



A low risk copper producer in Europe

Investor Presentation  
February 2018

AIM:ATYM / TSX:AYM

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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 on the Mineral Resources and Reserves of the Riotinto Copper Project" dated September 2016, prepared by Alan C. Noble, P.E. of Ore Reserves Engineering, William L. Rose, P.E. of WLR Consulting, Inc., Jay T. Pickarts, P.E., and Juan J. Anes, B.Sc., M.Sc., P.Eng. (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.

## Riotinto Expansion Plan

All of the information contained in this Presentation regarding the intended 15 Mtpa Expansion Project is based on internal data and analyses and based on various assumptions not derived from the Technical Report or supported by any other technical report prepared in accordance with NI 43-101.

## Proyecto Touro

All of the information contained in this Presentation regarding Proyecto Touro is based on internal data and is not derived from or supported by a technical report prepared in accordance with NI 43-101.

## Qualified Person Statement

The scientific and technical information contained in this Presentation has been prepared under the supervision of Alberto Lavandeira Adán, Chief Executive Officer of the Company. Alberto is a graduate of the Oviedo School of Mines with a Master of Science in Mining Engineering. He is a Member of the Society of Mining Engineering of Spain since 1980 and has over 38 years mining experience. The scientific and technical information contained in this Presentation has been reviewed and approved by Roger Davey, Chairman and a Director of the Company. Roger is a graduate of the Camborne School of Mines, with a Master of Science in Mineral Production Management from Imperial College. He is a Chartered Engineer, a European Engineer and a Member of the Institute of Materials, Minerals and Mining (IMMM) and a "qualified person" under the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

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# Introduction

## A low risk copper producer in Europe



- Assets located in established and stable mining jurisdictions
  - ✓ Access to modern infrastructure
  - ✓ Low capital intensity, no debt
  - ✓ Achieved 2 expansion phases under budget and ahead of schedule
- Strong pipeline of low risk growth projects
  - ✓ Proyecto Riotinto 15Mtpa expansion for 50-55ktpa copper
  - ✓ Steady production since 2017
  - ✓ Touro restart PFS and permitting under way
- Proven management team
  - ✓ Experienced global mine builders and operators
  - ✓ Considerable expertise in Spain
- Supportive strategic shareholders
  - ✓ Raised £31m in December 2017 to fund ongoing expansion of Proyecto Riotinto

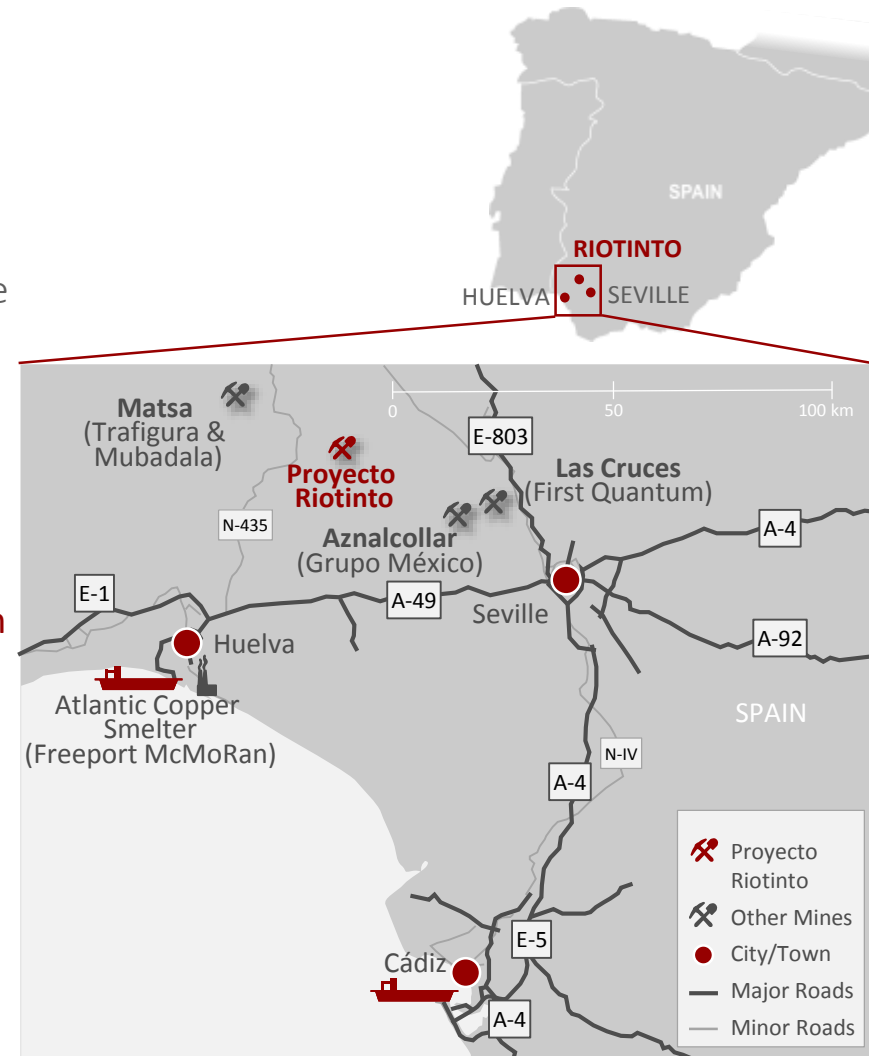


# Proyecto Riotinto

## Brownfields refurbishment in south-west Spain



- Successful restart and expansion to 9.5Mtpa. Further expansion to 15 Mtpa approved
  - ✓ Delivered at 50% lower cost & 30% faster timeline than anticipated in 2013 NI 43-101
  - ✓ 9.5Mtpa expansion delivered in 10 months from declaration of commercial production at 5Mtpa
- Operating / financial performance in line with guidance
- Significant copper open pit reserve with long mine life
  - ✓ Current LOM through 2032 (based on 2016 NI 43-101)
  - ✓ Reserves of 153 Mt at 0.45% Cu
  - ✓ Exploration expected to expand open pit reserves
  - ✓ Located in highly prospective Iberian pyrite belt with nearby known targets
- Community support
  - ✓ Management enjoys support of local stakeholders
- Infrastructure
  - ✓ Access to power, water, adjacent towns
  - ✓ 75km from the major port at Huelva



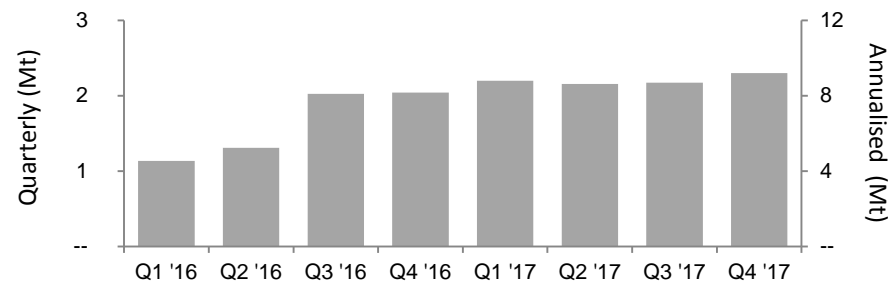
# 2017 Production Results



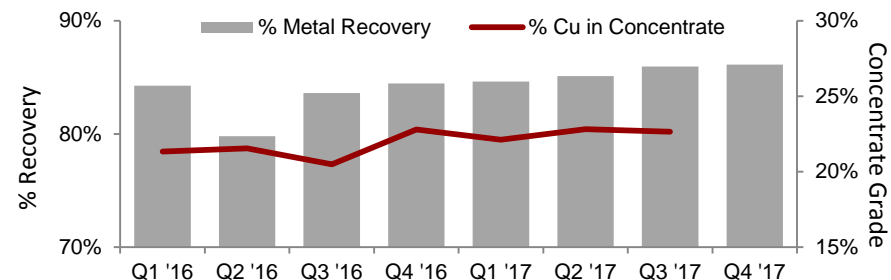
## Consistent operational performance

- 9.5Mtpa nameplate capacity achieved in December 2016
  - ✓ Expansion delivered at capital intensity of \$4,000/t Cu
- Approved second expansion to 15Mtpa
  - ✓ Expansion project approved in December 2017
  - ✓ Lower Opex to offset slightly higher Capex
- Consistent throughput and stable recovery rates
  - ✓ Driven by improved operational efficiencies and the availability of additional mining fleet
- Full Year 2017 production of 37.1 kt
  - ✓ 2016 production of 26.2 kt
  - ✓ 2018 guidance of 37 – 40 kt

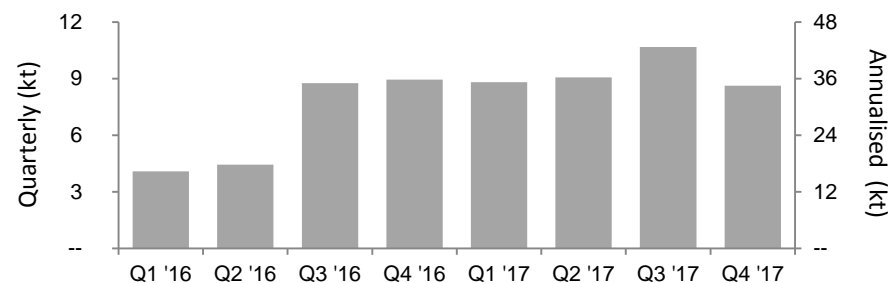
Ore throughput (Mtpa)



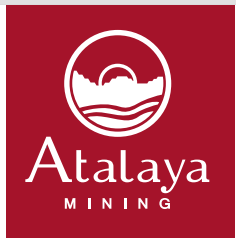
Copper recovery



Copper production (kt)



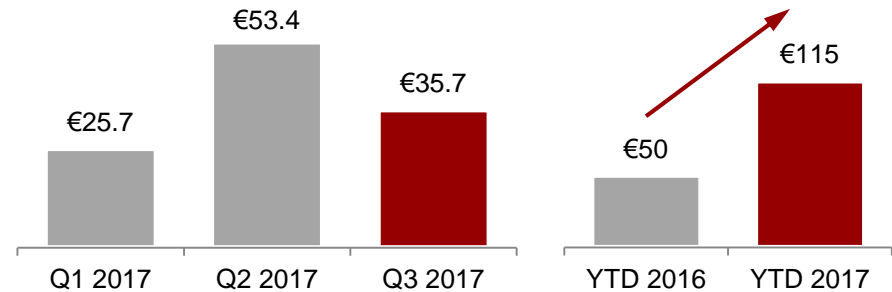
# Financial and Operational Results



## ■ Revenue

- ✓ Q4 copper production of 8.6kt (prior quarter of 10.7kt)
- ✓ Concentrate sales of 41.0kt, down from 55.6kt in prior quarter
  - Concentrate inventory build of 6.3kt vs. prior quarter

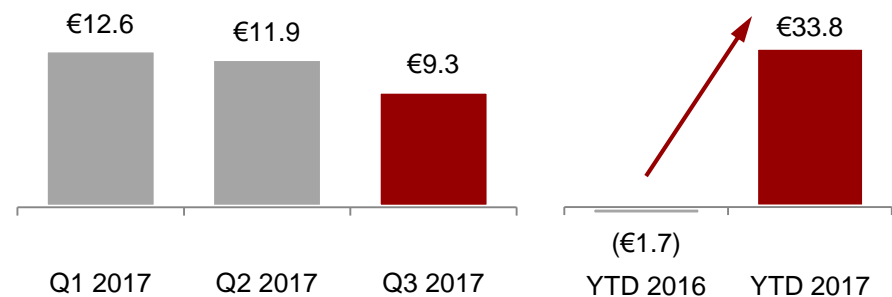
Revenues (€m)



## ■ EBITDA

- ✓ Slight decrease as result of lower concentrate sales
- ✓ YTD cash cost of US\$2.06/lb
- ✓ YTD AISC of US\$2.29/lb

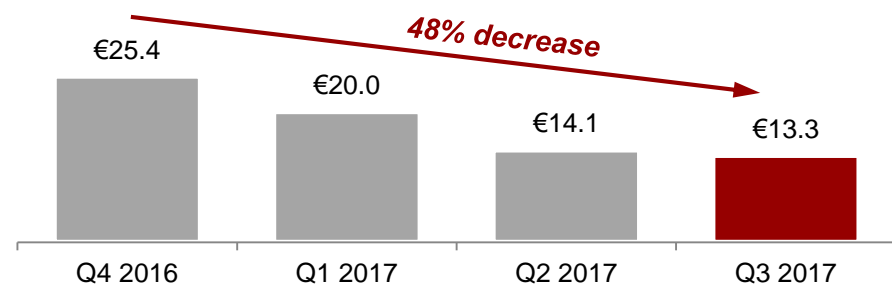
EBITDA (€m)



## ■ Working Capital

- ✓ Working capital deficit has improved to €13.3m, down from €25.4m since beginning of year
- ✓ Driven by cash flow from operations

Working capital deficit (€m)



## ■ Cash and Inventories

- ✓ €9.4m cash balance in Q3, up from €1.9m in Q2
- ✓ €7.7m in copper concentrate inventories, up from €1.6m in Q2



# Operating Margins & 2018 Guidance



- Higher quarterly cash costs due to expensing a higher proportion of stripping costs, one-off maintenance costs and weak dollar

	Total Cash Costs per lb	Average Market Cu price per lb	Company realised Cu price per lb
<b>Q3 2017</b>	\$2.14	\$2.88	\$2.66
<b>Q4 2017</b>	TBD	\$3.09	\$2.87

**Further operating cost reductions will be implemented** as plant optimisation efforts continue

## Robust operational outlook for 2018

- Increased guidance for 2018 vs. 2017 as operational efficiencies progress

	Guidance 2017	Actual 2017	Guidance 2018 <sup>(1)(2)</sup>
<b>Concentrate</b>	165-175 k dmt	166 k dmt	TBD
<b>Contained Cu</b>	36-39 kt	37.2 kt	37-40 kt
<b>Cash Cost</b>	US\$1.95-US\$2.10/lb	TBD	US\$2.05-US\$2.20/lb

1. See page 3 "Future Oriented Financial Information"

2. Based on and 1.15 USD:EUR



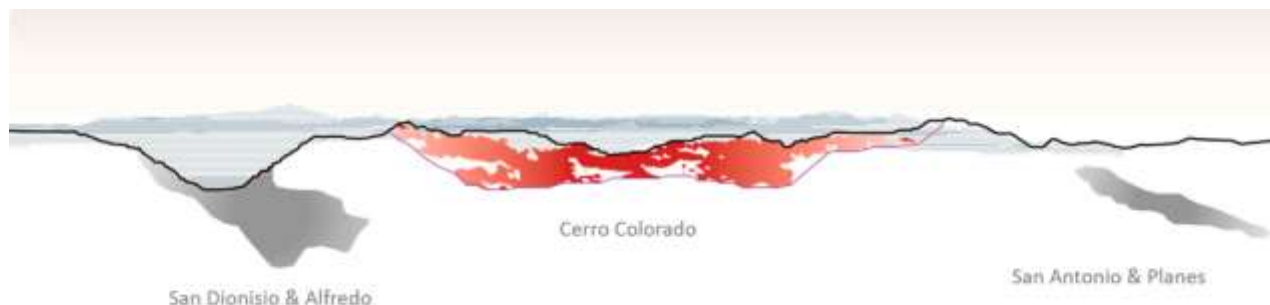
# Reserves and Resources



The pit design and internal cut-off grade are based on a long term copper price of US\$2.60/lb. Resources are pit-constrained at US\$3.20/lb Cu

	Ore (Mt)	Copper (%)
<b>RESERVES*</b>		
Proven	78	0.45
Probable	75	0.44
<b>TOTAL</b>	<b>153</b>	<b>0.45</b>

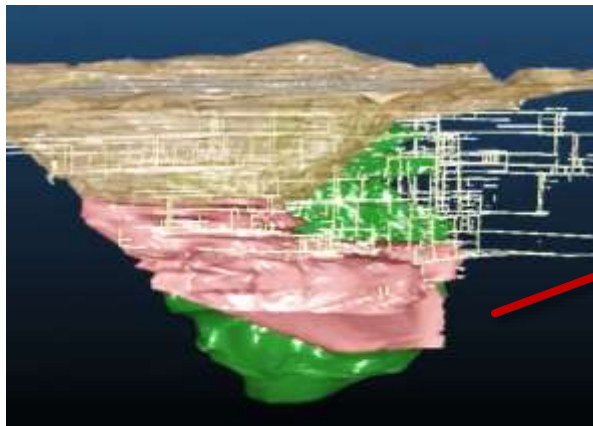
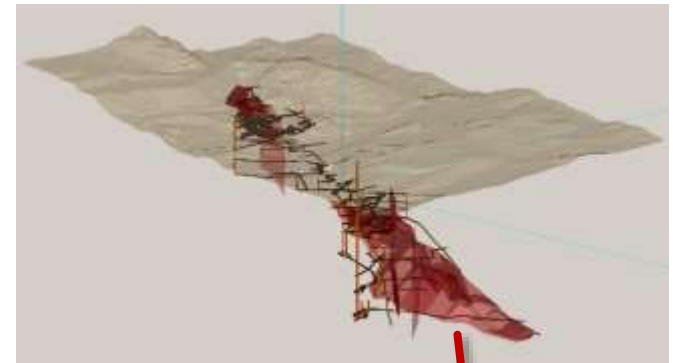
<b>RESOURCES (inclusive of reserves)*</b>		
Measured	90	0.43
Indicated	103	0.42
<b>TOTAL</b>	<b>193</b>	<b>0.43</b>
Inferred	23	0.48



*\*Reserves and Resources shown comprise only Cerro Colorado as reported in NI 43-101 September 2016*

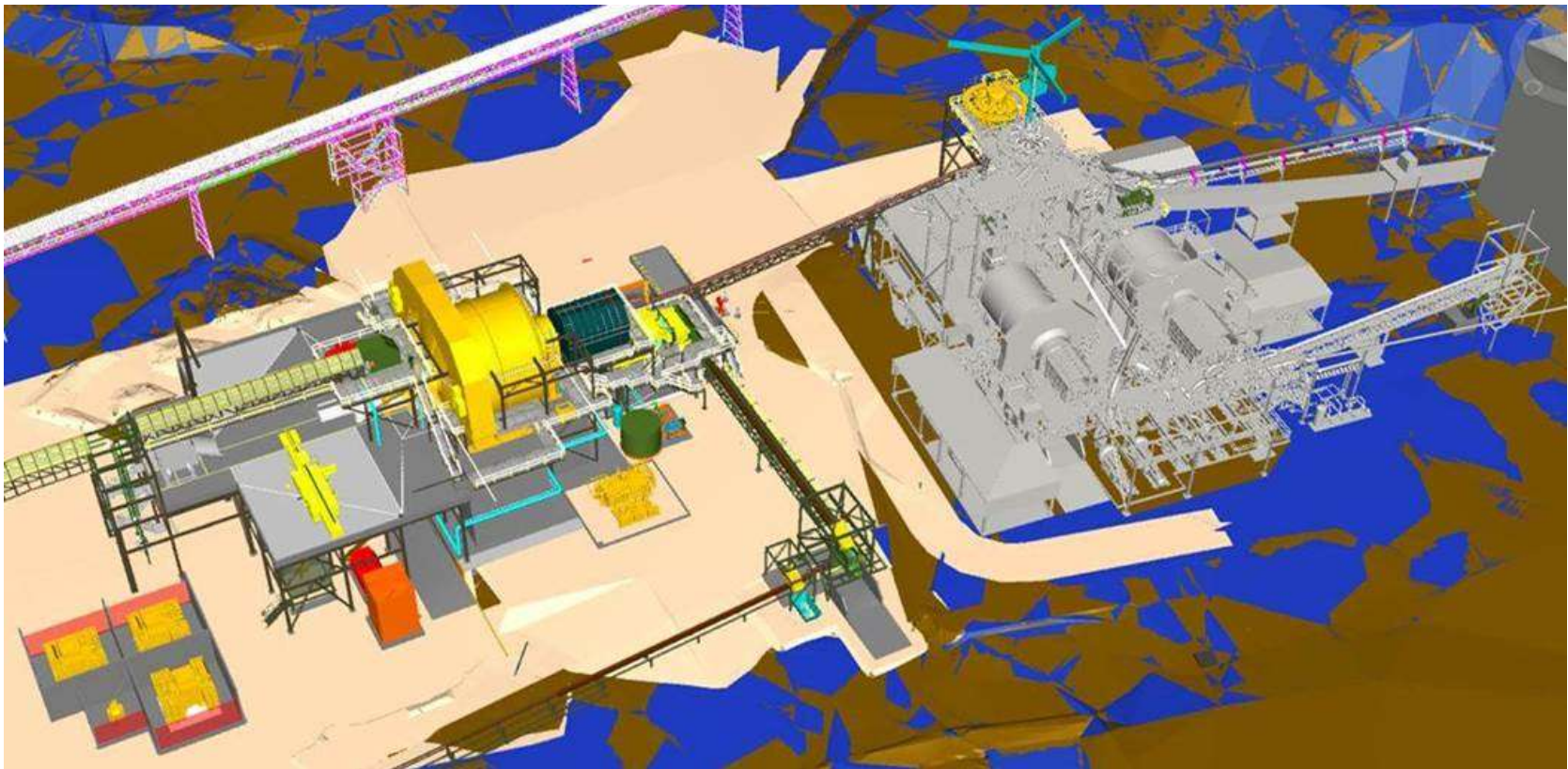
# Planned Exploration

- Limited exploration to date on lateral extensions to Cerro Colorado as main focus has been on confirmation of open pit potential
  - ✓ 11,949 metres drilled (RC+DDH) in 2015
  - ✓ 10,792 (RC+DDH) metres in 2016
  - ✓ 20,768 (RC+DDH) metres in 2017
- Increased Exploration programme
  - ✓ €2.7m exploration budget for 2018
- Current focus on potential of San Dionisio/Alfredo + Filón Sur stockwork



# 15M Expansion Plan

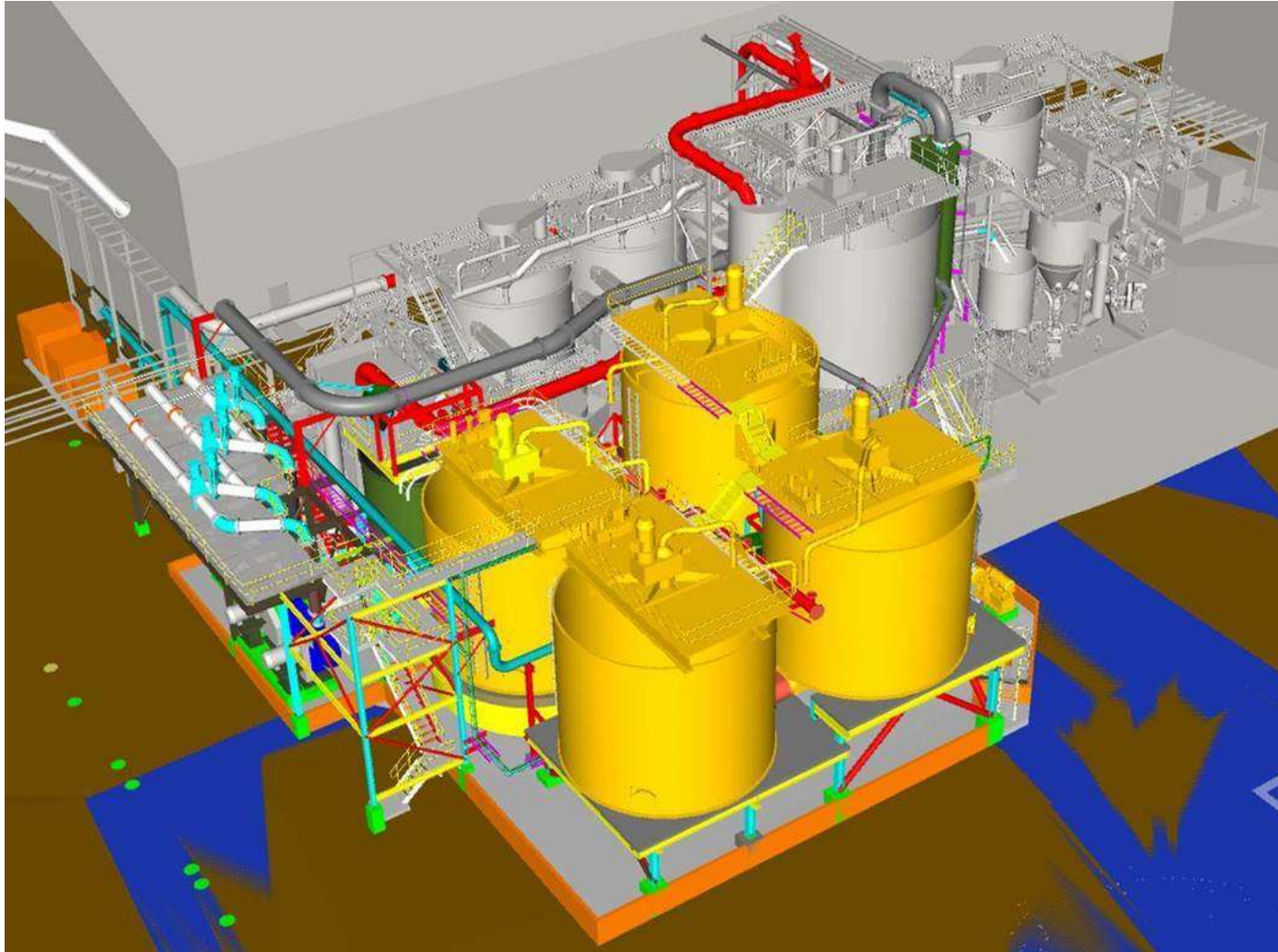
- Following a board review, single 15Mtpa option recommended
  - ✓ Lower opex to offset slightly higher capex
  - ✓ Higher execution risks associated with 10+5M, particularly debottlenecking 9.5Mtpa current capacity to 10Mtpa





# 15M Expansion Plan

- Expansion project to be delivered by team of well recognised international mining consultants in conjunction with Atalaya



# Illustrative 15M Highlights

## Increased scale and reduced cost structure



- Increased production
  - ✓ Nameplate capacity increased ~60%
  - ✓ 43% increase over next five years
- Opex reduced
  - ✓ Lower unit milling costs
  - ✓ Same strip ratio assumed
- Competitive cash costs and financial returns
  - ✓ ~7% improvement in costs
  - ✓ Short pay back (less than 2 years)
- Management expects enlarged mineable resource
  - ✓ Due to pit optimisation and reduced operating costs that lower the cut-off grade
- Mine life remains well over 10 years
- District exploration to continue
  - ✓ Focus on Cerro Colorado – Filón Sur area in the near-term, and San Dionisio – Alfredo in medium-term

### Select project statistics (2018+, 10yr Averages)

		15 Mtpa <sup>(1)</sup>	9.5 Mtpa	Variation
<b>Operating Metrics</b>				
Total Ore Mined	Mt	163	150	+8.5%
Total Waste Mined	Mt	275	254	+8.2%
LOM Strip Ratio	Waste : Ore	1.7	1.7	(0.3%)
Total LOM (from 2016)	years	13.5	16.5	(3.0)
Total Ore to Mill	Mt	161	141	+14.3%
LOM Copper Mill Grade	%	0.42%	0.42%	--
LOM Copper Recovery	%	84.6%	84.3%	+32 bp
Total Copper Recovered	kt	586	512	+14.3%
Average Annual Copper Recovered	ktpa	52	38	+39.1%
Average Annual Silver Payable	kozpa	697	501	+39.1%
<b>Financial Metrics</b>				
Total LOM EBITDA	€m	€928	€635	+46.2%
Unit Processing Cost	€t ore	€4.25	€4.63	(8.2%)
Average C1 Cash Costs	US\$/lb	\$2.08	\$2.23	(6.5%)
Average AISC	US\$/lb	\$2.18	\$2.33	(6.7%)
Average Annual Sustaining Capex	€m	€6.4	€4.4	+€2.0
Total Development Capex	€m	€80.4	--	+€80.4

Note: Macro assumptions include US\$3.00/lb Cu , US\$18.00/oz Ag, 1.15 USD:EUR.  
1. Based on management internal estimates.

# Illustrative 15M Financial Summary



## Capital & operating cost breakdown

### 15M – Capital Cost Estimate

	Cost (€m)
Direct Field Costs	€51.8
Indirect Field Costs	€13.3
<b>Total Field Costs</b>	<b>€65.2</b>
Home Office Costs	€1.9
<b>Total Costs</b>	<b>€67.1</b>
Project Management & 10% Contingency	€13.3
<b>Total 15 Mtpa Expansion Capital Cost</b>	<b>€80.4</b>

### 15M – Processing Cost Estimate of Additional Throughput<sup>(1)</sup>

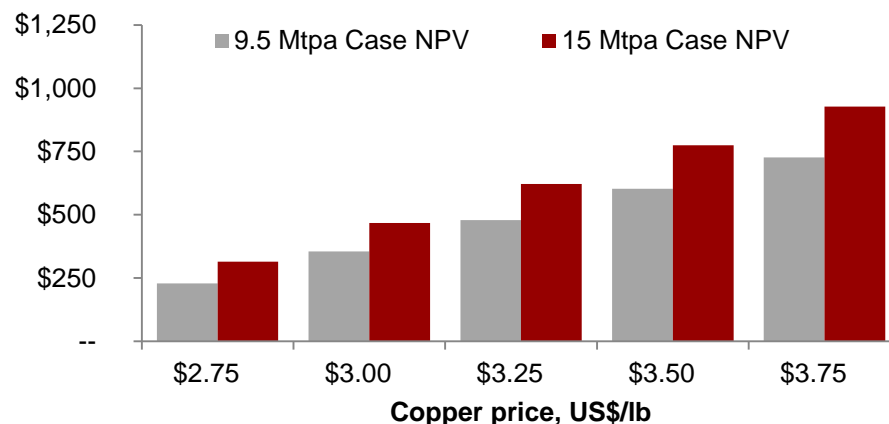
	Cost (€m)	Cost (€/t Ore)
Reagents	€3.9	€0.71
Other Consumables	€10.4	€1.90
Power	€9.8	€1.78
Labour (Laboratory)	€0.3	€0.06
Plant Maintenance	€0.4	€0.07
<b>Total Additional Processing Cost Est.</b>	<b>€24.9</b>	<b>€4.52</b>

1. Figures shown represent processing costs of incremental 5.5 Mtpa of ore above existing 9.5 Mtpa operation.

## Financial highlights (2018+)

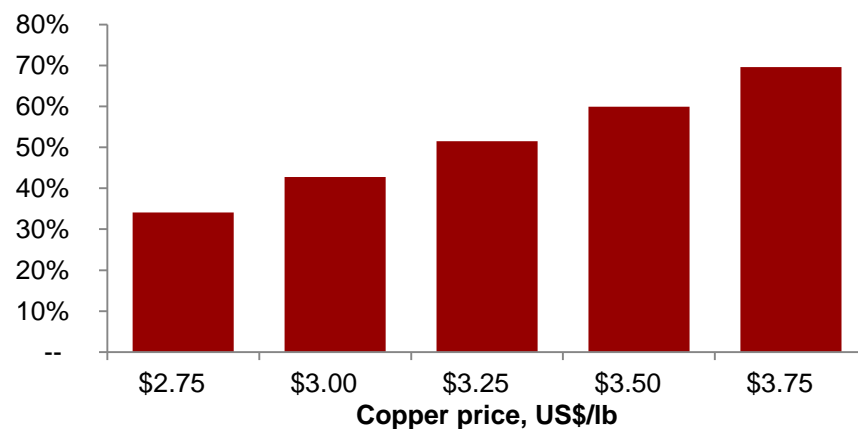
### NPV Sensitivities – 15M Expansion vs. 9.5 Mtpa Case (US\$ m)

US\$18.00/oz silver, 1.15 USD:EUR, 8% Discount Rate



### IRR Sensitivity of 15M Expansion

US\$18.00/oz silver, 1.15 USD:EUR



# Proyecto Riotinto

## From mid 2014 to end 2017



- Atalaya team continues to drive production growth
  - ✓ Delivered initial restart of Riotinto at ~50% lower cost and 30% faster timeline than anticipated in 2013 NI 43-101
  - ✓ Nearly doubled throughput capacity within 1<sup>st</sup> year of commercial production
  - ✓ Expansion totalling 18 months: Basic & detailed design (4 months), procurement (10 months), construction (10 months), commissioning (6 months)
  - ✓ Critical path driven by new milling section

	Phase I Restart 5.0 Mtpa	Expansion to 9.5 Mtpa	Expansion to 15.0 Mtpa
<b>Incremental Throughput</b>	+5.0 Mtpa	+4.5 Mtpa	+5.5 Mtpa
<b>Nameplate Copper Production</b>	25 ktpa	40 ktpa	50-55 ktpa
<b>Incremental Capex</b>	US\$82m	US\$68m <sup>(1)</sup>	US\$92m <sup>(2)</sup>
<b>Cumulative Capex Intensity</b>	US\$3,280/t Cu	~US\$4,000/t Cu <sup>(1)</sup>	~US\$4,600/t Cu <sup>(3)</sup>
<b>Unit Processing Cost</b>	~€5.01/t	€4.63/t	€4.25/t

1. Approximately.

2. Based on €80.4 mm and 1.15 USD:EUR.

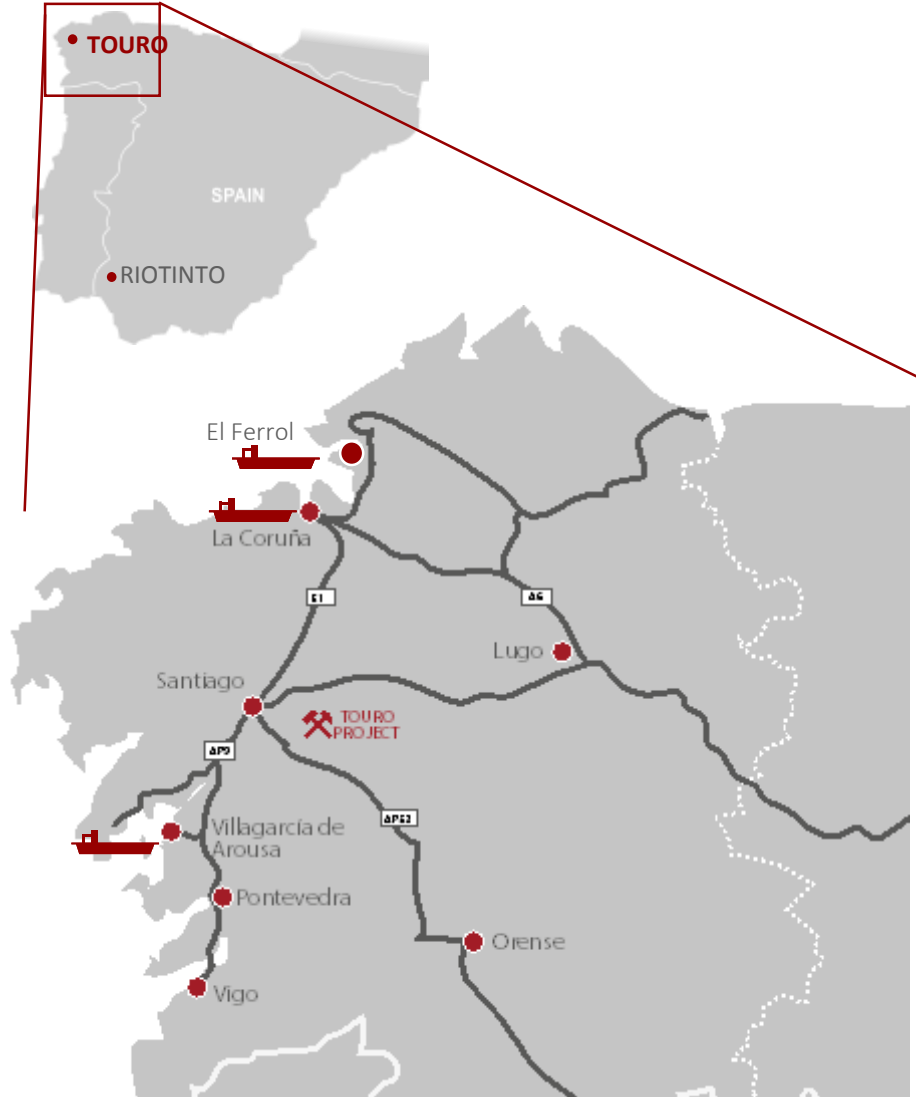
3. Based on midpoint of stated production range; for expected 15M incremental copper production of 15 ktpa, capital intensity is ~US\$6,100/t Cu.



# Proyecto Touro

## Low risk, advanced stage project in north-west Spain

- Previously operated by Riotinto Patiño from 1973 to 1986
  - ✓ Well understood orebody, straightforward metallurgy with test work suggesting high Cu recovery and clean concentrates
- Excellent infrastructure and location
  - ✓ Access to power, water and highways
  - ✓ Local skilled workforce
  - ✓ 80 km to port of Villagarcía de Arosa
- Government support
  - ✓ Galicia is pro mining and autonomous
- Exclusivity option exercised; earn-in option to attain 80% ownership based on development milestones
  - ✓ Structured such that payments only occur as project is de-risked
  - ✓ Expansion potential through control of full belt
- Over 40km of exploration and in-fill drilling completed to provide basis of NI 43-101 technical report



# Proyecto Touro

- Near term milestones
  - ✓ **Q1 2018:** NI 43-101 pre-feasibility study
- Development timeline
  - ✓ **Permitting:** ~12 months (expected mid-2018)
  - ✓ **Development:** 18 to 24 months
  - ✓ **Ramp-up:** 9 months
- Synergies with Proyecto Riotinto
  - ✓ **CAPEX:** development plan to replicate Proyecto Riotinto success
  - ✓ **OPEX:** by sharing services and support
  - ✓ **Marketing:** clean premium concentrates
- Management's internal estimates for Touro development<sup>(1)</sup>
  - ✓ **CAPEX:** ~€200-250m
  - ✓ **Production:** ~30,000 tpa copper

1. Figures based on internal management estimates and are subject to change post completion of technical studies.



# Proyecto Touro

## Process engineering under way

- Parallels with Riotinto expansion project
  - ✓ Management confident with Capex projections and projected timeline
- Metallurgical test works completed
  - ✓ Well-known metallurgy with excellent recoveries and clean high grade concentrates

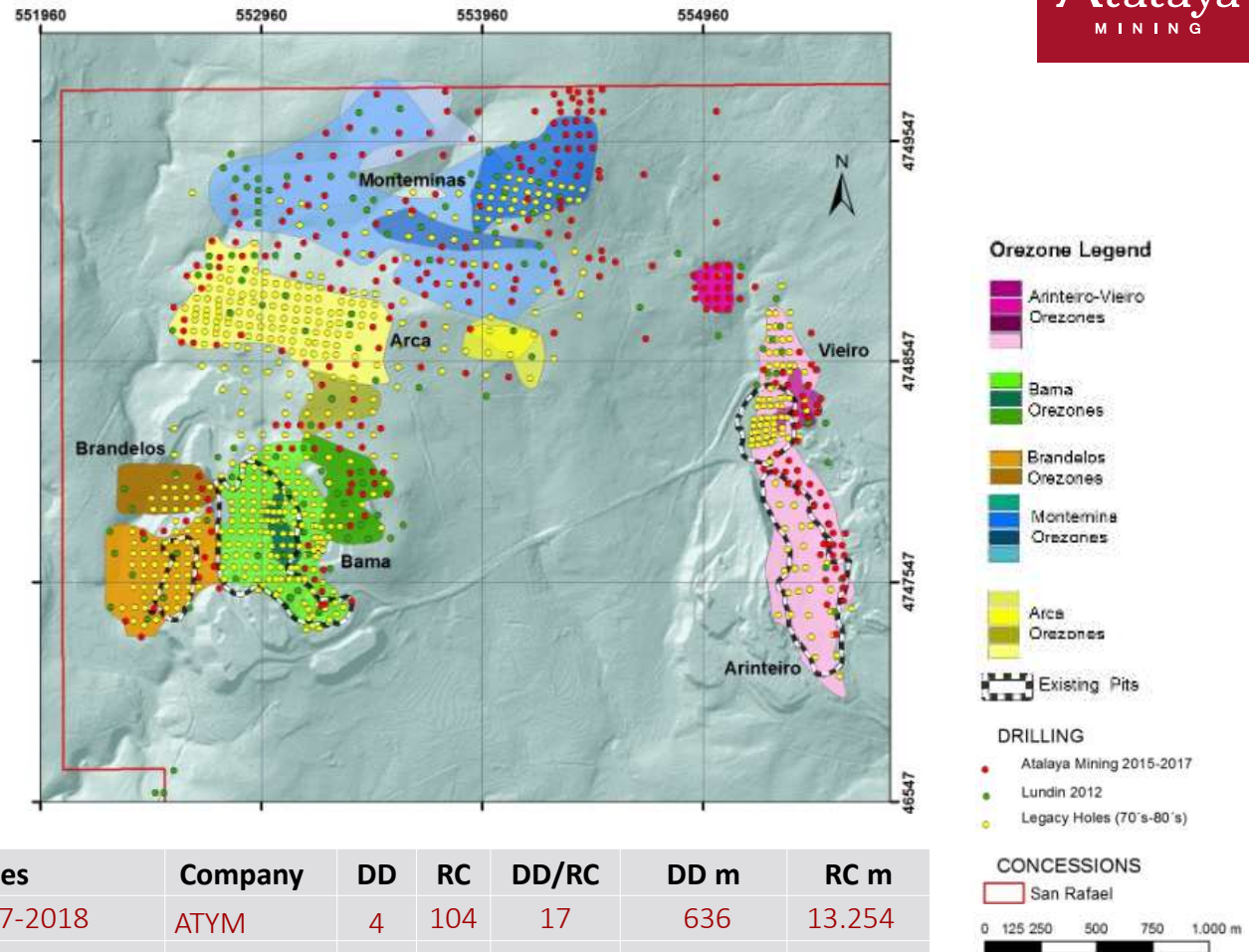




# Proyecto Touro

## Exploration

- Previous mining combined with more recent exploration work gives us a good understanding of the deposit
- Mineralisation remains open to the north, west and south



Dates	Company	DD	RC	DD/RC	DD m	RC m
2017-2018	ATYM	4	104	17	636	13.254
2016-2017	ATYM	1	93	26	1.443	10.838
2015-2016	ATYM	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	-

# Proyecto Touro

## Additional exploration ground signed in 2017



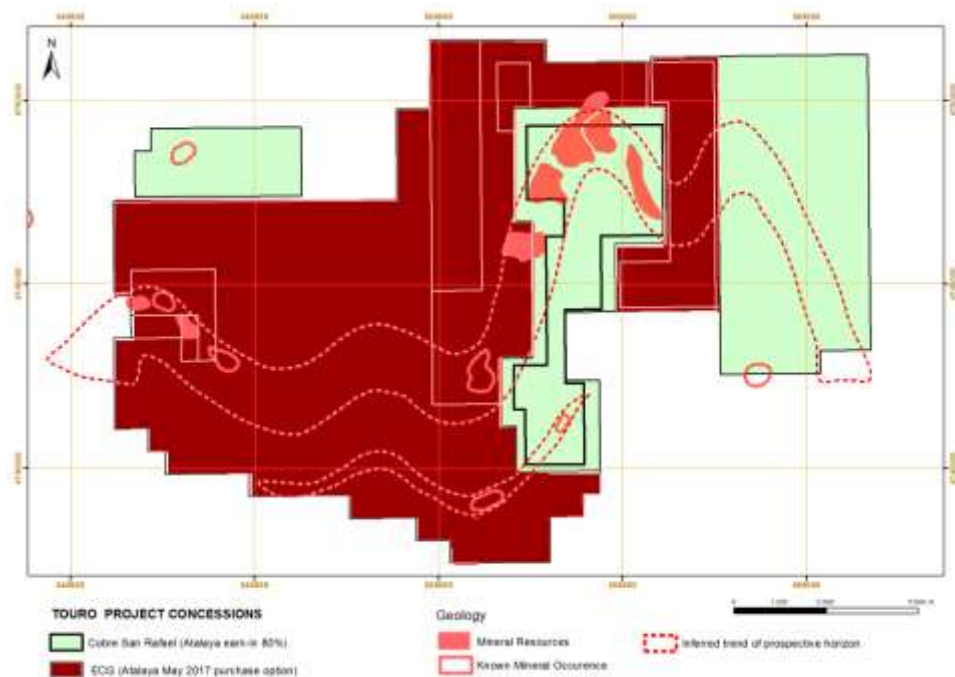
- Option to acquire 100% of the adjacent exploration concessions covering 122.7km<sup>2</sup> giving full control over the known prospective belt
  - ✓ Financial terms similar to existing Touro deal (mining concession)
  - ✓ Option over 2.5 years with 75% payment conditional on permits
  - ✓ Current owners retain a royalty with buy-back option at pre-agreed terms

2nd earn-in agreement would secure regional ground

Project de-risked with payments only due upon permitting, financing and development

Option payments only once the project is de-risked

Access to mining and surface rights by JV partner

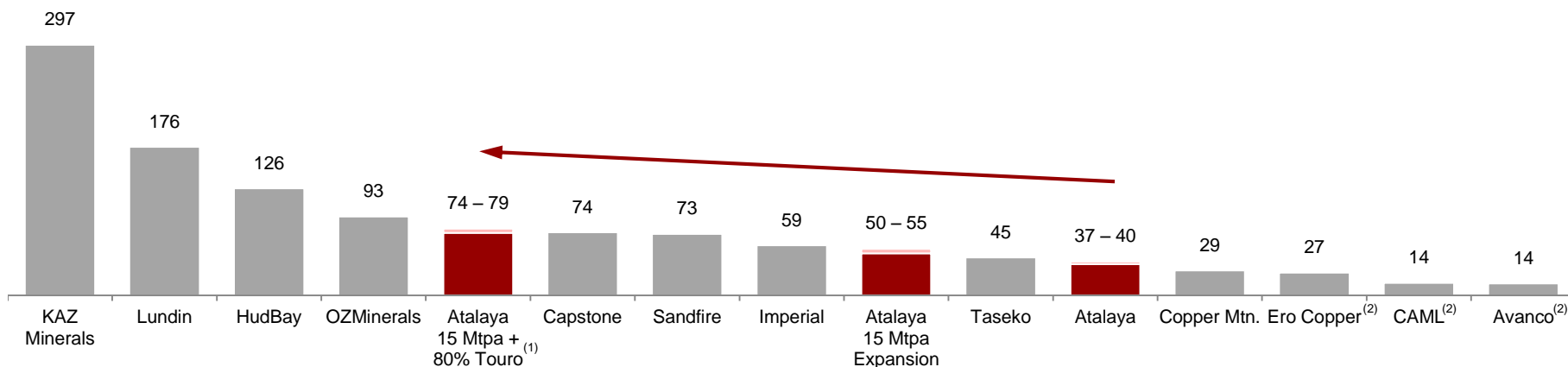


# Future Positioning

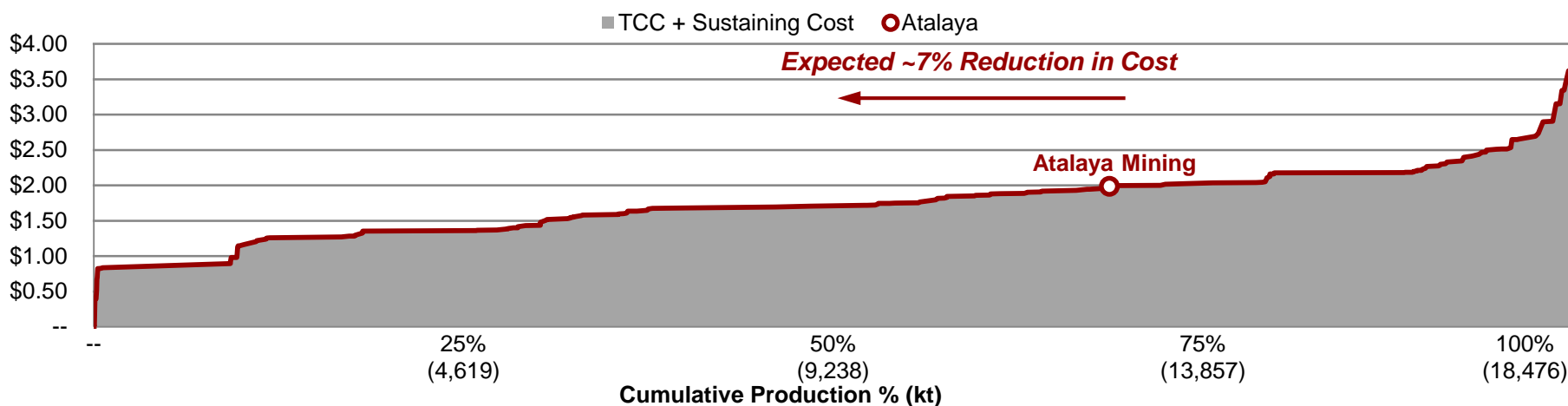
## Low-risk growth pipeline and competitive costs



2018E copper production (kt)



2018E Total Cash Cost + Sustaining Capex (US\$/lb Cu)



Source: Wood Mackenzie – Q4 2017, except for Atalaya and where noted

1. See page 17 "Proyecto Touro".

2. Broker consensus for CAML and Avanco; company guidance for Ero Copper.

# Atalaya Positioning vs. Copper Peers

Attractive valuation metrics<sup>(1)</sup>

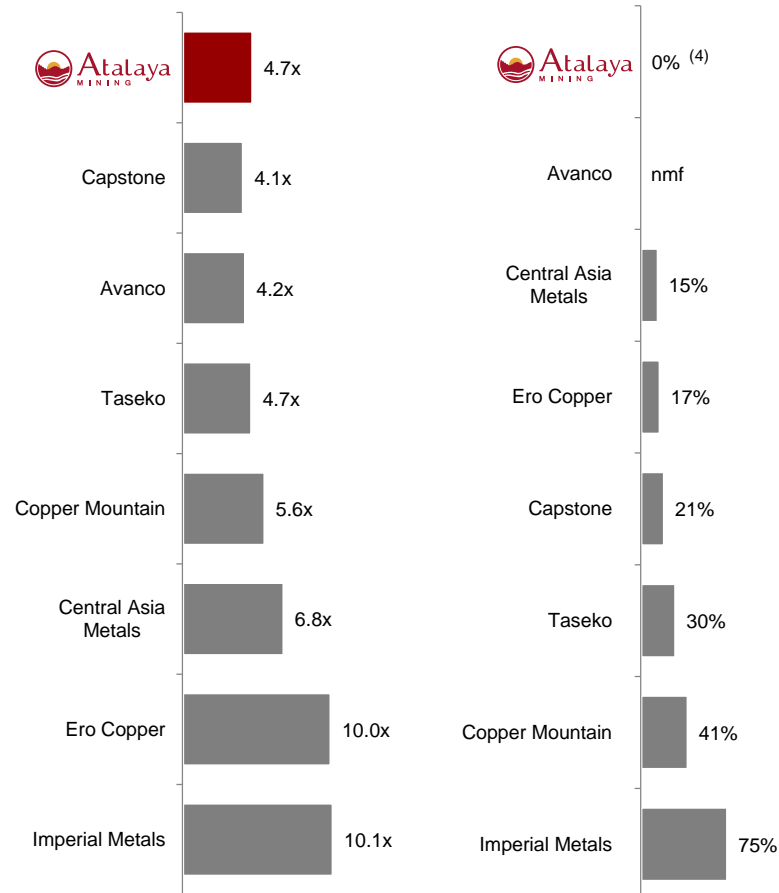
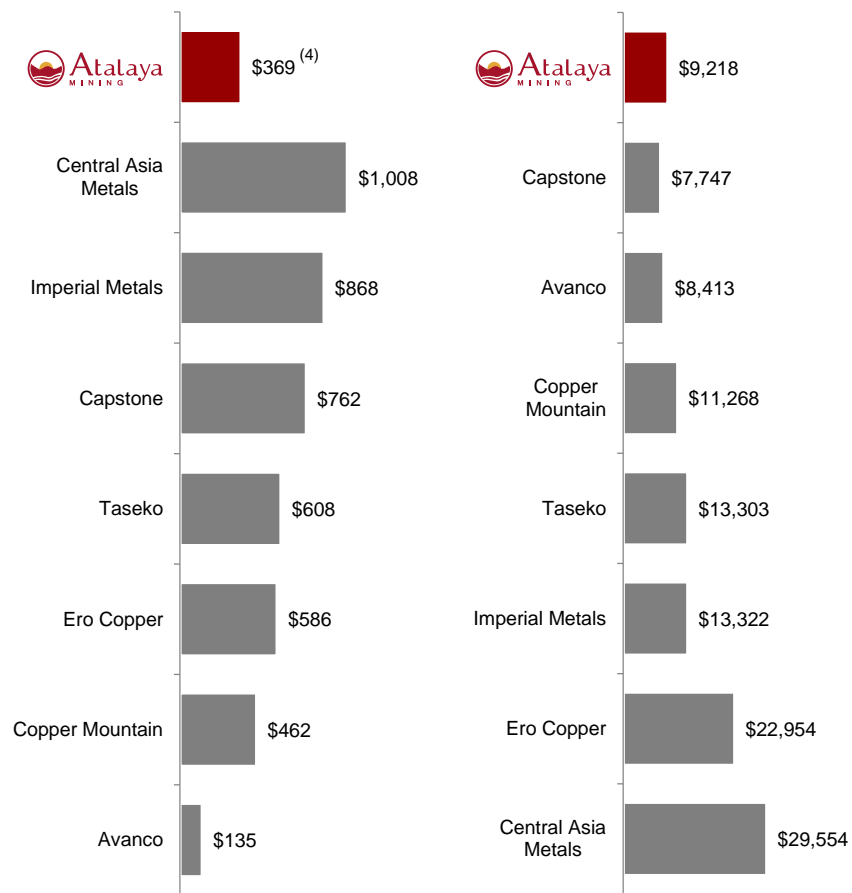


Enterprise Value (US\$m)

EV / 2018e CuEq prod'n (US\$/t)<sup>(2)</sup>

EV / 2018e EBITDA<sup>(3)</sup>

Net debt / Enterprise Value



1. As at 19-Feb-18.

2. Atalaya and Ero Copper per mid-points of latest guidance. Avanco and Central Asia Metals per broker consensus. Other peers per Wood Mackenzie estimates.

3. EBITDA per FactSet.

4. Pro forma Dec 17 equity raise and Feb 18 issue of equity to Rumbo, and includes Astor deferred consideration at carrying value.



# Investment Case

- Well understood deposits with low operational and country risk
  - ✓ Access to developed and modern infrastructure
  - ✓ Low capital intensity
- Strong pipeline of low-risk growth projects
- Riotinto expansion expected by management to unlock value
  - ✓ Additional ~€290m EBITDA over the LOM<sup>(1)</sup>
  - ✓ >40% IRR at US\$3.00/lb copper price<sup>(1)</sup>
- Proven management team
- Strong financial position
  - ✓ Nil financial debt<sup>(2)</sup>
  - ✓ 2017 9-month EBITDA of ~€34m
  - ✓ Working capital position improved over year as result of cash generated from operations and equity placement
  - ✓ Production and cost guidance in line with expectations
- Supportive strategic shareholders
  - ✓ Raised £31m in December 2017 to fund ongoing expansion of Riotinto mine



1. See Illustrative 15M Highlights on page 13; assumes US\$18.00/oz silver and 1.15 USD:EUR.  
2. Excludes Astor deferred consideration.

# APPENDIX

# Ownership Structure & Corporate Overview



## ■ Supportive strategic shareholders

- ✓ Have participated in prior equity raises for restart of Proyecto Riotinto
- ✓ Indicative of continued support for the company

### Major shareholders (as at 16 February 2018)

Holder	# shares	% ISC
Urion Mining International (Trafigura)	30,821,213	22.7
Yanggu Xiangguang Copper (XGC)	30,706,232	22.6
Orion Mine Finance	18,786,609	13.9
Liberty Metals & Mining	19,578,947	14.5
Majedie Asset Management	9,067,000	6.7
Other Shareholders	26,515,649	19.6
<b>Total</b>	<b>135,475,650</b>	<b>100.0</b>

### Overview (as at 16 February 2018)

Exchanges	AIM: ATYM / TSX: AYM
Share price (GB pence)	191.0
Share price (CAD)	320.0
Shares Outstanding	135,475,650
Options & warrants	1,596,902
Fully diluted	137,072,552
Market Capitalisation (GBPm)	258.8
Market Capitalisation (C\$m)	433.5

# Senior Management & Board of Directors

## Strong Technical & Financial Expertise



### Alberto Lavandeira CEO, Director

Over 38 years' experience operating and developing mining projects. Former President, CEO and COO of Rio Narcea Gold Mines which built 3 mines including Aguablanca. Director of Black Dragon Gold Corp. and Samref Overseas S.A, involved in the development of the Mutanda Mine in the DRC.

### César Sánchez Chief Financial Officer

CFO of various companies mining and financial provider companies. Former CFO of Iberian Minerals with interests in copper assets. Specialized in due diligence, debt raising, IPOs, mergers and restructurings processes.

### Julian Sánchez GM, Operations

Over 20 years' of international mining experience including Spain (Aguablanca), DRC (Mutanda), Mauritania (Tasiast), and previously in Peru and China. Former Deputy Head of Mining at Eferton Resources.

### Roger Davey Non-Executive Chairman

Over 40 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 Orosur Mining Inc., Central Asia Metals, Condor Gold Plc and Tharisa PLC.

### Jesús Fernández Non-Executive Director

Head of the M&A team for Trafigura. He joined Trafigura in 2004 and has 15 years of experience in mining investments and financing. Currently a director of Mawson West Ltd. Previously a director of Tiger Resources Ltd. Anvil Mining Ltd. and Iberian Minerals Corp. Plc.

### Harry Liu Non-Executive Director

Vice President Yanggu Xiangguang Copper (Shandong, China), among world's largest Cu smelting, refining and processing groups. Former senior management and marketing positions in the mineral and financial industries in Shanghai and Hong Kong, including Marketing Manager at BHP Billiton Marketing AG and Director at BNP Paribas Asia.

### Jonathan Lamb Non-Executive Director

Investment Manager at Orion Mine Finance and a Director at Lynx Resources. Formerly Investment Manager for Red Kite Group's Mine Finance business. Previously with Deutsche Bank's Metals & Mining Investment Banking group in New York, where he worked on a variety of debt and equity financings and M&A transactions.

### Damon Barber Non-Executive Director

Senior Managing Director of Liberty Metals & Mining Holdings, LLC. Formerly held positions with mining companies and served as the Head of Deutsche Bank's Metals Mining investment banking practice in Asia-Pacific. Spent more than 11 years at Credit Suisse, primarily as an investment banker in Credit Suisse's Energy Group.

### Hussein Barma Non-Executive Director

Principal of Barma Advisory. Formerly CFO (UK) of Antofagasta Plc (1998 to 2014) with deep knowledge of governance practices at board level, as well as accounting and reporting, investor relations and the regulatory requirements of the London market. Previously worked as an auditor at Price Waterhouse. Steering group member of the UK Financial Reporting Council's Financial Reporting Lab.

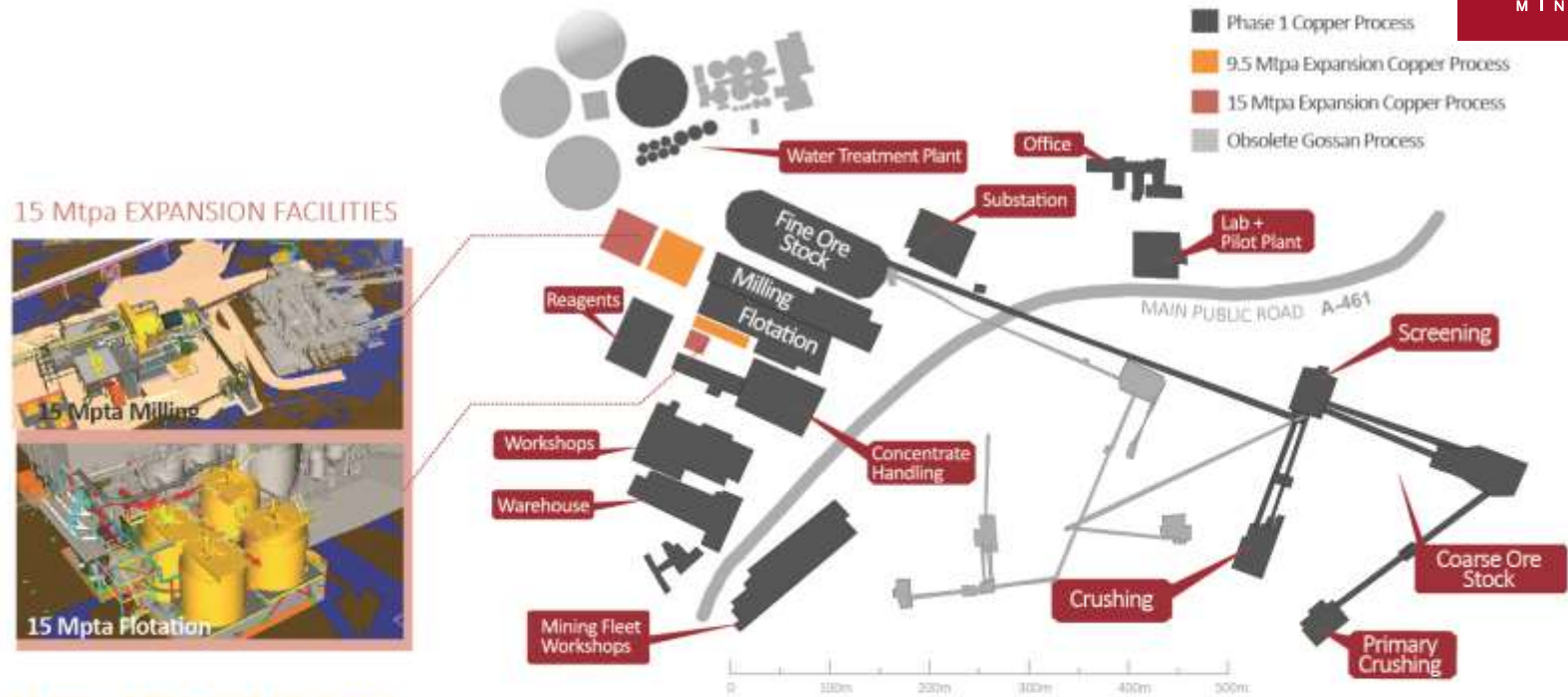
### José Sierra López Non-Executive Director

Extensive experience as a mining and energy leader in the business and government sectors. Former Director General of Mines and Construction Industries in Spain, Former Director European Commission and National Spanish Commission. Formerly a member of the Board of Transport et Infrastructures Gaz France.

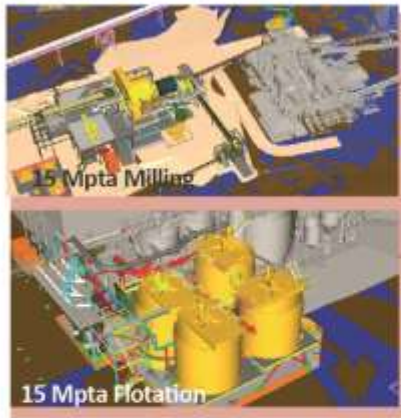
### Stephen Scott Non-Executive Director

President and CEO of Entrée Resources Ltd. Previously he was President and CEO of Minenet Advisors advising on strategy, corporate development, business restructuring and project management. He held various global executive positions with Rio Tinto (2000-2014) and currently serves on the boards of a number of public and private mining companies.

# Existing Riotinto Plan View



15 Mtpa EXPANSION FACILITIES



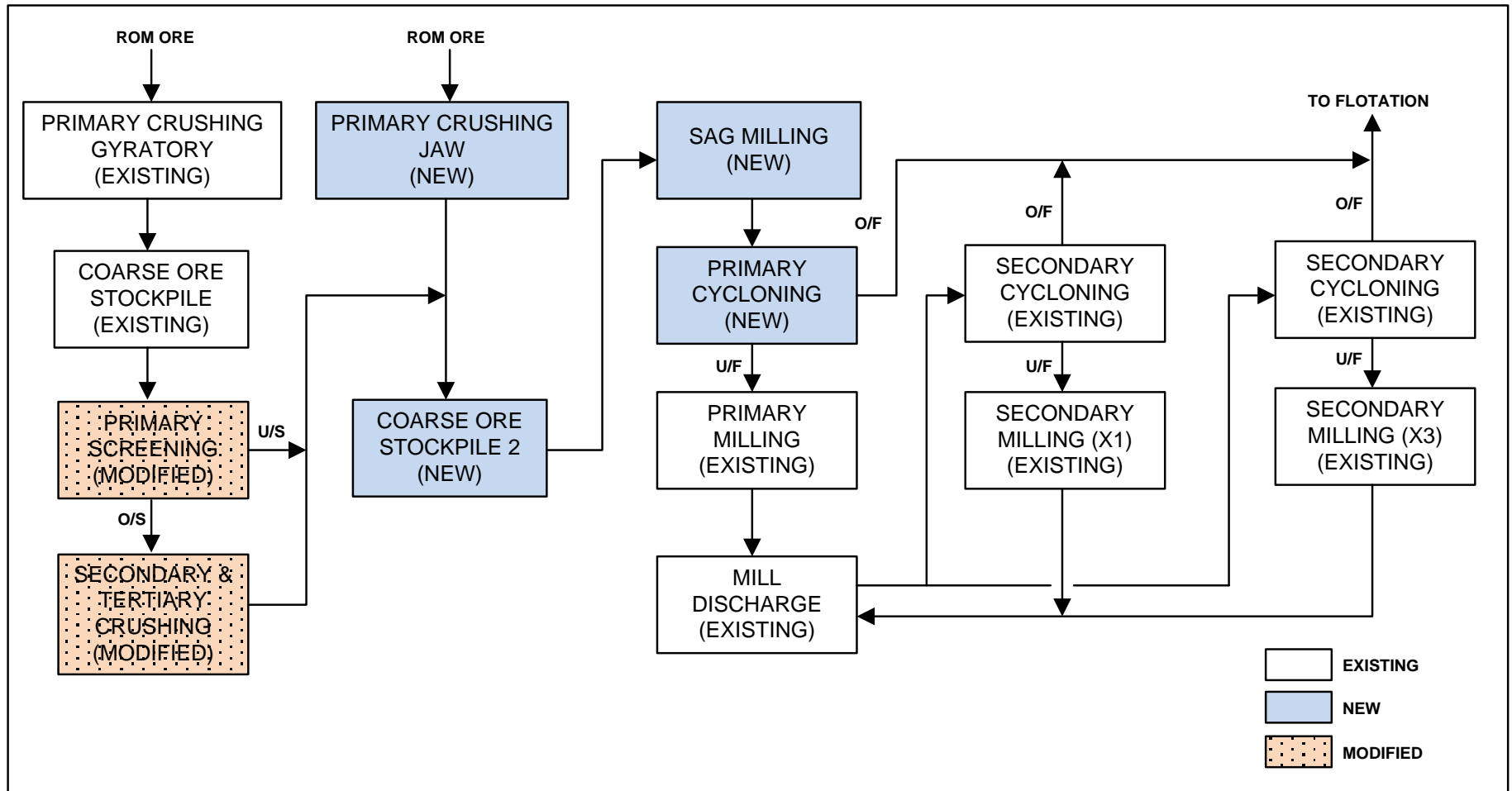
9.5 Mtpa EXPANSION FACILITIES



PHASE 1 FACILITIES



# 15M Flowsheet





# Key Investor Rights



Company	Agreement	Terms
XGC	• Subscription Agreement *	✓ Pre-emptive right over further issues of equity shares <sup>1</sup> ✓ One board seat <sup>2</sup>
Orion Mine Finance	• Subscription Agreement *	✓ Pre-emptive right over further issues of equity shares <sup>1</sup> ✓ One board seat <sup>2</sup>
Liberty Metals & Mining	• Subscription Agreement *	✓ Pre-emptive right over further issues of equity shares <sup>1</sup> ✓ One board seat <sup>2</sup>
Trafigura	• Subscription Agreement * • Offtake Agreement	✓ Pre-emptive right over further issues of equity shares <sup>1</sup> ✓ One board seat <sup>2</sup> ✓ Offtake granted over 19.34% of life of mine reserves as per the October 2013 Technical Report

\* June 2015 Financing

1. Right is subject to Investor holding >5% shareholding in Atalaya
2. Right is subject to Investor holding >10% shareholding in Atalaya

## Other Key Agreements

Rumbo	• Joint Venture Agreement and Sale and Purchase Agreement	✓ 50/50 Joint Venture with Rumbo for processing of Class B resources in tailings, subject to feasibility study ✓ Royalty of up to \$1 million p.a. on commencement of commercial mining operations for up to 10 years. Quarterly payments subject to average copper sales or LME price for period of at least \$2.60/lb.
Astor Mgmt.	• Agency Agreement with EMED Marketing	✓ Exclusive agreement to provide agency services to Company on all concentrate sold ✓ For the first 932,000 dmt concentrate sales a base marketing fee of EUR11.25/dmt of concentrate sold is payable plus additional escalating fees dependent on copper price ✓ For the remaining balance of 1,438,000 dmt of concentrate sold a commission of EUR22.50/dmt is payable
	• Security package over EMED Tartessus	✓ Pledge over share capital of EMED Tartessus and Atalaya Mining has provided a Parent Company Guarantee in relation to Deferred Consideration and amounts payable under the Agency Agreement
	• Master Agreement and Loan Agreement	✓ Refer to slide 30



# Summary of Astor Case Ruling



## Judgement handed down 6 March 2017

- Deferred Consideration payment not triggered, hence first instalment has not fallen due
- No breach of obligation to use all reasonable endeavours to obtain a senior debt facility or duty of good faith
- No lump sum or fixed payment schedule required
  - ✓ The Master Agreement and its provisions remain in place
  - ✓ Deferred consideration of €43m payable out of excess cash after Opex, sustaining Capex, any senior debt service requirements and up to US\$10m per annum (for non-PRT related expenses), as well as €9.1 million under a loan assignment
  - ✓ Atalaya Riotinto Minera S.L. cannot make any dividend distribution or any repayment of money lent to it by its holding company (other than for non-PRT related expenses as referred to above) and must apply any excess cash to pay Deferred Consideration until this has been paid in full

## Current position

- On 25 April 2017, Atalaya and Astor applied for permission to appeal to the Court of Appeal. Astor was granted permission to appeal in relation to whether the Deferred Consideration has been triggered. Atalaya was granted permission to appeal on whether the Deferred Consideration is payable at all and whether it is restricted from making payments in the interim. The Appeal will take place in May 2018.

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**Atalaya**  
MINING