and expected to utilise power from Proyecto Riotinto's planned solar plant

### Overview

- **Newly developed electrochemical extraction process developed and patented by Lain Technologies with the financial support of Atalaya**
  - Involves the application of singular catalysts and physicochemical conditions
  - Dissolves the valuable metals contained within the concentrates
  - Allows for the dissolution of chalcopyrite while avoiding the passivation of particles
  - After copper or other metals are brought into solution, they can be recovered by conventional precipitation or solvent extraction followed by electrowinning ("SX-EW")
  - Atalaya has an exclusive licence in the Iberian Pyrite Belt
- **Atalaya has completed over 6 years of evaluation and de-risking work**
  - Continuous tests at the laboratory and a small pilot plant
  - Semi-industrial pilot plant was constructed in late 2019, operated throughout 2020-2021 and supported optimisation work and the feasibility study
- **Approved construction of the first phase of an industrial-scale in January 2022**
  - Designed to produce 3 – 10 ktpa of copper or zinc metal
  - Estimated capex of €12 million
  - Plant expected to be operational in 2022



# E-LIX System

Demonstrated ability to produce clean metal precipitates and/or high purity metals

Concentrate Warehouse at Pilot Plant



Copper Electrolyte & Copper / Zinc Precipitate



Copper Cathode, Zinc Cathode & Zinc Ingot



# Proyecto Touro

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# Proyecto Touro Overview

Past producing mine with well understood orebodies and excellent infrastructure



## Overview

History	<ul style="list-style-type: none"> <li>– Past-producing open-pit mine, which was operated by Riotinto Patiño from 1973-1986 using conventional flotation</li> <li>– In 2017, Atalaya Mining entered into a phased earn-in agreement to acquire up to 80% ownership<sup>(2)</sup></li> </ul>
Location	<ul style="list-style-type: none"> <li>– Located in the Galicia Autonomous Region in north-western Spain and ~20 km east of Santiago de Compostela</li> <li>– Strong infrastructure in place, including high voltage power and a road network that provides access to an international airport and a number of deep-water ports</li> </ul>
Permitting Process	<ul style="list-style-type: none"> <li>– In January 2020, Atalaya announced that a negative Environmental Impact Statement (Declaración de Impacto Ambiental) had been signed by the Xunta de Galicia</li> <li>– Atalaya, with its independent experts, is preparing a new project approach that is designed with a “zero risk” philosophy with respect to the environment and downstream water systems</li> </ul>

## Key Figures – 2018 Pre-Feasibility Study<sup>(1)</sup>

<b>30 kt Cu</b> annual production	<b>US\$1.85/lb</b> AISC
<b>90 Mt</b> ore reserves <b>~170 Mt</b> ore resources <sup>(2)</sup>	<b>~390 kt Cu</b> contained reserves
<b>&gt;12 years</b> initial mine life	<b>20.5% IRR</b> (at US\$3.00/lb Cu)
<b>80%</b> ownership, post earn-in <sup>(3)</sup>	<b>US\$185m</b> upfront capex



1. Shown on 100% basis; see Atalaya Mining announcement dated 23-Apr-2018

2. M, I&I resources, inclusive of reserves

3. See Atalaya Mining announcement dated 23-Feb-2017



# Proyecto Touro Update

## Permitting Process

- Following receipt of formal communications from the Xunta de Galicia in relation to the Environmental Impact Statement, Atalaya continues to evaluate its options to address the feedback
- Atalaya continues to be confident with its world class approach to Proyecto Touro and is designing a new project that will:
  - Use a “zero risk” philosophy with respect to the environment and downstream water systems
  - Eliminate water over tailings to avoid any “perceived” risk of potential downstream impacts
  - Include a first phase “fully plastic-lined TMF” contained within an oversized downstream compacted rock embankment, with a second phase TMF within a mined out pit with plastic lining
  - Address and provide definitive solutions for historical environmental liabilities
  - Include simultaneous backfill and restoration of mined out areas from day one of the project
  - Include ESG initiatives such as reduction of carbon footprint (solar and hydro power), agreements with neighbour agri-business and zero water discharge
  - Replicate in Touro the success story of Proyecto Riotinto, including the use of local workforce and service companies, social community programs, engagement with municipalities and operational excellence

## Ongoing Engagement

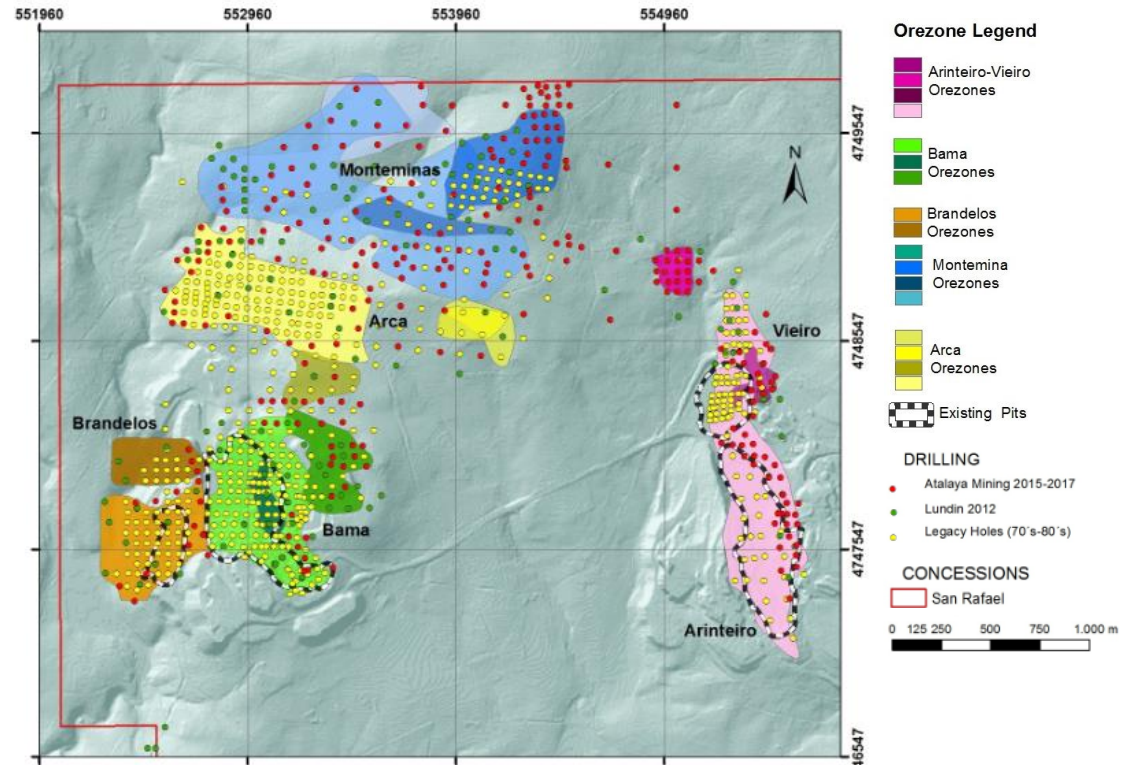
- Regular meetings with local stakeholders
- Information office open to the public
- Support of community initiatives



# Proyecto Touro Exploration

- Previous mining combined with more recent exploration work provides Atalaya with a good understanding of the deposit
  - Mineralisation is found in shallow, sub-horizontal sheets
- Mineralisation remains open to the north, west and south

## Historical Drilling



Dates	Company	DD	RC	DD/RC	DD (m)	RC (m)
2017-2018	Atalaya	4	104	17	636	13,254
2016-2017	Atalaya	1	93	26	1,443	10,838
2015-2016	Atalaya	3	124	25	2,027	12,250
2012	Lundin	169	-	-	20,281	-
60's-1985	Rio Tinto P.	660	-	-	59,871	-
1972-1974	Peñarroya	138	-	-	46,120	-

# Appendix







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# Key Information

## Capitalisation

Ticker - LSE: AIM		ATYM
Ticker - TSX		AYM
Share price (06-Jan-22)	GBp	429
Basic shares	m	138.2
Fully-diluted shares	m	142.1
Market capitalisation (basic)	£m	593
Market capitalisation (basic)	US\$m	804
Cash (at 30-Sept, post inaugural dividend)	€m	93
Debt & leases (at 30-Sept)	€m	58
Enterprise Value (basic)	US\$m	764
Dividend yield (based on inaugural dividend)		6.8%

## Research Coverage

Bank	Analyst	Recommendation	Target Price (GBp)
 <b>BERENBERG</b>	Oliver Grewcock	Buy	490
 <b>BoFA SECURITIES</b>	Jason Fairclough	Buy	480
 <b>BMO</b>	Alexander Pearce	Outperform	500
 <b>cg/Canaccord Genuity</b>	Sam Catalano	Buy	450
 <b>PEEL HUNT</b>	Tim Huff / Peter Mallin-Jones	Buy	550
 <b>STIFEL</b>	Andrew Breichmanas	Buy	535

## Share Price Performance (GBp)



## Shareholder Register

	Shares (m)	% basic
Urion Holdings (Malta) Ltd (Trafigura)	30.8	22.3%
Yanggu Xiangguang Copper Co. Ltd (XGC)	30.7	22.2%
Cobas Asset Management	7.0	5.0%
Polar Capital LLP	6.9	5.0%
Amati Global Investors	6.8	4.9%
Fidelity International	4.8	3.5%
Muza Gestión de Activos SGIIC S.A.	4.3	3.1%
Inversafei (Madrid)	3.7	2.7%
BlackRock	3.6	2.6%
Management / Board of Directors	0.6	0.5%
Other shareholders	39.1	28.3%
<b>Total</b>	<b>138.2</b>	<b>100.0%</b>

# Dividend Information

Atalaya announced its inaugural dividend and future dividend policy on 27 October 2021

## Inaugural Dividend

- **US\$0.395 per ordinary share**
  - Total payment of ~US\$54.6 million
  - Represented a dividend yield of ~7.3% based on Atalaya's share price at announcement
  - For the nine months ended 30 September 2021
- **Equivalent payments in GBP and EUR:**
  - £0.294 per ordinary share
  - €0.345 per ordinary share

## Key Dates for Inaugural Dividend

Ex-dividend date	4 November 2021
Record date	5 November 2021
Last day for currency election	11 November 2021
Last date for tax form	11 November 2021
Date of exchange rate used for Foreign Designated Currencies	15 November 2021
Announcement of exchange rate in Foreign Designated Currencies	16 November 2021
Payment date	1 December 2021

## Future Dividends

- **Atalaya's Philosophy:**
  - Reward shareholders through a sustainable dividend policy, while still investing in its portfolio of growth projects in Spain
- **Dividend Policy:**
  - 30 – 50% of free cash flow generated during the applicable financial year
  - Payments will be made in two half-yearly instalments and announced in conjunction with future interim and full year results
- **Timing:**
  - Policy will take effect in financial year 2022
- **Conditions:**
  - Declaration and payment of all future dividends under the policy will remain subject to approval by the Board of Directors



# YTD 2021 Financial Results

Robust free cash flow has increased net cash position to ~€90m

## Income statement highlights

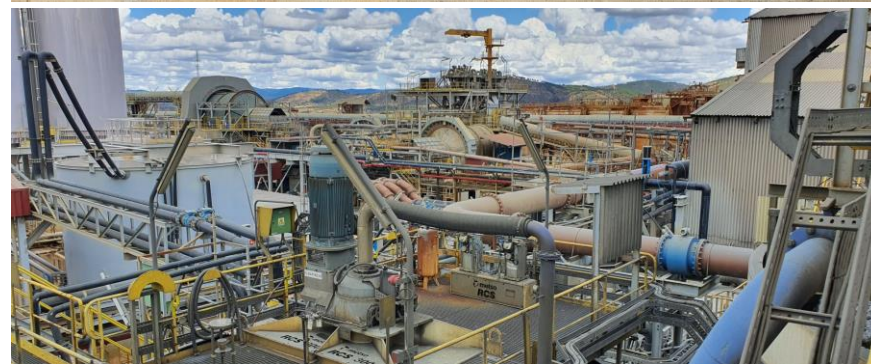
<b>Revenue: €304.3m</b> €183.6m, YTD 2020	<b>Op. costs: €(156.1)m</b> €(139.2)m, YTD 2020
<b>EBITDA: €148.2m</b> €44.4m, YTD 2020	<b>Profits: €104.2m</b> €18.2m, YTD 2020

## Cash flow statement highlights

<b>Operating CF: €129.2m</b> €41.8m, YTD 2020	<b>Investing CF: €(77.8)m<sup>(1)</sup></b> €(19.7)m, YTD 2020
<b>Financing CF: €51.7m</b> €(0.5)m, YTD 2020	<b>FCF<sup>(2)</sup>: €104.4m</b> €22.2m, YTD 2020

## Balance sheet highlights

<b>Cash: €140.9m<sup>(3)</sup></b> €37.8m, Dec-2020	<b>Borrowings: €52.0m</b> €53.0m <sup>(4)</sup> , Dec-2020
<b>Net Cash: €88.9m<sup>(3)</sup></b> €(15.2)m <sup>(4)</sup> , Dec-2020	<b>WC surplus: €126.9m</b> €(17.9)m, Dec-2020



1. Includes Astor Deferred Consideration payment of €53m
2. Free Cash Flow represents Operating Cash Flow less Investing Cash Flow before payment of the Astor Deferred Consideration

3. Includes restricted cash of €15.4m
4. Astor Deferred Consideration shown as debt prior to Mar-2021



# ESG Strategy Update

Following strategy review, focus is on continued implementation & enhanced disclosure

		Highlights & Recent Achievements	Continued Focus for 2021+
<b>Pillars of Atalaya ESG Strategy</b>	<b>Good Governance</b>	<ul style="list-style-type: none"> <li>– Adherence to UN Global Compact</li> <li>– Creation of Atalaya sustainability team and ESG corporate strategy</li> <li>– Dialogue with key stakeholders</li> <li>– Completion of materiality analysis</li> </ul>	<ul style="list-style-type: none"> <li>– Provide continuity in the development of corporate policies on ESG matters</li> <li>– Currently drafting Atalaya's 2021 Sustainability Report based on GRI and SASB standards</li> </ul>
	<b>People</b>	<ul style="list-style-type: none"> <li>– 471 employees (79% permanent, 66% local, 80% within Huelva province)</li> <li>– 17% female employees (above Spanish mining sector average of 6.9%)</li> <li>– Atalaya Equality Plan under development</li> <li>– Key agreements with special employment centers: ILUNION and ASPROMIN</li> <li>– Training (€100k invested, 8,700 hours)</li> </ul>	<ul style="list-style-type: none"> <li>– Expand the role of women in the mining industry</li> </ul>
	<b>Safety</b>	<ul style="list-style-type: none"> <li>– External quarterly report on mining waste facilities</li> <li>– Protocol for COVID-19 prevention</li> <li>– Implementation of a pioneering safety leadership programme</li> <li>– Nursing on site 24h/365 days</li> <li>– Creation of Emergency Brigade</li> </ul>	<ul style="list-style-type: none"> <li>– Fulfil the international standards issued by the ICMM for mining waste</li> </ul>

# ESG Strategy Update (continued)

Following strategy review, focus is on continued implementation & enhanced disclosure

		Highlights & Recent Achievements	Continued Focus for 2021+
<b>Pillars of Atalaya ESG Strategy</b>	<b>Environment &amp; Climate Change</b>	<ul style="list-style-type: none"> <li>– Environmental impact monitoring and measurement program with 40 checkpoints</li> <li>– Riotinto carbon footprint calculated (Scopes 1 and 2 completed) since 2016</li> <li>– Participation in Climate Ambition Accelerator 2021 promoted by UN Global Compact</li> <li>– 50MW solar plant project presented to the administration</li> <li>– Estimation of water footprint at Riotinto (83% recycled water, zero discharge)</li> <li>– 85% of waste destined to circular economy</li> <li>– €1.5m in environmental protection (2020)</li> </ul>	<ul style="list-style-type: none"> <li>– Regularise a climate change mitigation and adaptation strategy for Atalaya, in order to identify climate risks and opportunities</li> </ul>
	<b>Society</b>	<ul style="list-style-type: none"> <li>– €650k in activities of public and social interest through Fundación Atalaya</li> <li>– Creation of industrial school for unemployed</li> <li>– €1.6mm in protection and enhancement of Historical Heritage (2020)</li> <li>– Corta Atalaya opened to public</li> <li>– 51% local suppliers (Andalucía)</li> </ul>	<ul style="list-style-type: none"> <li>– Conduct a social impact study of our activity (social capital)</li> </ul>
	<b>Innovation &amp; Technology</b>	<ul style="list-style-type: none"> <li>– Formalisation of an R&amp;D working group</li> <li>– Ongoing projects in terms of innovation (circular economy, energy efficiency)</li> <li>– Geotechnical surveillance and control</li> <li>– R+D+i / EBITDA ratio of 6.6%</li> </ul>	<ul style="list-style-type: none"> <li>– E-LIX System technology</li> </ul>

# Historical Copper Prices

## Copper Price in US\$ (US\$/lb)



## Copper Price in EUR & Atalaya AISC (€/lb)<sup>(1)</sup>



1. Atalaya reported US\$ AISC has been converted to EUR at average exchange rate over the respective periods

# Copper Market Perspectives

Strong fundamentals driven by growing demand and the many barriers to adding new supply

## Supply

Falling Supply

- **Decreasing asset quality across the sector**
  - Falling grades at existing mines and new projects
  - Increased infrastructure requirements
  - Elevating technical complexity (i.e. block caves)
- **Increasing ESG standards add to project complexity**
  - Permitting process involves more stakeholders
  - Responsible sourcing goals dictate renewable power and sustainable water (i.e. desalination)
- **Capex inflation expected to return**
  - Driven by rising input costs (i.e. steel, equipment)
- **Few new discoveries**
  - Due to chronic underinvestment in exploration and the mature nature of major minerals belts
- **Return of resource nationalism**
  - Reduces stability required for large investments
  - Increased taxes and royalties

## Demand

Increasing Demand

- **Copper is critical to global decarbonisation efforts**
  - Renewable energy generation and transmission are highly copper intensive and are required to meet climate change objectives
  - Social and political commitments are gaining momentum in developed and emerging economies
- **Demand for electric vehicles (EVs) continues to accelerate in major automotive markets**
  - Driven by consumer demand, government incentives, and transformation of OEM product pipelines
  - Electrification of passenger vehicles and commercial fleets will increase copper intensity
- **Global stimulus spending in response to COVID**
  - Governments around the world are focusing spending on new infrastructure, “reshoring” of factories, and supporting the energy transition
- **Continued urbanisation in emerging economies**
  - Expected to fuel demand for copper intensive goods

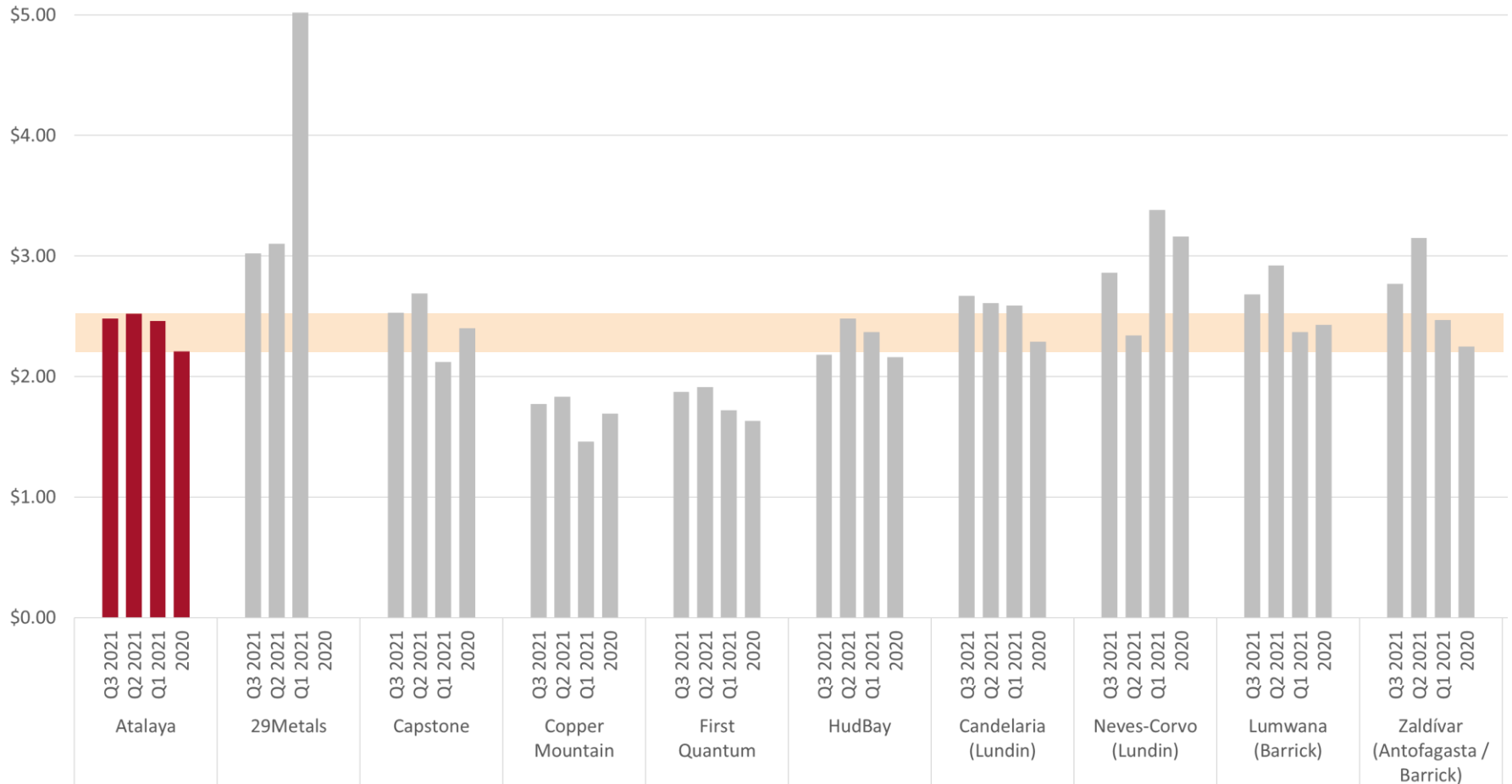
- Rising prices allow producers to reduce cut-off grades
- For companies with viable projects, investor optimism for copper is expected to reduce investment hurdle rates
- Increased sourcing from scrap

- Substitution in certain products (i.e. with aluminium)
- “Thrifting” of volumes in end-products, where possible

# AISC Benchmarking

Atalaya is well-positioned despite its mining contractor model and low by-product credits

Reported AISC (US\$/lb)



Source: Company filings

Note: Peers that do not disclose AISC include Central Asia Metals, Ero Copper, Sandfire and Taseko



# Cerro Colorado Reserve Update



New independent reserve estimate confirms status as a long-life copper mine

- New reserve estimate supports mine life of over 12 years at nameplate capacity of 15 Mtpa
- Performance over recent quarters demonstrates ability to operate at ~16 Mtpa
  - Maximises value of Cerro Colorado orebody
  - No low-grade stockpiling at present due to strong copper price environment
  - Mine plan can be modified to support cash flows in low price environment
- Strong mill performance creates opportunity to process ore sourced from regional deposits

## Reserves as at Dec-2020

Classification	Ore <i>kt</i>	Cu Grade	Waste <i>kt</i>	Total Material <i>kt</i>	Strip Ratio <i>w:o</i>
Proven	138,929	0.38%			
Probable	46,791	0.38%			
Proven + Probable	185,720	0.38%	341,847	527,567	1.84

## Reserves at Various Cut-Offs

	Cu Price Assumption <i>US\$/lb</i>	Cut-off	Proven + Probable <i>kt</i>	Cu Grade	Contained Cu <i>kt</i>
	\$4.00	0.12%	214,238	0.35%	743
	\$3.75	0.13%	207,965	0.35%	735
	\$3.50	0.14%	200,971	0.36%	726
	\$3.30	0.15%	193,391	0.37%	715
<b>Base Case</b>	<b>\$3.10</b>	<b>0.16%</b>	<b>185,720</b>	<b>0.38%</b>	<b>703</b>
	\$2.90	0.17%	177,619	0.39%	689
	\$2.80	0.18%	169,773	0.40%	676
	\$2.66	0.19%	161,944	0.41%	661
	\$2.55	0.20%	154,237	0.42%	646

# Senior Management

Decades of operations, project development and financial expertise

<b>Alberto Lavandeira</b>	<b>César Sánchez</b>	<b>Enrique Delgado</b>
<i>Chief Executive Officer, Director</i>	<i>Chief Financial Officer</i>	<i>Operations – General Manager, Proyecto Riotinto</i>
Over 42 years' experience operating and developing mining projects. As Chief Executive Officer, President and COO of Rio Narcea Gold Mines (1995-2007), built three mines including Aguablanca and Tasiast. Director of Samref Overseas S.A (2007-2014) – involved in the development of Mutanda (Cu-Co mine, DRC).	Former CFO of companies in mining and financial sectors; including CFO of Iberian Minerals Corp. with copper assets in Spain and Peru performing equity and debt raisings. Worked for Ernst & Young as financial advisor and auditor. Qualified accountant, holds a business administration degree (University of Seville, Spain) and financial and banking courses at Dublin City University and ESIC Business & Marketing School.	Former CEO of Tharsis Mining. Has also performed as director of Metallurgy and Environment at Cobre Las Cruces Mine (First Quantum) in Spain. With First Quantum also participated in the start-up of Kansanshi Mine smelter in Zambia. Started his career as a metallurgist at Proyecto Riotinto and later with Freeport McMoRan, at Atlantic Copper smelter in Huelva, Spain.

# Board of Directors

## Mining, capital markets and finance expertise

<b>Roger Davey</b>	<i>Non-Executive Chair of the Board</i>	Over 45 years' experience in the mining industry. Former Senior Mining Engineer at NM Rothschild & Sons; former Director, VP and GM, AngloGold (Argentina). Currently a director of Central Asia Metals, Highfield Resources and Tharisa plc.
<b>Alberto Lavandeira</b>	<i>Chief Executive Officer, Director</i>	Over 42 years' experience operating and developing mining projects. As Chief Executive Officer, President and COO of Rio Narcea Gold Mines (1995-2007), built three mines including Aguablanca and Tasiast. Director of Samref Overseas S.A (2007-2014) – involved in the development of Mutanda (Cu-Co mine, DRC).
<b>Jesús Fernández</b>	<i>Non-Executive Director</i>	Head of the M&A team for Trafigura. He joined Trafigura in 2004 and has 20 years of experience in mining investments and financing. Currently a director of Cadillac Ventures and Mawson West Limited. Previously a director of Tiger Resources Limited, Anvil Mining Limited and Iberian Minerals Corp. plc.
<b>Harry Liu</b>	<i>Non-Executive Director</i>	Vice President, Yanggu Xiangguang Copper (XGC) one of the world's largest copper smelting, refining and processing groups in Shandong Province, China. Former senior management and marketing positions in the mineral and financial industries in Shanghai and Hong Kong, including roles as Marketing Manager at BHP Billiton Marketing AG and Director at BNP Paribas Asia.
<b>Stephen Scott</b>	<i>Non-Executive Director</i>	President and CEO of Entrée Gold Inc. Previously he was President and CEO of Minenet Advisors advising on strategy, corporate development, business restructuring and project management. Between 2000 and 2014, he held various global executive positions with Rio Tinto and currently serves on the boards of a number of public and private mining companies.
<b>Hussein Barma</b>	<i>Non-Executive Director</i>	Principal of Barma Advisory. CFO (UK) of Antofagasta plc (1998 to 2014) with a deep knowledge of governance practices, as well as accounting and reporting, investor relations and the regulatory requirements of the LSE. Worked as an auditor at PwC. Steering group member of the UK Financial Reporting Council's Financial Reporting Lab.
<b>Neil Gregson</b>	<i>Non-Executive Director</i>	Over 30 years' experience investing in mining and oil and gas companies. From 2010 to 2020 he was a Managing Director at J.P. Morgan Asset Management. Before that, from 1990 to 2009 he was Head of Emerging Markets and Related Sector Funds (including natural resource funds) at Credit Suisse Asset Management. Mr. Gregson previously held various positions at mining companies, including a role as a mining investment analyst at Gold Fields of South Africa.

## Contacts

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