16 November 2023

Atalaya Mining Plc.

("Atalaya" and/or the "Company")

Q3 and YTD 2023 Financial Results

Progress at operations and projects support the planned move to LSE Main Market

Atalaya Mining Plc (AIM: ATYM) is pleased to announce its unaudited third quarter and nine month financial results for the period ended 30 September 2023 ("Q3 2023" and "YTD 2023" respectively) together with its unaudited condensed consolidated financial statements.

Highlights

- Copper production of 12.5 kt in Q3 2023 and 38.9 kt YTD 2023
- AISC of $3.24/lb Cu in Q3 2023 and $3.07/lb YTD 2023
- FY2023 outlook: expect to achieve lower end of copper production guidance range of 53-54 kt and AISC within $3.00-3.20/lb range previously announced
- EBITDA of €19.1 million in Q3 2023 and €59.2 million YTD 2023
- Strong net cash position of €66.8 million following recent dividend payment and investments in the 50 MW solar plant, E-LIX Phase I and exploration
- Subsequent to Q3 2023, announced the intention to apply for admission to the premium listing segment of the Official List and trading on the LSE's Main Market, and a proposed re-domiciliation from Cyprus to Spain in order to open the possibility for future FTSE UK Index Series inclusion once Main Market listed

Q3 and YTD 2023 Financial Results Summary

Period ended 30 September	**Unit**	**Q3 2023**	Q3 2022	**YTD 2023**	YTD 2022
Revenues from operations	*€k*	**85,361**	82,284	**254,755**	261,953
Operating costs	*€k*	**(66,260)**	(86,550)	**(195,543)**	(224,838)
EBITDA	***€k***	**19,101**	(4,266)	**59,212**	37,115
Profit/(loss) for the period	*€k*	**11,140**	(7,219)	**31,448**	22,887
Basic earnings/(loss) per share	*€ cents/share*	**8.3**	(4.7)	**23.2**	17.4
Cash flows from operating activities	*€k*	**27,778**	(3,810)	**59,028**	17,572
Cash flows used in investing activities	*€k*	**(18,864)**	(8,681)	**(35,604)**	(36,004)
Cash flows from financing activities	*€k*	**(3,202)**	(12,647)	**(31,569)**	2,816
Net Cash position [(1)]	*€k*	**66,764**	55,598	**66,764**	55,598
Working capital surplus	*€k*	**76,917**	106,817	**76,917**	106,817
Average realised copper price (excluding QPs)	***US$/lb***	**3.77**	3.52	**3.86**	4.06
Cu concentrate produced	*tonnes*	**59,306**	63,400	**184,907**	180,635
Cu production	*tonnes*	**12,541**	13,453	**38,892**	38,300
Cash costs	***US$/lb payable***	**2.82**	3.34	**2.76**	3.26
All-In Sustaining Cost ('AISC')	***US$/lb payable***	**3.24**	3.49	**3.07**	3.47

(1) Includes restricted cash and bank borrowings at 30 September 2023 and 2022.

Alberto Lavandeira, CEO, commented:

"Atalaya continued to demonstrate good results across its key operational and financial metrics during Q3. Our copper production is expected to achieve the lower end of our FY23 guidance and our AISC is tracking in line with expectations, underscoring our commitment to operational efficiency and cost management.

Additionally, our strategic investments in the 50 MW solar plant, E-LIX Phase I, and exploration initiatives not only align with responsible mining practices but also position us for future value creation.

Looking ahead, we have a strong cash position and are excited about our application for admission to the premium listing segment of the London Stock Exchange's Main Market and the proposed re-domiciliation. We believe these measures could broaden the Company's appeal to new institutions at a time when investor interest in copper and the related energy transition thematic continues to accelerate."

Investor Presentation Reminder

Alberto Lavandeira (CEO) and César Sánchez (CFO) will be holding a live presentation relating to the Q3 and YTD 2023 Financial Results via the Investor Meet Company platform at 12:00 GMT today.

To register, please visit the following link and click "Add to Meet" Atalaya via:

https://www.investormeetcompany.com/atalaya-mining-plc/register-investor

Management will also answer questions that have been submitted via the Investor Meet Company dashboard.

Q3 and YTD 2023 Operating Results Summary

Units expressed in accordance with the international system of units (SI)	**Unit**	**Q3 2023**	Q3 2022	**YTD 2023**	YTD 2022
Ore mined	*Mt*	**3,845,806**	3,816,688	**11,201,824**	11,344,206
Waste mined	*Mt*	**9,662,598**	5,753,382	**24,820,247**	19,332,317
Ore processed	*Mt*	**3,850,196**	3,923,498	**11,651,730**	11,451,805
Copper ore grade	*%*	**0.38**	0.41	**0.38**	0.39
Copper concentrate grade	*%*	**21.15**	21.22	**21.03**	21.20
Copper recovery rate	*%*	**87.00**	84.62	**87.03**	85.70
Copper concentrate	*tonnes*	**59,306**	63,400	**184,907**	180,635
Copper contained in concentrate	*tonnes*	**12,541**	13,453	**38,892**	38,300
Payable copper contained in concentrate	*tonnes*	**11,948**	12,819	**37,043**	36,494

Mining

Ore mined was 3.8 million tonnes in Q3 2023 (Q3 2022: 3.8 million tonnes) and 11.2 million tonnes in YTD 2023 (YTD 2022: 11.3 million tonnes).

Waste mined was 9.7 million tonnes in Q3 2023 (Q3 2022: 5.8 million tonnes) and 24.8 million tonnes in YTD 2023 (YTD 2022: 19.3 million tonnes). Waste mining during YTD 2023 was consistent with budget and included increased waste stripping at Cerro Colorado in anticipation of the potential start of mining activities at San Dionisio in late 2023.

Processing

The plant processed 3.9 million tonnes of ore in Q3 2023 (Q3 2022: 3.9 million tonnes) and 11.7 million tonnes in YTD 2023 (YTD 2022: 11.5 million tonnes).

Copper grade was 0.38% in Q3 2023 (Q3 2022: 0.41%) and 0.38% in YTD 2023 (YTD 2022: 0.39%).

Copper recoveries in Q3 2023 were 87.00% (Q3 2022: 84.62%) and 87.03% in YTD 2023 (YTD 2022: 85.7%), as a result of favourable ore characteristics during the 2023 periods.

Production

Copper production was 12,541 tonnes in Q3 2023 (Q3 2022: 13,453 tonnes) and 38,892 tonnes in YTD 2023 (YTD 2022: 38,300 tonnes).

On-site copper concentrate inventories at 30 September 2023 were approximately 7,358 tonnes (30 June 2023: 7,291 tonnes). All concentrate in stock at the beginning of the period was delivered to the port at Huelva.

Copper contained in concentrates sold was 12,521 tonnes in Q3 2023 (Q3 2022: 14,040 tonnes) and 37,880 tonnes in YTD 2023 (YTD 2022: 38,296 tonnes).

Cash Costs and AISC Breakdown

$/lb Cu payable	**Q3 2023**	Q3 2022	**YTD 2023**	YTD 2022
Mining	**0.90**	0.75	**0.84**	0.82
Processing	**0.93**	1.53	**0.90**	1.39
Other site operating costs	**0.51**	0.49	**0.52**	0.52
Total site operating costs	**2.34**	2.77	**2.26**	2.73
By-product credits	**(0.09)**	(0.07)	**(0.09)**	(0.08)
Freight, treatment charges and other offsite costs	**0.57**	0.64	**0.59**	0.61
Total offsite costs	**0.48**	0.57	**0.50**	0.53
Cash costs	**2.82**	3.34	**2.76**	3.26
Cash costs	**2.82**	3.34	**2.76**	3.26
Corporate costs	**0.08**	0.05	**0.07**	0.08
Sustaining capital (excluding one-off tailings expansion)	**0.06**	0.06	**0.04**	0.06
Capitalised stripping costs	**0.21**	-	**0.13**	0.01
Other costs	**0.07**	0.04	**0.07**	0.05
Total AISC	**3.24**	3.49	**3.07**	3.46

Note: Some figures may not add up due to rounding.

Cash costs were $2.82/lb payable copper in Q3 2023 (Q3 2022: $3.34/lb) and $2.76/lb payable copper in YTD 2023 (YTD 2022: $3.26/lb), with the decrease mainly due to lower electricity and offsite costs despite lower production volumes.

AISC were $3.24/lb payable copper in Q3 2023 (Q3 2022: $3.49/lb) and $3.07/lb payable copper in YTD 2023 (YTD 2022: $3.46/lb). The decrease in AISC was driven by the same factors that resulted in lower cash costs, but partly offset by higher capitalised stripping costs. AISC excludes one-off investments in the tailings dam, consistent with prior reporting.

Q3 and YTD 2023 Financial Results Highlights

Income Statement

Revenues were €85.4 million in Q3 2023 (Q3 2022: €82.3 million) and €254.8 million in YTD 2023 (YTD 2022: €262.0 million). For Q3 period, modestly higher revenues were the result of higher realised copper prices partly offset by lower sales volumes, while in the YTD period, lower revenues were mainly the result of lower realised copper prices.

Operating costs were €66.3 million in Q3 2023 (Q3 2022: €86.6 million) and €195.5 million (YTD 2022: €224.8 million). Lower operating costs during the 2023 periods were mainly the result of lower electricity costs, partly offset by higher administrative and expensed exploration costs.

EBITDA was positive €19.1 million in Q3 2023 (Q3 2022: negative €4.3 million) and positive €59.2 million in YTD 2023 (YTD 2022: positive €37.1 million). Higher comparable EBITDA was mainly the result of lower operating costs.

Profit after tax was €11.1 million in Q3 2023 (Q3 2022: €7.2 million loss) or 8.3 cents basic earnings per share (Q3 2022: 4.7 cents loss) and €31.4 million in YTD 2023 (YTD 2022: €22.9 million) or 23.2 cents basic earnings per share (Q3 2022: 17.4 cents).

Cash Flow Statement

Cash flows from operating activities before changes in working capital were €20.7 million in Q3 2023 (Q3 2022: negative €4.2 million) and €27.8 million after working capital changes (Q3 2022: negative €3.8 million). For YTD 2023, cash flows from operating activities before changes in working capital were €59.6 million (YTD 2022: €37.0 million) and €59.0 million after working capital changes (YTD 2022: €17.6 million).

Cash flows used in investing activities were €18.9 million in Q3 2023 (Q3 2022: €8.7 million) and €35.6 million in YTD 2023 (YTD 2022: €36.0 million). Key investments in Q3 2023 included €1.5 million in sustaining capex (Q3 2022: €1.6 million), €5.2 million in capitalised stripping (Q3 2022: nil), €3.4 million to extend the tailings dam (Q3 2022: €3.0 million), €6.3 million for the 50 MW solar plant (Q3 2022: €0.4 million) and €4.5 million for the E-LIX Phase I Plant (Q3 2022: €6.5 million), of which €2.6 million was booked as prepayments for service contract to Lain Technologies Ltd.

Cash flows from financing activities were negative €3.2 million in Q3 2023 (Q3 2022: negative €12.6 million) and negative €31.6 million in YTD 2023 (YTD 2022: positive €2.8 million), as a result of scheduled debt repayments and dividends payments.

Balance Sheet

Consolidated cash and cash equivalents were €119.1 million at 30 September 2023 (31 December 2022: €126.4 million).

Net of current and non-current borrowings of €52.3 million, net cash was €66.8 million as at 30 September 2023, compared to €68.8 million as at 30 June 2023 and €53.1 million as at 31 December 2022.

Inventories of concentrate valued at cost were €8.3 million at 30 June 2023 (31 December 2022: €4.5 million).

As at 30 September 2023, total working capital was €76.9 million, compared to €81.4 million as at 30 June 2023 and €84.0 million as at 31 December 2022.

Electricity Prices

Realised Prices

Market electricity prices in Q3 2023 increased slightly from Q2 2023, in part due to the impact of strikes at LNG export facilities in Australia on European natural gas prices, but remained significantly below 2022 levels. After including the contribution from the Company's 10-year power purchase agreement ("PPA"), realised electricity prices in Q3 2023 were approximately 60% lower than the Company's average realised electricity price in 2022.

Renewable Energy Projects

Construction of the 50 MW solar plant at Riotinto continues to advance. Ramp-up is expected to begin in early January 2024, with full operations expected in the following months. When fully operational, the facility is expected to provide approximately 22% of Riotinto's current electricity needs. Together, the 50 MW solar plant and long-term PPA will provide over 50% of the Company's current electricity requirements at a rate well below historical prices in Spain.

The Company continues to assess the potential installation of wind turbines at Riotinto, which could supply additional low cost and carbon-free electricity and contribute to the Company's decarbonisation objectives.

2023 Guidance

The Company expects to achieve copper production at the lower end of its full year guidance range of 53,000 to 54,000 tonnes at cash costs of $2.80 to $3.00/lb copper payable and AISC of $3.00 to $3.20/lb copper payable.

Aggregate expenditures relating to non-sustaining capital investments (such as E-LIX Phase I, the 50 MW solar plant, Riotinto tailings facility expansion) and exploration activities continue to trend in line with prior FY2023 guidance, although the composition is expected to vary including higher investments in the E-LIX Phase I plant.

Asset Portfolio Update

Proyecto Riotinto

In April 2023, the Company was granted a substantial modification to the existing Unified Environmental Authorisation (or in Spanish, Autorización Ambiental Unificada ("AAU")) for Proyecto Riotinto by the Junta de Andalucía. The AAU allows for the expansion of tailings capacity and the mine footprint at Riotinto and represents an important step towards developing regional deposits such as San Dionisio and San Antonio.

The Company is continuing with permitting activities associated with San Dionisio, which represents a key component of the integrated mine plan that was outlined in the recent Riotinto PEA. Preparation of the pit for mining is underway.

E-LIX Phase I Plant

Construction activities continue at the E-LIX Phase I plant, with commissioning expected to begin in December 2023.

Once operational, the E-LIX plant is expected to produce high purity copper or zinc metals on site, allowing the Company to potentially achieve higher metal recoveries from complex polymetallic ores, lower transportation and concentrate treatment charges and a reduced carbon footprint.

Riotinto District – Proyecto Masa Valverde ("PMV")

In March 2023, the Company announced that PMV was granted an AAU by the Junta de Andalucía, following an application process that was initiated by the Company in December 2021. The AAU is an integrated process that combines the Environmental Impact Assessment and other authorisations and specifies requirements to avoid, prevent and minimise a project's impacts on the environment and the cultural heritage of the area. Various optimisation workstreams continue.

Three core rigs are active and focused on step out drilling at the Mojarra Trend, drill testing coincident fix loop electromagnetic ("FLEM") and airborne gravity gradiometry ("AGG") anomalies and completing metallurgical and infill drilling at the Masa Valverde deposit. The first phase of resource definition drilling at the Campanario Trend was completed during the Period.

Proyecto Touro

Atalaya remains fully committed to the development of the Touro copper project, which has the potential to provide substantial benefits to Galicia and also support the European Union's critical raw materials mandate.

The Xunta de Galicia has legislation that seeks to promote industry in Galicia by simplifying the approval process. Business initiatives can be classified as priority business initiatives ("IEP") and strategic industrial projects ("Proyecto Industrial Estratégico" or "PIE") which provide a variety of development advantages. The Company believes that Touro fulfils the requirements to be granted the status of a PIE in Galicia.

Touro has the potential to become a new source of copper production for Europe. As such, the project could also be granted "Strategic Project" status by the EU, which can be awarded to projects "based on their contribution to the security of supply of strategic raw materials, their technical feasibility, sustainability and social standards", as part of the Critical Raw Materials Act. Copper was recently added to the list of "Strategic Raw Materials" owing to its importance for strategic sectors and technologies and due to the supply-demand imbalance that is expected in the near future.

Running parallel with the ongoing Touro permitting process, the Company continues to focus on numerous initiatives related to the social licence, including engaging with the many stakeholders in the region to provide detailed information on the new and improved project design. Positive and favourable feedback from numerous meetings with municipalities, farmers and fishermen associations and other industries indicate meaningful support towards the development of a new and modern mining project.

The Company continues to successfully restore the water quality of the rivers around Touro and is operating its water treatment plant, which is addressing the legacy issues associated with acid water runoff from the historical mine, which closed in 1987. The field-work carried out by Atalaya has resulted in an immediate and visible improvement of the water systems surrounding the project, with the progress being recognised by local stakeholders and the media.

Atalaya continues to be confident that its approach to Touro, which includes fully plastic lined thickened tailings with zero discharge, is consistent with international best practice and will satisfy the most stringent environmental conditions that may be imposed by the authorities prior to the development of the project.

Proyecto Ossa Morena

Drilling continued to progress with one rig at the Guijarro-Chaparral gold-copper project and the La Hinchona copper-gold project, both in the central part of the district. One rig is being mobilised to the flagship Alconchel-Pallares copper-gold project.

Proyecto Riotinto East

Drill testing of selected coincident FLEM and AGG anomalies is in progress with one rig.

Corporate Activities After the Reporting Period

Corporate Governance Update

Following the completion of an internal policy review in October 2023, the former Audit & Financial Risk Committee was renamed the Audit Committee. Hussein Barma continues as Chair of the Audit Committee, Neil Gregson continues as a Member and Stephen Scott was appointed as a Member in place of Roger Davey. Mr. Davey continues as Chair of the Board of Directors, a Member of the Physical Risk Committee and a Member of the Sustainability Committee.

In addition, Neil Gregson was appointed as Senior Independent Director. Mr. Gregson joined the Company's Board of Directors in February 2021 and continues as Chair of the Nomination & Governance Committee, Member of the Audit Committee, Member of the Physical Risk Committee and Chair of the Remuneration Committee.

Intention to Move to the Main Market

On 13 November 2023, the Company announced its intention to apply for the Company's ordinary shares ("Ordinary Shares") to be admitted to the premium listing segment of the Official List maintained by the Financial Conduct Authority ("FCA") ("Official List") and to trading on the London Stock Exchange plc's ("London Stock Exchange") main market for listed securities ("Main Market") (together, "Admission").

Since restarting operations at Proyecto Riotinto in 2016, Atalaya has become a leading European producer of copper, which is a key commodity for economic growth and the energy transition. Atalaya has assembled a portfolio of growth projects across several world-class mineral districts in Spain and maintains a sustainable dividend policy. In order to build on this success, Atalaya's Board of Directors believes that the move to the Main Market would further enhance the Company's corporate profile and broaden its appeal to new institutional investors.

Atalaya does not intend to raise any funds or offer any new securities in connection with Admission or the publication of the related prospectus. The Admission will be effected through an introduction of the Company's existing Ordinary Shares.

Admission is subject to the approval by the FCA of a prospectus and the Ordinary Shares being admitted by the FCA to the premium listing segment of the Official List and by the London Stock Exchange to trading on the Main Market. Subject to the satisfaction of these conditions, Admission is expected to occur before the end of December 2023. Accordingly, the Company has given notice of the intended cancellation of trading of its Ordinary Shares on AIM in accordance with Rule 41 of the AIM Rules for Companies. The Company's listing on AIM is expected to be to be cancelled before the end of December 2023.

Atalaya will make a further announcement on the status of the proposed applications for Admission, together with the timeline for Admission, in due course.

Proposed Re-domiciliation

On 14 November 2023, the Company announced its intention to re-domicile the Company by transferring its registered office from the Republic of Cyprus to the Kingdom of Spain ("Proposed Re-domiciliation").

This change in corporate structure is subject to shareholder approval and regulatory consents. The Company is convening an Extraordinary General Meeting ("EGM") to consider and, if thought advisable, to approve the resolutions which are necessary to approve the Proposed Re-domiciliation. If approved, the Proposed Re-domiciliation is expected to be completed before end of May 2024.

The re-domiciliation is being proposed as the incorporation in Cyprus no longer reflects the Company's geographic and strategic focus, and therefore represents a legacy structure for the Company.

The Proposed Re-domiciliation follows the Company's announcement on 13 November 2023 confirming its intention to move to the Main Market of the London Stock Exchange

("Step-up"). In the event the Step-up occurs, the Proposed Re-domiciliation also opens the possibility for the Company to be eligible for inclusion in the FTSE UK Index Series (subject to other eligibility criteria being satisfied at the time of application), which the Company believes would be in the interest of all its shareholders.

The proposed Re-domiciliation and the Step-up are independent of each other and neither is conditional upon the other occurring.

The EGM will take place on Tuesday, 12 December 2023 at 11:00 am GMT at Hamilton House, 1 Temple Avenue, London EC4Y 0HA to consider the Proposed Re-domiciliation and related matters as a consequence of the Proposed Re-domiciliation.

A circular, incorporating the Notice of EGM and further background and information on the Proposed Re-domiciliation, together with forms of proxy are available on the Company's website at www.atalayamining.com.

Financial Statements

The Unaudited Condensed Consolidated Financial Statements for the three and nine months ended 30 September 2023 are also available on Atalaya's website at www.atalayamining.com.

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About Atalaya Mining Plc

Atalaya is an AIM-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 central 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, as well as a 99.9% interest in Proyecto Ossa Morena. For further information, visit www.atalayamining.com

ATALAYA MINING PLC
MANAGEMENT'S REVIEW AND
UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
30 September 2023

Notice to Reader

The accompanying unaudited interim condensed consolidated financial statements of Atalaya Mining Plc have been prepared by and are the responsibility of Atalaya Mining Plc's management.

Introduction

This report provides an overview and analysis of the financial results of operations of Atalaya Mining Plc and its subsidiaries ("Atalaya" and/or "Group"), to enable the reader to assess material changes in the financial position between 31 December 2022 and 30 September 2023 and results of operations for the three and nine months ended 30 September 2023 and 2022.

This report has been prepared as of 15 November 2023. The analysis hereby included is intended to supplement and complement the unaudited interim condensed consolidated financial statements and notes thereto ("Financial Statements") as at and for the period ended 30 September 2023. The reader should review the Financial Statements in conjunction with the review of this report and with the audited, consolidated financial statements for the year ended 31 December 2022 and the six month ended 30 June 2023, and the unaudited interim condensed consolidated financial statements for the period ended 30 September 2022. These documents can be found on Atalaya's website at www.atalayamining.com

Atalaya prepares its Annual Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and its Unaudited Interim Condensed Consolidated Financial Statements in accordance with International Accounting Standard 34: Interim Financial Reporting. The currency referred to in this document is the Euro, unless otherwise specified.

Forward-looking statements

This report may include certain "forward-looking statements" and "forward-looking information" under applicable securities laws. Except for statements of historical fact, certain information contained herein constitute forward-looking statements. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Assumptions upon which such forward-looking statements are based include that all required third party regulatory and governmental approvals will be obtained. Many of these assumptions are based on factors and events that are not within the control of Atalaya and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include changes in market conditions and other risk factors discussed or referred to in this report and other documents filed with the applicable securities regulatory authorities. Although Atalaya has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Atalaya undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

1. Incorporation and description of the Business

Atalaya Mining Plc (the "Company") was incorporated in Cyprus on 17 September 2004 as a private company with limited liability under the Companies Law, Cap. 113 and was converted to a public limited liability company on 26 January 2005. Its registered office is at 1 Lampousa Street, Nicosia, Cyprus.

The Company was listed on AIM of the London Stock Exchange ("AIM") in May 2005 under the symbol ATYM. The Company continued to be listed on AIM as at 30 September 2023.

On 20 February 2023, Atalaya announced that applied a voluntary delisting of its ordinary shares from the Toronto Stock Exchange (the "TSX"). Ordinary shares in the Company continue to trade on the AIM market of the London Stock Exchange under the symbol "ATYM". Delisting from TSX took effect at the close of trading on 20 March 2023. Furthermore, Atalaya ceased to be a reporting issuer in Canadian jurisdictions on 26 June 2023.

Atalaya is a European mining and development company. The company's strategy is to evaluate and prioritise metal production opportunities in several jurisdictions throughout the well-known belts of base and precious metal mineralisation in Spain, elsewhere in Europe and Latin America.

The Group currently owns four mining projects: Proyecto Riotinto, Proyecto Touro, Proyecto Masa Valverde and Proyecto Ossa Morena. In addition, the Company has an earn-in agreement to acquire certain investigation permits at Proyecto Riotinto Este.

Proyecto Riotinto

The Company owns and operates through a wholly owned subsidiary, "Proyecto Riotinto", an open-pit copper mine located in the Iberian Pyrite Belt, in the Andalusia region of Spain, approximately 65 km northwest of Seville. A brownfield expansion of this mine was completed in 2019 and successfully commissioned by 31 March 2020.

Proyecto Touro

The Group has an initial 10% stake in Cobre San Rafael, S.L., the owner of Proyecto Touro, as part of an earn-in agreement which will enable the Group to acquire up to 80% of the copper project. Proyecto Touro is located in Galicia, north-west Spain. Proyecto Touro is currently in the permitting process.

In November 2019, Atalaya executed the option to acquire 12.5% of Explotaciones Gallegas del Cobre, S.L. the exploration property around Touro, with known additional mineralisation, which will add to the potential of Proyecto Touro.

Proyecto Masa Valverde

On 21 October 2020, the Company announced that it entered into a definitive purchase agreement to acquire 100% of the shares of Cambridge Mineria España, S.L. (since renamed Atalaya Masa Valverde, S.L.U.), a Spanish company which fully owns the Masa Valverde polymetallic project located in Huelva (Spain). Proyecto Masa Valverde is currently in the permitting process.

Proyecto Riotinto Este

In December 2020, Atalaya entered into a Memorandum of Understanding with a local private Spanish company to acquire a 100% beneficial interest in three investigation permits (known as Peñas Blancas, Cerro Negro and Herreros investigation permits), which cover approximately 12,368 hectares and are located immediately east of Proyecto Riotinto.

Proyecto Ossa Morena

In December 2021, Atalaya announced the acquisition of a 51% interest in Rio Narcea Nickel, S.L., which owns 17 investigation permits. The acquisition also provided a 100% interest in three investigation permits that are also located along the Ossa-Morena Metallogenic Belt. In July 2022, Atalaya increased its stake in the company to 99.9% as a result of an equity raise to fund the exploration activities under the investigation permits.

2. Overview of Operational Results

Proyecto Riotinto

The following table presents a summarised statement of operations of Proyecto Riotinto for the three and nine months ended 30 September 2023 and 2022, respectively.

Units expressed in accordance with the international system of units (SI)	**Unit**	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Ore mined	t	**3,845,806**	3,816,688	**11,201,824**	11,344,206
Waste mined	t	**9,662,598**	5,753,382	**24,820,247**	19,332,317
Ore processed	t	**3,850,196**	3,923,498	**11,651,730**	11,451,805
Copper ore grade	%	**0.38**	0.41	**0.38**	0.39
Copper concentrate grade	%	**21.15**	21.22	**21.03**	21.20
Copper recovery rate	%	**87.00**	84.62	**87.03**	85.70
Copper concentrate	t	**59,306**	63,400	**184,907**	180,635
Copper contained in concentrate	t	**12,541**	13,453	**38,892**	38,300
Payable copper contained in concentrate	t	**11,948**	12,819	**37,043**	36,494
Cash cost (*)	US$/lb payable	**2.82**	3.34	**2.76**	3.26
All-in sustaining cost (*)	US$/lb payable	**3.24**	3.49	**3.07**	3.47

(*) Refer Section 5 of this Management Review.

There may be slight differences between the numbers in the above table and the figures announced in the quarterly operations updates that are available on Atalaya's website at www.atalayamining.com

$/lb Cu payable	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Mining	**0.90**	0.75	**0.84**	0.82
Processing	**0.93**	1.53	**0.90**	1.39
Other site operating costs	**0.51**	0.49	**0.52**	0.52
Total site operating costs	**2.34**	2.77	**2.26**	2.73
By-product credits	**(0.09)**	(0.07)	**(0.09)**	(0.08)
Freight, treatment charges and other offsite costs	**0.57**	0.64	**0.59**	0.61
Total offsite costs	**0.48**	0.57	**0.50**	0.53
Cash costs	**2.82**	3.34	**2.76**	3.26
Cash costs C1	**2.82**	3.34	**2.76**	3.26
Corporate costs	**0.08**	0.05	**0.07**	0.08
Sustaining capital (excluding one-off tailings expansion)	**0.06**	0.06	**0.04**	0.06
Capitalised stripping costs	**0.21**	-	**0.13**	0.01
Other costs	**0.07**	0.04	**0.07**	0.05
Total AISC	**3.24**	3.49	**3.07**	3.46

Note: Some figures may not add up due to rounding.

Three months operational review

The plant processed 3.9 million tonnes of ore during Q3 2023 (Q3 2022: 3.9 million tonnes), compared with 4.1 million tonnes in Q2 2023.

Copper grade was 0.38% in Q3 2023 (Q3 2022: 0.41%), compared with 0.40% in Q2 2023.

Copper recoveries in Q3 2023 were 87.00% (Q3 2022: 84.62%), compared with 87.18% in Q2 2023, as a result of favourable ore characteristics during the period.

Copper production was 12,541 tonnes in Q3 2023 (Q3 2022: 13,453 tonnes), compared with 14,212 tonnes in Q2 2023. Lower grades during the Period were partially offset by recoveries that were higher than budget.

On-site copper concentrate inventories at 30 September 2023 were approximately 7,358 tonnes (30 June 2023: 7,291 tonnes). All concentrate in stock at the beginning of the Period was delivered to the port at Huelva.

Copper contained in concentrates sold was 12,521 tonnes in Q3 2023 (Q3 2022: 14,040 tonnes), compared with 12,858 tonnes in Q2 2023.

Nine months operational review

Production of copper contained in concentrate during YTD 2023 was 38,892 tonnes, compared with 38,300 tonnes in the same period of 2022. Payable copper in concentrates was 37,043 tonnes compared with 36,494 tonnes of payable copper in YTD 2022.

Ore mined in YTD 2023 was 11.2 million tonnes compared with 11.3 million tonnes during YTD 2022. Ore processed was 11.7 million tonnes versus 11.5 million tonnes in YTD 2022.

Ore grade during YTD 2023 was 0.38% Cu compared with 0.39% Cu in YTD 2022. Copper recovery was 87.03% versus 85.70% in YTD 2022. Concentrate production amounted to 184,907 tonnes above YTD 2022 production of 180,635 tonnes.

2. Outlook

The forward-looking information contained in this section is subject to the risk factors and assumptions contained in the cautionary statement on forward-looking statements *included in the Basis of Reporting. The Company is aware that the inflationary pressure on the goods and services required for its business and the geopolitical developments and its impact on energy prices may still have further effects or impact how the Company can manage it operations and is accordingly keeping its guidance under regular review. Should the Company consider the current guidance no longer achievable, then the Company will provide a further update.*

Operational guidance

Guidance for Proyecto Riotinto is as follows.

	Unit	Guidance 2023
Ore mined	million tonnes	**~15**
Waste mined	million tonnes	**~30**
Ore processed	million tonnes	**15.3 – 15.8**
Copper ore grade	%	**0.39 - 0.41**
Copper recovery rate	%	**86 – 87**
Contained copper	tonnes	**53,000-54,000**
Cash costs	$/lb payable	**2.80 – 3.00**
All-in sustaining cost	$/lb payable	**3.00 – 3.20**

Full year copper production is expected to be at the lower end of the production guidance range of 53,000 to 54,000 tonnes.

Inflationary pressures continue to impact the global mining industry. The prices of many key inputs, including diesel, tyres, explosives, grinding media and lime, increased materially in 2022 as a result of higher global energy prices and logistics constraints. Since then, prices have stabilised for certain items.

The cash cost guidance range for 2023 remains at $2.80 to $3.00/lb copper payable and the AISC guidance range remains at $3.00 to $3.20/lb copper payable. Market electricity prices for YTD 2023 have been consistent with expectations.

In addition, aggregate expenditures relating to non-sustaining capital investments (such as E-LIX Phase I, the 50 MW solar plant, Riotinto tailings facility expansion) and exploration activities are trending in line with FY2023 guidance, although the composition is expected to vary slightly including modestly higher investments in the E-LIX Phase I plant.

3. Overview of the Financial Results

The following table presents summarised consolidated income statements for the three and nine months ended 30 September 2023, with comparatives for the three and nine months ended 30 September 2022, respectively.

(Euro 000's)	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Revenues	**85,361**	82,284	**254,755**	261,953
Costs of sales	**(62,459)**	(84,768)	**(182,252)**	(217,757)
Administrative and other expenses	**(2,383)**	(905)	**(8,028)**	(5,356)
Exploration expenses	**(1,554)**	(92)	**(5,156)**	(456)

Care and maintenance expenditure	**(499)**	(789)	**(1,185)**	(1,559)
Other income	**635**	4	**1,078**	290
EBITDA	**19,101**	(4,266)	**59,212**	37,115
Depreciation/amortisation	**(8,992)**	(9,039)	**(27,165)**	(25,344)
Net foreign exchange gain	**705**	5,633	**760**	15,727
Net finance (cost)/ income	**(143)**	(510)	**2,493**	(1,451)
Tax	**469**	963	**(3,852)**	(3,160)
Profit/ (loss) for the period	**11,140**	(7,219)	**31,448**	22,887

Three months financial review

Revenues for the three-month period ended 30 September 2023 amounted to €85.4 million (Q3 2022: €82.3 million). Increase revenues in comparison to the same quarter of the previous year were mainly attributable to higher realised prices with decreased volumes of concentrate sold.

Realised prices excluding QPs were US$3.77/lb copper during Q3 2023 compared with US$3.52/lb copper in Q3 2022. The realised price during the quarter, including QPs, was approximately US$3.81/lb.

Cost of sales for the three-month period ended 30 September 2023 amounted to €62.5 million, compared with €84.8 million in Q3 2022. Unit operating costs in Q3 2023 were lower than in Q3 2022.

Cash costs of US$2.82/lb payable copper during Q3 2023 compared with US$3.34/lb payable copper in the same period last year. Lower cash costs were primarily attributed to a significant reduction in the cost of electricity (approx. €18.2 million lower) and other supply-related costs, which also included lower freight prices. AISC for Q3 2023, excluding one-off investments in the tailings dam, were US$3.24/lb payable copper compared with US$3.49/lb payable copper in Q3 2022.

Sustaining capex for Q3 2023 amounted to €1.5 million compared with €1.6 million in Q3 2022. Sustaining capex mainly related to continuous enhancements in the processing systems of the plant. In addition, the Company invested €3.4 million in the project to increase the tailings dam during Q3 2023 (Q3 2022: €3.0 million). Stripping costs capitalised during Q3 2023 amounted to €5.2 million (Q3 2022: €nil).

Capex associated with the construction of the 50 MW solar plant amounted to €6.3 million in Q3 2023, while investments in the E-LIX Phase I plant totalled €4.5 million, of which €2.6 million was booked as prepayments for service contract to Lain Technologies Ltd.

Administrative and other expenses amounted to €2.4 million (Q3 2022: €0.9 million) and include non-operating costs of the Cyprus office, corporate legal and consultancy costs, on-going listing costs, officers and directors' emoluments, and salaries and related costs of the corporate office.

Exploration costs on Atalaya's project portfolio for the three-month period ended 30 September 2023 amounted to €1.6 million compared to €0.1 million in Q3 2022 mainly as a result of costs incurred during the period in Proyecto Masa Valverde.

EBITDA for the three months ended 30 September 2023 amounted to €19.1 million compared with Q3 2022 negative of €4.3 million.

The main item below the EBITDA line is depreciation and amortisation of €9.0 million (Q3 2022: €9.0 million). In Q3 2023, net financing costs amounted to a negative €0.1 million (compared to €0.5 million in Q3 2022).

Nine months financial review

Revenues for the nine-month period ended 30 September 2023 amounted to €254.8 million (YTD 2022: €262.0 million).

Copper concentrate production during the nine-month period ended 30 September 2023 was 184,907 tonnes (YTD 2022: 180,635 tonnes) with 181,078 tonnes of copper concentrates sold in the period (YTD 2022: 181,541 tonnes). Higher production levels in YTD 2023 were mainly the result of robust throughput. Inventories of concentrates as at the reporting date were 7,358 tonnes (31 Dec 2022: 3,529 tonnes).

Realised copper prices, excluding QPs, for YTD 2023 were US$3.86/lb copper compared with US$4.06/lb copper in the same period of 2022. Concentrates were sold under offtake agreements for the production not committed. The Company did not enter into any hedging agreements in 2023.

Cost of sales for the nine-month period ended 30 September 2023 amounted to €182.3 million, compared with €217.8 million in YTD 2022. Lower operating costs in 2023 were due to a reduction in input costs compared with the 2022 period, where the high cost of electricity, diesel and other supplies were the result of inflation and the geopolitical situation.

Cash costs of US$2.76/lb payable copper during YTD 2023 compare with US$3.26/lb payable copper in the same period last year. The reduction in cash costs can be mainly attributed to a significant reduction in the cost of electricity (approx. €52.3 million lower) and other supplies, including freight prices. AISC excluding investment in the tailings dam in the nine month period were US$3.07/lb payable copper compared with US$3.47/lb payable copper in YTD 2022. The decrease is mainly due to the lower cash costs, although partly offset by higher capitalised stripping costs.

Sustaining capex for the nine-month period ended 30 September 2023 amounted to €2.9 million, compared with €4.5 million in the same period the previous year. Sustaining capex related to enhancements in plant processing systems. In addition, the Company invested €10.3 million in the project to extend the tailings dam, compared with €9.4 million in 2022.

Capex associated with the construction of the 50 MW solar plant amounted to €10.7 million in YTD 2023, while investments in the E-LIX Phase I plant totalled €12.9 million, of which €7.5 million was booked as prepayments for service contract to Lain Technologies Ltd.

Corporate costs for the first nine-month period ended September 2023 were €8.0 million, compared with €5.4 million in YTD 2022. Corporate costs mainly include the Company's overhead expenses.

Exploration costs related to Atalaya's project portfolio for the nine-month period ended 30 September 2023 and amounted to €5.2 million, compared with €0.5 million, plus €2.2 million capitalised as permits in Proyecto Masa Valverde, in YTD 2022.

EBITDA for the nine months ended 30 September 2023 amounted to €59.2 million, compared with €37.1 million in YTD 2022.

Depreciation and amortisation amounted to €27.2 million for the nine-month period ended 30 September 2023 (YTD 2022: €25.3 million).

Net foreign exchange gains amounted to €0.8 million in YTD 2023 (€15.7 million in YTD 2022).

Net finance costs for YTD 2023 amounted to positive €2.5 million (YTD 2022 negative €1.5 million), this increase is mainly attributed to the interest received of €3.5 million as a result of the agreement reached with Astor on 17 May 2023.

Copper prices

The average realised copper price (excluding QPs) increased by 7.1% to US$3.77/lb in Q3 2023, from US$3.52/lb in Q3 2022.

The average prices of copper for the three and nine months ended 30 September 2023 and 2022 are summarised below:

$/lb	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Realised copper price (excluding QPs)	**3.77**	3.52	**3.86**	4.06
Market copper price per lb (period average)	**3.79**	3.51	**3.90**	4.12

Realised copper prices for the reporting period noted above have been calculated using payable copper and excluding both provisional invoices and final settlements of quotation periods ("QPs") together. The realised price during Q3 2023, including the QP, was approximately $3.81/lb.

4. Non-GAAP Measures

Atalaya has included certain non-IFRS measures including "EBITDA", "Cash Cost per pound of payable copper", "All-In Sustaining Costs" ("AISC") "realised prices" and "Net Cash/Debt" in this report. Non-IFRS measures do not have any standardised meaning prescribed under IFRS, and therefore they may not be comparable to similar measures presented by other companies. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for indicators prepared in accordance with IFRS.

EBITDA includes gross sales net of penalties and discounts and all operating costs, excluding finance, tax, impairment, depreciation and amortisation expenses.

Cash Cost per pound of payable copper includes cash operating costs, including treatment and refining charges ("TC/RC"), freight and distribution costs net of by-product credits. Cash Cost per pound of payable copper is consistent with the widely accepted industry standard established by Wood Mackenzie and is also known as the C1 cash cost.

AISC per pound of payable copper includes C1 Cash Costs plus royalties and agency fees, expenditures on rehabilitation, capitalised stripping costs, exploration and geology costs, corporate costs and recurring sustaining capital expenditures but excludes one-off sustaining capital projects, such as the tailings dam project.

Realised price per pound of payable copper is the value of the copper payable included in the concentrate produced including the discounts and other features governed by the offtake agreements of the Group and all discounts or premiums provided in commodity hedge agreements with financial institutions if any, expressed in USD per pound of payable copper. Realised prices do not include period end mark to market adjustments in respect of provisional pricing. Realised price is consistent with the widely accepted industry standard definition.

5. Liquidity and Capital Resources

Atalaya monitors factors that could impact its liquidity as part of Atalaya's overall capital management strategy. Factors that are monitored include, but are not limited to, the market price of copper, foreign currency rates, production levels, operating costs, capital and administrative costs.

The following is a summary of Atalaya's cash position and cash flows as at 30 September 2023 and 31 December 2022.

Liquidity information

(Euro 000's)	30 Sep 2023	31 Dec 2022
Unrestricted cash and cash equivalents at Group level	**98,032**	108,550
Unrestricted cash and cash equivalents at Operation level	**21,031**	17,567
Restricted cash and cash equivalents at Operation level	**-**	331
Consolidated cash and cash equivalents [1]	**119,063**	126,448
Net cash position [1]	**66,764**	53,085
Working capital surplus	**76,917**	84,047

[1] *Includes borrowings*

Unrestricted cash and cash equivalents (which include cash at both Group level and Operation level) as at 30 September 2023 decreased to €119.1 million from €126.5 million at 31 December 2022. The decrease in cash balances is the result of net cash flow generated in the period and payment of debt to fund development of the 50 MW solar plant and other facilities. Restricted cash at 31 December 2022 amounted to €0.3 million held in escrow, which represented funds utilized by the Company to cover possible remaining costs due to Astor following litigation during 2022. However, due to the settlement reached with Astor on 17 May 2023 whereby Astor agreed to repay €3.5 million of interest previously paid to it to finalise the litigation, the previously restricted cash has now been released and reversed.

Between 31 December 2022 and 30 September 2023, borrowings have exhibited a notable reduction of €21.1 million. This decline is primarily attributed to repayments made across various fronts, encompassing the financing of the solar plant facility, debt associated with operational facilities, and the Astor facility. The company's proactive stance in managing its balance sheet has been instrumental in achieving this significant reduction in the borrowing balance. This development underscores enhanced financial stewardship and fortified the company's financial position.

As of 30 September 2023, Atalaya reported a working capital surplus of €76.9 million, compared with a working capital surplus of €84.0 million at 31 December 2022. The main liability of the working capital is trade payables related to Proyecto Riotinto contractors and, to a lesser extent, short-term loans following the settlement of credit facilities during Q3 2023.

The decrease in working capital resulted from higher inventory levels and lower payable balances.

Overview of the Group's cash flows

(Euro 000's)	**Three month period ended 30 Sept 2023**	Three month period ended 30 Sept 2022	**Nine month period ended 30 Sept 2023**	Nine month period ended 30 Sept 2022
Cash flows from/ (used in) from operating activities	**27,778**	(3,810)	**59,028**	17,572
Cash flows used in investing activities	**(18,864)**	(8,681)	**(35,604)**	(36,004)
Cash flows (used in)/ from financing activities	**(3,202)**	(12,647)	**(31,569)**	2,816
Net decrease in cash and cash equivalents	**5,712**	(25,138)	**(8,145)**	(15,616)
Net foreign exchange differences	**705**	5,633	**760**	15,727
Total net cash flow for the period	**6,417**	(19,505)	**(7,385)**	111

Three months cash flows review

Cash and cash equivalents increased by €6.4 million during the three months ended 30 September 2023. This was due to the net results of cash from operating activities amounting to €27.8 million, the cash used in investing activities amounting to €18.9 million, the cash used in financing activities totalling €3.2 million and net foreign exchange differences of €0.7 million.

Cash generated from operating activities before working capital changes was €20.7 million. Atalaya increased its trade receivables in the period by €5.9 million, decreased its inventory levels by €0.6 million and increased its trade payables by €13.2 million.

Investment activities during the quarter consumed €18.9 million, relating mainly to the 50 MW solar plant construction, tailings dam project, E-LIX project and continuous enhancements in the processing systems of the plant.

Financing activities during the quarter decreased by €3.2 million primarily due to the dividends paid.

Nine months cash flows review

Cash and cash equivalents decreased by €7.4 million during the nine months ended 30 September 2023. This was due to cash from operating activities amounting to €59.0 million, cash used in investing activities amounting to €35.6 million, cash used in financing activities amounting to €31.6 million and net foreign exchange differences of €0.7 million.

Cash generated from operating activities before working capital changes was €59.6 million. Atalaya decreased its trade payables in the period by €7.5 million, decreased its inventory levels by €0.7 million and decreased its trade receivable balances by €11.4 million.

Throughout the period, investment activities amounted to €35.6 million, with the majority of funds directed towards the construction of the 50 MW solar plant, the tailings dam project, the E-LIX project, and ongoing enhancements in the plant's processing systems.

Financing activities during the nine-month period ended 30 September 2023 decreased by €31.6 million driven by the repayment of unsecured credit facilities and dividends paid.

Foreign exchange

Foreign exchange rate movements can have a significant effect on Atalaya's operations, financial position and results. Atalaya's sales are denominated in U.S. dollars ("USD"), while Atalaya's operating expenses, income taxes and other expenses are mainly denominated in Euros ("EUR") which is the functional currency of the Group, and to a much lesser extent in British Pounds ("GBP").

Accordingly, fluctuations in the exchange rates can potentially impact the results of operations and carrying value of assets and liabilities on the balance sheet.

During the three and nine months ended 30 September 2023, Atalaya recognised a foreign exchange profit of €0.8 million and €0.7 million, respectively. Foreign exchange profits mainly related to changes in the period in EUR and USD conversion rates, as all sales are cashed and occasionally held in USD.

The following table summarises the movement in key currencies versus the EUR:

(Euro 000's)	**Three month period ended 30 Sept 2023**	Three month period ended 30 Sept 2022	**Nine month period ended 30 Sept 2023**	Nine month period ended 30 Sept 2022
Average rates for the periods				

GBP – EUR	**0.8597**	0.8563	**0.8707**	0.8472
USD – EUR	**1.0884**	1.0070	**1.0833**	1.0638
Spot rates as at				
GBP – EUR	**0.8646**	0.8830	**0.8646**	0.8830
USD – EUR	**1.0594**	0.9748	**1.0594**	0.9748

6. Sustainability

Corporate Social Responsibility

The third quarter of the year marks further progress from Atalaya and its wholly owned Fundación Atalaya Riotinto as they continue their efforts to fulfil their social responsibilities.

In this context, neighbouring municipalities have just renewed leadership after municipal elections. During this quarter the company and its Foundation are in conversations with the new administrations to develop new partnership agreements that need to be signed. The agreements are designed to secure funding for collaborative initiatives aimed at addressing social, environmental, and infrastructure challenges. During this quarter, in Minas de Riotinto, the Foundation has contributed with a programme to refurbish a number of pedestrian pathways in the surroundings of the town. Furthermore, the Foundation has agreed to provide funding for several local projects, including support for NGOs, local associations and sport clubs.

Moreover, the Foundation has now completed its training program aimed at local unemployed individuals. The Third Atalaya Mining Operators Course has successfully finished its practical two-month internship with the principal contractors of the Riotinto Mine. Now the group of 20 students is ready to engage with the labour market with new skills acquired thanks to the hands-on experience in various mining and industrial related operations which include official qualifications. The previous programme was successful, with nearly half of the participants now employed by various companies.

Health and Safety

The results for Q3 2023, compared to the same period in 2022, show a significant improvement with only one lost time accident and 97 consecutive days with no lost-time accidents.
For the nine months, results have been improved regarding the previous year with three minor loss accidents and severity and frequency indices are 0.10 and 4.48.

In addition, Atalaya has updated its internal procedure for controlling drugs and preventing work under the influence of psychoactive substances and has been approved an evidentiary test with a biological sample (blood) carried out by an accredited laboratory.

The Field Leadership activity is running well and has added value to contributing to the safety behaviour in the mining facility.

The training plan for Atalaya employees is currently focused on basic life support and the rules of action in the event of health emergencies at the company with a specific training in heat-stressed work according with the metabolic loading of the job.

Environment

During the third quarter of 2023, the environmental department has continued executing the actions of environmental monitoring of the activity and management of the natural environment. Key points of the quarter:

- During the third quarter of the year, one environmental incident was registered: A spill was detected in Flotation Area over open ground. It was caused by an electrical failure. The area was cleaned, and the waste was taken to the tailings facility.
- A total rainfall of 36.6 l/m2 was recorded in Q3 2023, which was around 3% less than in the same period of previous year. Total rainfall for the hydrological year (October 2022 to September 2023) is 442.3 l/m^2, which is 9% more than the rainfall recorded in the previous hydrological year (same period).
- On July 21st, 2023, the Integrated Environmental Authorization (IPPC Permit for ELIX Plant) was granted.
- The additional measures defined in the action plan against dust continued to be implemented, intensifying periodic irrigation, implementing new coordination measures, and carrying out exhaustive monitoring of the emissions generated in the operation.
- All the regular internal controls of diffuse emissions into the atmosphere have been carried out, and the results of the controls are within the limit values. However, in August, the TSP (Total Suspended Particles) limit was exceeded at sampling point number 1. In the rest, ADP (Atmospheric Deposition Particles) and TSP limits were met. Furthermore, the results of Annual External Control, Point and Diffuse Emissions into the atmosphere were received. All limits were met. Other periodic and mandatory controls have been carried out without incidents. In addition, during the quarter, several reports were handed to the Administration bodies.
- Environmental inspections were performed daily, mainly focused on chemical storage and handling, housekeeping, waste management, uncontrolled releases and environmentally friendly practices carried out in the project by ARM's and contractors' personnel. Additionally, dust control and drainage system inspections were performed regularly. 82 inspections in total were carried out during the third quarter, including, plant, mine area and the contractors' camps.

7. Risk Factors

Due to the nature of Atalaya's business in the mining industry, the Group is subject to various risks that could materially impact the future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to Atalaya. Readers are encouraged to read and consider the risk factors detailed in Atalaya's audited, consolidated financial statements for the year ended 31 December 2022.

The Company continues to monitor the principal risks and uncertainties that could materially impact the Company's results and operations, including the areas of increasing uncertainty such as inflationary pressure on goods and services required for the business and geopolitical developments which could affect operations and markets..

8. Critical accounting policies, estimates, judgements, assumptions and accounting changes

The preparation of Atalaya's Financial Statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect amounts reported in the Financial Statements and accompanying notes. There is a full discussion and description of Atalaya's critical accounting policies in the audited consolidated financial statements for the year ended 31 December 2022.

As at 30 September 2023, there are no significant changes in critical accounting policies or estimates to those applied in 2022.

9. Other Information

Additional information about Atalaya Mining Plc. is available at www.atalayamining.com

Unaudited interim condensed consolidated financial statements on subsequent pages.

By Order of the Board of Directors,

Roger Davey
Chairman
Nicosia, 15 November 2023

Unaudited Interim Condensed Consolidated Income Statements

(All amounts in Euro thousands unless otherwise stated)
For the period ended 30 September 2023 and 2022

(Euro 000's)	Note	**Three month period ended 30 Sept 2023**	Three month period ended 30 Sept 2022	**Nine month period ended 30 Sept 2023**	Nine month period ended 30 Sept 2022
Revenue	4	**85,361**	82,284	**254,755**	261,953
Operating costs and mine site administrative expenses		**(62,294)**	(84,450)	**(181,757)**	(217,082)
Mine site depreciation and amortization		**(8,992)**	(9,039)	**(27,165)**	(25,344)
Gross profit		**14,075**	(11,205)	**45,833**	19,527
Administration and other expenses		**(2,383)**	(905)	**(8,028)**	(5,356)
Share-based benefits	14	**(165)**	(318)	**(495)**	(675)
Exploration expenses		**(1,554)**	(92)	**(5,156)**	(456)
Other income		**635**	4	**1,078**	290
Care and maintenance expenditure		**(499)**	(789)	**(1,185)**	(1,559)
Operating profit		**10,109**	(13,305)	**32,047**	11,771
Net foreign exchange gain	3	**705**	5,633	**760**	15,727
Net finance (costs)/income	5	**(143)**	(510)	**2,493**	(1,451)
Profit before tax		**10,671**	(8,182)	**35,300**	26,047
Tax	6	**469**	963	**(3,852)**	(3,160)
Profit for the period		**11,140**	(7,219)	**31,448**	22,887
Profit for the period attributable to:					
- Owners of the parent	7	**11,570**	(6,608)	**32,481**	24,274
- Non-controlling interests		**(430)**	(611)	**(1,033)**	(1,387)
		11,140	(7,219)	**31,448**	22,887
Earnings per share from operations attributable to equity holders of the parent during the period:					
Basic earnings per share (EUR cents per share)	7	**8.3**	(4.7)	**23.2**	17.4
Fully diluted earnings per share (EUR cents per share)	7	**8.0**	(4.6)	**22.6**	17.0
Profit for the period		**11,140**	(7,219)	**31,448**	22,887
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Change in fair value of financial assets through other comprehensive income 'OCI'		**4**	(6)	**(1)**	(12)
Total comprehensive income for the period		**11,144**	(7,225)	**31,447**	22,875
Total comprehensive income for the period attributable to:					
- Owners of the parent	7	**11,574**	(6,614)	**32,480**	24,262
- Non-controlling interests		**(430)**	(611)	**(1,033)**	(1,387)
		11,144	(7,225)	**31,447**	22,875

The notes on the subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Unaudited Interim Condensed Consolidated Statement of Financial Position

(All amounts in Euro thousands unless otherwise stated)
As at 30 September 2023 and 2022

(Euro 000's)	Note	30 Sep 2023	31 Dec 2022
Assets		**Unaudited**	Audited
Non-current assets			
Property, plant and equipment	8	**376,065**	354,908
Intangible assets	9	**50,359**	53,830
Trade and other receivables	12	**24,680**	16,362
Non-current financial assets	2.3	**1,101**	1,101
Deferred tax asset		**8,355**	7,293
		460,560	433,494
Current assets			
Inventories	10	**38,142**	38,841
Trade and other receivables	12	**44,388**	64,155
Tax refundable		**100**	100
Other financial assets	2.3	**31**	33
Cash and cash equivalents	13	**119,063**	126,448
		201,724	229,577
Total assets		**662,284**	663,071
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	14	**13,596**	13,596
Share premium	14	**319,411**	319,411
Other reserves	15	**70,300**	69,805
Accumulated profit		**91,699**	70,483
		495,006	473,295
Non-controlling interests		**(8,031)**	(6,998)
Total equity		**486,975**	466,297
Liabilities			
Non-current liabilities			
Trade and other payables	16	**3,415**	2,015
Provisions	17	**27,589**	24,083
Lease liabilities	19	**4,002**	4,378
Borrowings	18	**15,496**	20,768
		50,502	51,244
Current liabilities			
Trade and other payables	16	**83,373**	90,022
Lease liabilities	19	**503**	536
Borrowings	18	**36,803**	52,595
Current provisions	17	**631**	952
Current tax liabilities		**3,497**	1,425
		124,807	145,530
Total liabilities		**175,309**	196,774
Total equity and liabilities		**662,284**	663,071

The notes on the subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Unaudited Interim Condensed Consolidated Statements of Changes in Equity

(All amounts in Euro thousands unless otherwise stated)
For the period ended 30 Sept 2023 and 2022

(Euro 000's)	Note	Share capital	Share premium (1)	Other reserves	Accum. Profits	Total	NCI	Total equity
At 1 January 2023		**13,596**	**319,411**	**69,805**	**70,483**	**473,295**	**(6,998)**	**466,297**
Adjustment prior year		**-**	**-**	**-**	**(12)**	**(12)**	**-**	**(12)**
Opening balance adjusted		**13,596**	**319,411**	**69,805**	**70,471**	**473,283**	**(6,998)**	**466,285**
Profit for the period		**-**	**-**	**-**	**32,481**	**32,481**	**(1,033)**	**31,448**
Change in fair value of financial assets through OCI		**-**	**-**	**(1)**	**-**	**(1)**	**-**	**(1)**
Total comprehensive income		**-**	**-**	**(1)**	**32,481**	**32,480**	**(1,033)**	**31,447**
Transactions with owners								
Recognition of share-based payments	15	**-**	**-**	**496**	**-**	**496**	**-**	**496**
Other changes in equity		**-**	**-**	**-**	**224**	**224**	**-**	**224**
Dividends	11	**-**	**-**	**-**	**(11,477)**	**(11,477)**	**-**	**(11,477)**
At 30 September 2023		**13,596**	**319,411**	**70,300**	**91,699**	**495,006**	**(8,031)**	**486,975**

(Euro 000's)	Note	Share capital	Share premium (1)	Other reserves	Accum. Profits	Total	NCI	Total equity
At 1 January 2022		13,447	315,916	52,690	58,754	440,807	(4,909)	435,898
Adjustment prior year		-	-	-	(53)	(53)	-	(53)
Opening balance adjusted		13,447	315,916	52,690	58,701	440,754	(4,909)	435,845
Profit for the period		-	-	-	24,274	24,274	(1,388)	22,886
Change in fair value of financial assets through OCI		-	-	(12)	-	(12)	-	(12)
Total comprehensive income		-	-	(12)	24,274	24,262	(1,388)	22,874
Transactions with owners								
Issuance of share capital	14	149	3,495	-	-	3,644	-	3,644
Recognition of depletion factor	15	-	-	12,800	(12,800)	-	-	-
Recognition of share-based payments	15	-	-	675	-	675	-	675
Recognition of non-distributable reserve	15	-	-	316	(316)	-	-	-
Recognition of distributable reserve	15	-	-	2,726	(2,726)	-	-	-
Other changes in equity		-	-	(291)	-	(291)	-	(291)
Dividends	11	-	-	-	(5,098)	(5,098)	-	(5,098)
At 30 September 2022		13,596	319,411	68,904	62,035	463,946	(6,297)	457,649

(Euro 000's) Audited	Note	Share capital	Share premium (1)	Other reserves	Accum. Profits	Total	NCI	Total equity
At 1 January 2022		13,447	315,916	52,690	58,754	440,807	(4,909)	435,898
Adjustment prior year		-	-	-	(53)	(53)	-	(53)
Opening balance adjusted		13,447	315,916	52,690	58,701	440,754	(4,909)	435,845
Profit for the period		-	-	-	33,155	33,155	(2,229)	30,926
Change in fair value of financial assets through OCI		-	-	(6)	-	(6)	-	(6)
Total comprehensive income		-	-	(6)	33,155	33,149	(2,229)	30,920
Transactions with owners								
Issuance of share capital	14	149	3,495	-	-	3,644	-	3,644

Recognition of depletion factor	15	-	-	12,800	(12,800)	-	-	-
Recognition of share-based payments	15	-	-	1,279	-	1,279	-	1,279
Recognition of non-distributable reserve	15	-	-	316	(316)	-	-	-
Recognition of distributable reserve	15	-	-	2,726	(2,726)	-	-	-
Other changes in equity		-	-	-	(432)	(432)	140	(292)
Dividends		-	-	-	(5,099)	(5,099)	-	(5,099)
At 31 December 2022		13,596	319,411	69,805	70,483	473,295	(6,998)	466,297

[1] The share premium reserve is not available for distribution
The notes on subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Unaudited Interim Condensed Consolidated Statement of Cash Flows

(All amounts in Euro thousands unless otherwise stated)
For to the period ended 30 September 2023 and 2022

(Euro 000's)	Note	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Cash flows from operating activities					
Profit/ (loss) before tax		**10,671**	(8,182)	**35,300**	26,047
Adjustments for:					
Depreciation of property, plant and equipment	8	**7,886**	7,899	**23,800**	22,017
Amortisation of intangibles	9	**1,106**	1,140	**3,365**	3,327
Recognition of share-based payments	15	**165**	318	**495**	675
Interest income	5	**(461)**	(1)	**(4,858)**	(16)
Interest expense	5	**461**	-	**1,655**	-
Unwinding of discounting on mine rehabilitation provision	17	**137**	249	**690**	718
Other provisions	17	**(287)**	-	**-**	-
Legal provisions	17	**1**	-	**1**	-
Net foreign exchange differences	3	**(705)**	(5,633)	**(760)**	(15,727)
Unrealised foreign exchange loss on financing activities		**1,727**	(26)	**(123)**	(27)
Cash inflows/(outflows) from operating activities before working capital changes		**20,701**	(4,236)	**59,565**	37,014
Changes in working capital:					
Inventories	10	**620**	550	**699**	(13,116)
Trade and other receivables	12	**(5,879)**	(9,784)	**11,449**	(17,735)
Trade and other payables	16	**13,172**	11,797	**(7,475)**	15,491
Provisions	17	**(103)**	-	**(397)**	
Cash flows from operations		**28,511**	(1,673)	**63,841**	21,654
Tax paid		**(266)**	(1,875)	**(3,139)**	(3,333)
Interest on leases liabilities	5	**(6)**	(12)	**(19)**	(15)
Interest paid	5	**(461)**	(250)	**(1,655)**	(734)
Net cash from operating activities		**27,778**	(3,810)	**59,028**	17,572
Cash flows from investing activities					
Purchase of property, plant and equipment	9	**(18,620)**	(7,824)	**(39,143)**	(33,856)
Purchase of intangible assets	10	**(246)**	(858)	**(294)**	(2,164)
Interest received	5	**2**	1	**3,833**	16

Net cash used in investing activities		**(18,864)**	(8,681)	**(35,604)**	(36,004)
Cash flows from financing activities					
Lease payments	19	**(133)**	-	**(428)**	(315)
Net proceeds/(repayments) from borrowings	18	**8,408**	(7,549)	**(19,664)**	4,586
Proceeds from issuance of shares	14	**-**	-	**-**	3,643
Dividends		**(11,477)**	(5,098)	**(11,477)**	(5,098)
Net cash (used in)/ from financing activities		**(3,202)**	(12,647)	**(31,569)**	2,816
Net increase/(decrease) in cash and cash equivalents		**5,712**	(25,138)	**(8,145)**	(15,616)
Net foreign exchange difference	3	**705**	5,633	**760**	15,727
Cash and cash equivalents:					
At beginning of the period		**112,646**	127,133	**126,448**	107,517
At end of the period		**119,063**	107,628	**119,063**	107,628

The notes on the subsequent pages are an integral part of these Unaudited Interim Condensed Consolidated Financial Statements.

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

(All amounts in Euro thousands unless otherwise stated)
For the period ended 30 September 2023 and 2023

1. Incorporation and summary of business

Atalaya Mining Plc (the "Company") was incorporated in Cyprus on 17 September 2004 as a private company with limited liability under the Companies Law, Cap. 113 and was converted to a public limited liability company on 26 January 2005. Its registered office is at 1 Lampousa Street, Nicosia, Cyprus.

The Company was listed on AIM of the London Stock Exchange in May 2005 under the symbol ATYM. The Company continued to be listed on AIM as at 30 September 2023.

On 20 February 2023, Atalaya announced that applied a voluntary delisting of its ordinary shares from the Toronto Stock Exchange (the "TSX"). Ordinary shares in the Company continue to trade on the AIM market of the London Stock Exchange under the symbol "ATYM". Delisting from the TSX took effect at the close of trading on 20 March 2023. Furthermore, Atalaya ceased to be a reporting issuer in Canadian jurisdictions on 26 June 2023.

Additional information about Atalaya Mining Plc is available at www.atalayamining.com as per requirement of AIM rule 26.

Change of name and share consolidation

Following the Company's Extraordinary General Meeting ("EGM") on 13 October 2015, the change of name from EMED Mining Public Limited to Atalaya Mining Plc became effective on 21 October 2015. On the same day, the consolidation of ordinary shares came into effect, whereby all shareholders received one new ordinary share of nominal value Stg £0.075 for every 30 existing ordinary shares of nominal value Stg £0.0025.

Principal activities

Atalaya is a European mining and development company. The strategy is to evaluate and prioritise metal production opportunities in several jurisdictions throughout the well-known belts of base and precious metal mineralisation in Spain, elsewhere in Europe and Latin America.

The Group has interests in four mining projects: Proyecto Riotinto, Proyecto Touro, Proyecto Masa Valverde and Proyecto Ossa Morena. In addition, the Group has an earn-in agreement to acquire certain investigation permits at Proyecto Riotinto Este.

Proyecto Riotinto

The Company owns and operates through a wholly owned subsidiary, "Proyecto Riotinto", an open-pit copper mine located in the Iberian Pyrite Belt, in the Andalusia region of Spain, approximately 65 km northwest of Seville. A brownfield expansion of this mine was completed in 2019 and successfully commissioned by Q1 2020.

Proyecto Touro

The Group has an initial 10% stake in Cobre San Rafael, S.L., the owner of Proyecto Touro, as part of an earn-in agreement which will enable the Group to acquire up to 80% of the copper project. Proyecto Touro is located in Galicia, north-west Spain. Proyecto Touro is currently in the permitting process.

In November 2019, Atalaya executed the option to acquire 12.5% of Explotaciones Gallegas del Cobre, S.L. the exploration property around Touro, with known additional reserves, which will provide high potential to the Proyecto Touro.

Proyecto Masa Valverde

On 21 October 2020, the Company announced that it entered into a definitive purchase agreement to acquire 100% of the shares of Cambridge Mineria España, S.L. (since renamed Atalaya Masa Valverde, S.L.U.), a Spanish company which fully owns the Masa Valverde polymetallic project located in Huelva (Spain). Proyecto Masa Valverde is currently in the permitting process.

Proyecto Riotinto East

In December 2020, Atalaya entered into a Memorandum of Understanding with a local private Spanish company to acquire a 100% beneficial interest in three investigation permits (known as Peñas Blancas, Cerro Negro and Herreros investigation permits), which cover approximately 12,368 hectares and are located immediately east of Proyecto Riotinto.

Proyecto Ossa Morena

In December 2021, Atalaya announced the acquisition of a 51% interest in Rio Narcea Nickel, S.L., which owns 17 investigation permits. The acquisition also provided a 100% interest in three investigation permits that are also located along the Ossa- Morena Metallogenic Belt. In Q3 2022 Atalaya increased its ownership interest in POM to 99.9%, up from 51%, following completion of a capital increase that will fund exploration activities.

2. Basis of preparation and accounting policies

2.1 Basis of preparation

(a) Overview

These condensed interim financial statements are unaudited.

The unaudited interim condensed consolidated financial statements for the period ended 30 September 2023 have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting. IFRS comprise the standard issued by the International Accounting Standard Board ("IASB"), and IFRS Interpretations Committee ("IFRICs") as issued by the IASB. Additionally, the unaudited interim condensed consolidated financial statements have also been prepared in accordance with the IFRS as adopted by the European Union (EU), using the historical cost convention and have been prepared on a historical cost basis except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period, as explained below.

These unaudited interim condensed consolidated financial statements include the financial statements of the Company and its subsidiary undertakings. They have been prepared using accounting bases and policies consistent with those used in the preparation of the consolidated financial statements of the Company and the Group for the year ended 31 December 2022. These unaudited interim condensed consolidated financial statements do not include all the disclosures required for annual financial statements, and accordingly, should be read in conjunction with the consolidated financial statements and other information set out in the Group's annual report for the year ended 31 December 2022.

(b) Going concern

These unaudited condensed interim consolidated financial statements have been prepared based on accounting principles applicable to a going concern which assumes that the Group will realise its assets and discharge its liabilities in the normal course of business. Management has carried out an assessment of the going concern assumption and has concluded that the Group will generate sufficient cash and cash equivalents to continue operating for the next twelve months.

Management continues to monitor the impact of geopolitical developments. Currently no significant impact is expected in the operations of the Group.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the unaudited condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2023, but do not have a material impact on the unaudited condensed interim consolidated financial statements of the Group.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The amendments had no impact on the Group's unaudited condensed interim consolidated financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's unaudited condensed interim consolidated financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Group's unaudited condensed interim consolidated financial statements. but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Group's unaudited condensed interim consolidated financial statements.

2.3 Fair value estimation

The fair values of the Group's financial assets and liabilities approximate their carrying amounts at the reporting date.

The fair value of financial instruments traded in active markets, such as publicly traded trading and other financial assets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. The appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods, such as estimated discounted cash flows, and makes assumptions that are based on market conditions existing at the reporting date.

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.3 Fair value estimation

Financial assets or liabilities (Euro 000's)	Level 1	Level 2	Level 3	Total
30 Sep 2023				
Other financial assets				
Financial assets at FV through OCI	**31**	**-**	**1,101**	**1,132**
Trade and other receivables	-	-	-	**-**
Receivables (subject to provisional pricing)	**-**	**12,257**	**-**	**12,257**
Total	**31**	**12,257**	**1,101**	**13,389**
31 Dec 2022				
Other financial assets				
Financial assets at FV through OCI	33	-	1,101	1,134
Trade and other receivables				-

Receivables (subject to provisional pricing)	-	27,557	-	27,557
Total	33	27,557	1,101	28,691

2.4 Critical accounting estimates and judgements

The preparation of the unaudited interim condensed consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A full analysis of critical accounting estimates and judgements is set out in Note 3.3 of the 2022 audited financial statements.

3. Business and geographical segments

Business segments

The Group has only one distinct business segment, being that of mining operations, which include mineral exploration and development.

Copper concentrates produced by the Group are sold to three off-takers as per the relevant offtake agreements. In addition, the Group has spot agreements for the concentrates not committed to off-takers.

Geographical segments

The Group's mining activities are located in Spain. The commercialisation of the copper concentrates produced in Spain is carried out through Cyprus. Sales transactions to related parties are on arm's length basis in a similar manner to transaction with third parties. Accounting policies used by the Group in different locations are the same as those contained in Note 2.

(Euro 000's)	Cyprus	Spain	Other	Total
Three month period ended 30 Sep 2023				
Revenue – from external customers	**6,312**	**79,049**	**-**	**85,361**
EBITDA	**3,225**	**15,937**	**(61)**	**19,101**
Depreciation/amortisation charge	**-**	**(8,992)**	**-**	**(8,992)**
Net foreign exchange gain	**506**	**199**	**-**	**705**
Finance income	**174**	**287**	**-**	**461**
Finance cost	**-**	**(604)**	**-**	**(604)**
Profit/ (loss) before tax	**3,905**	**6,827**	**(61)**	**10,671**
Tax	**(639)**	**1,108**	**-**	**469**

Profit/ (loss) for the period	**3,266**	**7,935**	**(61)**	**11,140**
Nine month period ended 30 Sep 2023				
Revenue – from external customers	**19,356**	**235,399**	**-**	**254,755**
EBITDA	**9,046**	**50,244**	**(78)**	**59,212**
Depreciation/amortisation charge	**-**	**(27,165)**	**-**	**(27,165)**
Net foreign exchange gain	**49**	**711**	**-**	**760**
Finance income	**375**	**4,482**	**-**	**4,857**
Finance cost	**-**	**(2,364)**	**-**	**(2,364)**
Profit/(loss) before tax	**9,470**	**25,908**	**(78)**	**35,300**
Tax	**(2,228)**	**(1,624)**	**-**	**(3,852)**
Profit/(loss) for the period	**7,242**	**24,284**	**(78)**	**31,448**
Total assets	**99,663**	**558,551**	**4,070**	**662,284**
Total liabilities	**(3,579)**	**(171,656)**	**(74)**	**(175,309)**
Depreciation of property, plant and equipment	**-**	**23,800**	**-**	**23,800**
Amortisation of intangible assets	**-**	**3,365**	**-**	**3,365**
Total net additions of non-current assets	**-**	**58,416**	**-**	**58,416**

(Euro 000's)	Cyprus	Spain	Other	Total
Three month period ended 30 Sep 2022				
Revenue – from external customers	8,792	73,492	-	82,284
EBITDA	6,190	(10,413)	(43)	(4,266)
Depreciation/amortisation charge	-	(9,039)	-	(9,039)
Net foreign exchange gain	1,511	4,122	-	5,633
Finance income	-	1	-	1
Finance cost	-	(511)	-	(511)
Profit/(loss) before tax	7,701	(15,840)	(43)	(8,182)
Tax	(590)	1,553	-	963
Profit/(loss) for the period	7,111	(14,287)	(43)	(7,219)
Nine month period ended 30 Sep 2022				
Revenue – from external customers	26,532	235,421	-	261,953
EBITDA	18,509	18,663	(57)	37,115
Depreciation/amortisation charge	-	(25,344)	-	(25,344)
Net foreign exchange gain	6,827	8,900	-	15,727
Finance income	-	16	-	16
Finance cost	-	(1,467)	-	(1,467)
Profit/(loss) before tax	25,336	768	(57)	26,047
Tax	(2,506)	(654)	-	(3,160)
Profit/(loss) for the period	22,830	114	(57)	22,887
Total assets	83,189	544,443	1,521	629,153
Total liabilities	(5,544)	141,817	(307,777)	(171,504)
Depreciation of property, plant and equipment	-	22,017	-	22,017
Amortisation of intangible assets	-	3,327	-	3,327
Total net additions of non-current assets	-	50,812	-	50,812

Revenue represents the sales value of goods supplied to customers; net of value added tax. The following table summarises sales to customers with whom transactions have individually exceeded 10.0% of the Group's revenues.

(Euro 000's)		Nine month period ended 30 Sep 2023		Nine month period ended 30 Sep 2022
	Segment	**€'000**	Segment	€'000
Offtaker 1	**Copper**	**66,400**	Copper	60,343
Offtaker 2	**Copper**	**51,329**	Copper	73,021
Offtaker 3	**Copper**	**137,008**	Copper	128,577

4. Revenue

(Euro 000's)	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Revenue from contracts with customers [(1)]	**86,224**	89,796	**259,311**	275,474
Fair value losses relating to provisional pricing within sales [(2)]	**(863)**	(7,512)	**(4,556)**	(13,521)
Total revenue	**85,361**	82,284	**254,755**	261,953

All revenue from copper concentrate is recognised at a point in time when the control is transferred. Revenue from freight services is recognised over time as the services are provided.

(1) Included within Q3 2023 and YTD 2023 revenues are transaction prices, which relate to the freight services provided by the Group to the customers arising from the sales of copper concentrate under CIF incoterm, of €1.2 million (Q3 2022: €1.5 million) and €5.7 million (YTD 2022: €5.7 million), respectively.

(2) Provisional pricing impact represents the change in fair value of the embedded derivative arising on sales of concentrate.

5. Net Finance (Costs)/Income

(Euro 000's)	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Interest expense				
Other interest	**(461)**	(250)	**(1,655)**	(734)
Interest on lease liabilities	**(6)**	(12)	**(19)**	(15)
Unwinding of discount on mine rehabilitation provision (Note 17)	**(137)**	(249)	**(690)**	(718)
Interest income				
Financial interests [1]	**459**	1	**1,025**	16
Other received interests [2]	**2**	-	**3,832**	-
	(143)	(510)	**2,493**	(1,451)

[1] Interest income relates to interest received on bank balances.

[2] Interest income comprise mainly the interest received of €3.5 million as a result of the agreement reached with Astor in May 2023.

6. Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the unaudited interim condensed consolidated statement of profit or loss are:

(Euro 000's)	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Income taxes				
Current income tax income/ (expense)	**469**	963	**(3,852)**	(3,160)
Income tax income/ (expense) recognised in statement of profit and loss	**469**	963	**(3,852)**	(3,160)

7. Earnings per share

The calculation of the basic and fully diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

(Euro 000's)	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Profit/ (loss) attributable to equity holders of the parent	**11,570**	(6,608)	**32,481**	24,274

Weighted number of ordinary shares for the purposes of basic earnings per share (000's)	**139,880**	139,880	**139,880**	139,716
Basic earnings per share (EUR cents/share)	**8.3**	(4.7)	**23.2**	17.4
Weighted number of ordinary shares for the purposes of fully diluted earnings per share (000's)	**144,728**	143,423	**144,051**	142,635
Fully diluted earnings per share (EUR cents/share)	**8.0**	(4.6)	**22.6**	17.0

At 30 September 2023 there are nil warrants (Note 14) and 4,848,500 options (Note 14) (2022: nil warrants and 3,543,500 options) which have been included when calculating the weighted average number of shares for 2023 for fully diluted earnings per share.

8. Property, plant and equipment

(Euro 000's)	Land and buildings	Right-of-use assets	Plant and machinery	Assets under construction (1)	Deferred mining costs (2)	Other assets (3)	Total
Cost							
At 1 January 2022	65,003	7,076	283,346	22,860	51,667	801	430,753
Additions	2,383	-	1,378	29,404	691	-	33,856
Reclassifications	15,300	-	4,979	(20,279)	-	-	-
Increase in rehab. Provision	1,365	-	-	-	-	-	1,365
At 30 September 2022	84,051	7,076	289,703	31,985	52,358	801	465,974
Additions	-	-	(116)	20,069	-	-	19,953
Increase in rehab. Provision	362	-	-	-	-	-	362
Reclassifications	-	-	1,748	(1,819)	-	71	-
Advances	103	-	-	-	-	-	103
Write-off	(4,190)	-	-	-	-	-	(4,190)
At 31 December 2022	**80,326**	**7,076**	**291,335**	**50,235**	**52,358**	**872**	**482,202**
Additions	**36**	**-**	**2,975**	**29,255**	**9,762**	**24**	**42,052**
Increase in rehab. Provision	**2,891**	**-**	**-**	**-**	**-**	**-**	**2,891**
Reclassifications	**-**	**-**	**19,014**	**(19,010)**	**-**	**-**	**4**
At 30 September 2023	**83,263**	**7,076**	**313,324**	**60,480**	**62,120**	**896**	**527,159**
Depreciation							
At 1 January 2022	16,026	1,546	67,991	-	11,380	714	97,657
Charge for the period	3,291	428	15,574	-	2,705	19	22,017
At 30 September 2022	19,317	1,974	83,565	-	14,085	733	119,674
Charge for the period	1,137	24	5,617	-	836	6	7,620
At 31 December 2022	**20,454**	**1,998**	**89,182**	**-**	**14,921**	**739**	**127,294**
Charge for the period	**3,113**	**401**	**17,311**	**-**	**2,959**	**16**	**23,800**
At 30 September 2023	**23,567**	**2,399**	**106,493**	**-**	**17,880**	**755**	**151,094**

Net book value							
At 30 September 2023	**59,696**	**4,677**	**206,831**	**60,480**	**44,240**	**141**	**376,065**
At 31 December 2022	59,872	5,078	202,153	50,235	37,437	133	354,908

(1) Assets under construction at 30 September 2023 were €60.5 million (2022: €32.0 million) which include sustaining capital expenditures, tailings dam project, ELIX plant and solar plant.
(2) Stripping costs
(3) Includes motor vehicles, furniture, fixtures and office equipment which are depreciated over 5-10 years.

The above fixed assets are mainly located in Spain.

9. Intangible assets

(Euro 000's)	Permits	Licences, R&D and software	Total
Cost			
At 1 January 2022	80,358	8,595	88,953
Additions	2,164	-	2,164
At 30 September 2022	82,522	8,595	91,117
(Disposals)/additions	(1,267)	47	(1,220)
At 31 December 2022	**81,255**	**8,642**	**89,897**
Additions	**58**	**36**	**94**
Disposals	**(200)**	**-**	**(200)**
At 30 September 2023	**81,113**	**8,678**	**89,791**
Amortisation			
At 1 January 2022	23,214	8,371	31,585
Charge for the period	3,278	49	3,327
At 30 September 2022	26,492	8,420	34,912
Charge for the period	1,135	20	1,155
At 31 December 2022	**27,627**	**8,440**	**36,067**
Charge for the period	**3,336**	**29**	**3,365**
At 30 September 2023	**30,963**	**8,469**	**39,432**
Net book value			
At 30 September 2023	**50,150**	**209**	**50,359**
At 31 December 2022	53,628	202	53,830

Increase of permits in 2023 related to the capitalisation of Proyecto Masa Valverde.

The ultimate recovery of balances carried forward in relation to areas of interest or all such assets including intangibles is dependent on successful development, and commercial exploitation, or alternatively the sale of the respective areas.

The Group conducts impairment testing on an annual basis unless indicators of impairment are not present at the reporting date.

10. Inventories

(Euro 000's)	30 Sep 2023	31 Dec 2022
Finished products	**8,328**	4,547
Materials and supplies	**25,744**	31,330
Work in progress	**4,070**	2,964
Total inventories	**38,142**	38,841

As of 30 September 2023, copper concentrate produced and not sold amounted to 7,358 tonnes (31 Dec 2022: 3,529 tonnes). Accordingly, the inventory for copper concentrate was €8.3 million (31 Dec 2022: €4.5 million).

Materials and supplies relate mainly to machinery spare parts. Work in progress represents ore stockpiles, which is ore that has been extracted and is available for further processing.

11. Dividends paid

Cash dividends declared and paid during the period:

(Euro 000's)	Three month period ended 30 Sep 2023	Three month period ended 30 Sep 2022	Nine month period ended 30 Sep 2023	Nine month period ended 30 Sep 2022
Final dividends declared and paid	**4,956**	-	**4,956**	-
Interim dividend declared and paid	**6,520**	5,098	**6,520**	5,098

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

In March 2023, the Board of Directors proposed a final dividend for 2022 of US$0.0385 per ordinary share, which was equivalent to approximately 3.15 pence per share. Following the approval of Resolution 10 by the Company's shareholders at its 2023 Annual General Meeting, which took place on 28 June 2023, the 2022 final dividend was paid on 8 August 2023 (Note 26).

On 9 August 2023, the Company's Board of Directors elected to declare a 2023 Interim Dividend of US$0.05 per ordinary share, which is equivalent to approximately 3.9 pence per share. The 2023 Interim Dividend was paid on 28 September 2023.

12. Trade and other receivables

(Euro 000's)	30 Sep 2023	31 Dec 2022
Non-current		
Deposits	**310**	256
Loans	**229**	-
Prepayments for service contract	**21,451**	12,865
Other non-current receivables	**2,690**	3,241
	24,680	16,362
Current		

Trade receivables at fair value – *subject to provisional pricing*	**7,806**	14,757
Trade receivables from shareholders at fair value – *subject to provisional pricing* (Note 22.3)	**4,451**	12,800
Other receivables from related parties at amortised cost (Note 22.3)	**56**	56
Deposits	**37**	37
VAT receivables	**26,241**	28,856
Tax advances	**1,107**	9
Prepayments	**3,817**	5,845
Other current assets	**873**	1,795
	44,388	64,155
Allowance for expected credit losses	**-**	-
Total trade and other receivables	**69,068**	80,517

Trade receivables are shown net of any interest applied to prepayments. Payment terms are aligned with offtake agreements and market standards and generally are 7 days on 90% of the invoice and the remaining 10% at the settlement date which can vary between 1 to 5 months. The fair values of trade and other receivables approximate to their book values.

Non-current deposits included €250k (€250k at 31 December 2022) as a collateral for bank guarantees, which was recorded as restricted cash (or deposit).

Other non-current receivables are related to an agreement entered by the Group and Lain Technologies Ltd in relation to the construction of the pilot plan to develop the E-LIX System. The prepayment is secured with the pilot plant, has a grace period of up to four years and repayment terms depending on future investments in E-LIX System facilities. Amounts withdrawn bears interest at 2%.

13. Cash and cash equivalents

(Euro 000's)	**30 Sep 2023**	31 Dec 2022
Unrestricted cash and cash equivalents at Group level	**98,032**	108,550
Unrestricted cash and cash equivalents at Operation level	**21,031**	17,567
Restricted cash and cash equivalents at Operation level	**-**	331
Consolidated cash and cash equivalents	**119,063**	126,448

Restricted cash amounted at 31 December 2022 to €0.3 million was held in escrow, which represented funds utilized by the Company to cover possible remaining costs due to Astor following litigation during 2022. However, due to the settlement reached with Astor on 17 May 2023 whereby Astor agreed to repay €3.5 million of interest previously paid to it to finalise the litigation, the previously restricted cash has now been released and reversed.

Cash and cash equivalents denominated in the following currencies:

(Euro 000's)	**30 Sep 2023**	31 Dec 2023
Euro – functional and presentation currency	**62,625**	84,146
Great Britain Pound	**360**	895
United States Dollar	**56,078**	41,407
Consolidated cash and cash equivalents	**119,063**	126,448

14. Share capital and share premium

	Shares 000's	Share Capital Stg£'000	Share premium Stg£'000	Total Stg£'000
Authorised				
Ordinary shares of Stg £0.075 each*	200,000	15,000	-	15,000

Issued and fully paid			Shares	Share Capital	Share premium	Total
Issue Date	**Price (£)**	**Details**	000's	€'000	€'000	€'000
31 December 2021/1 January 2022			**138,236**	**13,447**	**315,916**	**329,363**
22-Jan-22	1.44	Exercised share options [b]	314	28	512	540
22-Jan-22	2.015	Exercised share options [b]	321	29	746	775
22-Jan-22	2.045	Exercised share options [b]	400	36	941	977
22-Jan-22	1.475	Exercised share options [b]	451	42	754	796
22-Jan-22	3.09	Exercised share options [b]	135	12	505	517
23-Jun-22	1.475	Exercised share options [a]	23	2	37	39
31-Dec-22			**139,880**	**13,596**	**319,411**	**333,007**
30-Sep-23			**139,880**	**13,596**	**319,411**	**333,007**

Authorised capital

The Company's authorised share capital is 200,000,000 ordinary shares of Stg £0.075 each.

Issued capital

2023

No share issuance has taken place thus far in 2023.

The Company's share capital at 30 September 2023 is 139,879,209 ordinary shares of Stg £0.075 each.

2022

a) On 23 June 2022, the Company announced that it has issued 22,500 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by an employee.
b) On 26 January 2022, the Company announced that it was notified that PDMRs and senior employees exercised a total of 1,350,000 and 270,750 options.

In general, option agreements contain provisions adjusting the exercise price in certain circumstances including the allotment of fully paid ordinary shares by way of a capitalisation of the Company's reserves, a subdivision or consolidation of the ordinary shares, a reduction of share capital and offers or invitations (whether by way of rights issue or otherwise) to the holders of ordinary shares.

Details of share options outstanding as at 30 September 2023:

Grant date	Expiry date	Exercise price £	Share options
29 May 2019	28 May 2024	2.015	666,500
30 June 2020	29 June 2030	1.475	516,000
24 June 2021	23 June 2031	3.090	1,016,000

26 January 2022	25 January 2032	4.160	120,000
22 June 2022	30 June 2027	3.575	1,225,000
22 May 2023	30 May 2028	3.270	1,305,000
Total			**4,848,500**

	Weighted average exercise price £	Share options
At 1 January 2023	2.857	3,543,500
Granted during the year	3.270	1,305,000
30 Sep 2023	**2.968**	**4,848,500**

Warrants

As at 30 September 2023 and 2022 there were no warrants.

15. Other reserves

(Euro 000's)	Share option	Bonus share	Depletion factor (1)	FV reserve of financial assets at FVOCI (2)	Non-Distributable reserve (3)	Distributable reserve (4)	Total
At 1 January 2022	9,086	208	24,978	(1,147)	8,000	11,565	52,690
Recognition of share- based payments	675	-	-	-	-	-	675
Recognition of depletion factor	-	-	12,800	-	-	-	12,800
Recognition of non-distributable reserve	-	-	-	-	316	-	316
Recognition of distributable reserve	-	-	-	-	-	2,726	2,726
Change in fair value of financial assets at fair value through OCI	-	-	-	(12)	-	-	(12)
Other changes in reserves	-	-	-	-	-	(291)	(291)
At 30 September 2022	9,761	208	37,778	(1,159)	8,316	14,000	68,904
Recognition of share-based payments	604	-	-	-	-	-	604
Other changes in reserves	-	-	-	-	-	291	291
Change in fair value of financial assets at fair value through OCI	-	-	-	-	-	-	-
At 31 December 2022	**10,365**	**208**	**37,778**	**(1,159)**	**8,316**	**14,291**	**69,799**
Recognition of share-based payments	**495**	**-**	**-**	**-**	**-**	**-**	**495**
Change in fair value of financial assets at fair value through OCI	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 30 September 2023	**10,860**	**208**	**37,778**	**(1,153)**	**8,316**	**14,291**	**70,300**

(1) Depletion factor reserve
At 30 September 2023, the Group has recognised €nil million (YTD 2022: disposed €12.8 million) as a depletion factor reserve as per the Spanish Corporate Tax Act.

(2) Fair value reserve of financial assets at FVOCI
The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in (1) above. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(3) Non-distributable reserve
To comply with Spanish Law, the Group needed to record a reserve of profits generated equal to a 10% of profit/(loss) for the year until 20% of share capital is reached.

(4) Distributable reserve
The Group reclassified at least 10% of the profit of 2022 to distributable reserves.

16. Trade and other payables

(Euro 000's)	30 Sep 2023	31 Dec 2022
Non-current		
Other non-current payables	**2,000**	2,000
Government grant	**1,415**	15
	3,415	2,015
Current		
Trade payables	**79,662**	85,038
Accruals	**3,355**	3,322
VAT payables	**-**	259
Other	**356**	1,403
	83,373	90,022

Other non-current payables are related with the acquisition of Atalaya Ossa Morena SL (former Rio Narcea Nickel SL).

Trade payables are mainly for the acquisition of materials, supplies and other services. These payables do not accrue interest and no guarantees have been granted. The fair value of trade and other payables approximate their book values. Trade payables are non-interest-bearing and are normally settled on 60-day terms.

17. Provisions

(Euro 000's)	Other provisions	Legal costs	Rehabilitation costs	Total costs
At 1 January 2022	-	279	26,299	26,578
Additions	-	-	1,033	1,033
Revision of provision	-	-	332	332
Finance cost	-	-	718	718
At 30 September 2022	-	279	28,382	28,661
Additions	-	30	-	30
Reclassification	1,435	-	-	1,435
Used of provision	-	(10)	(413)	(423)
Reversal of provision	-	(73)	(3,497)	(3,570)
Finance cost	-	-	(1,098)	(1,098)
At 31 December 2022	**1,435**	**226**	**23,374**	**25,035**
Additions	**-**	**1**	**-**	**1**
Used of provision	**-**	**-**	**(397)**	**(397)**
Revision of provision	**-**	**-**	**2,891**	**2,891**

Finance cost	**-**	**-**	**690**	**690**
At 30 September 2023	**1,435**	**227**	**26,558**	**28,220**

(Euro 000's)	30 Sep 2023	31 Dec 2022
Non-current	**27,589**	24,083
Current	**631**	952
Total	**28,220**	25,035

Rehabilitation provision

Rehabilitation provision represents the accrued cost required to provide adequate restoration and rehabilitation upon the completion of production activities. These amounts will be settled when rehabilitation is undertaken, generally over the project's life.

The discount rate used in the calculation of the net present value of the liability as at 30 September 2023 was 3.41% (2022: 3.41%), which is the 15-year Spain Government Bond rate from 2017 to 2021. An inflation rate of 1%-5.70% is applied on annual basis.

Legal provision

The Group has been named a defendant in several legal actions in Spain, the outcome of which is not determinable as at 30 September 2023. Management has individually reviewed each case and established a provision of €0.2 million as of 30 September 2023 (€0.2 million at 31 December 2022) for these claims, which has been reflected in these unaudited condensed interim consolidated financial statements.

18. Borrowings

(Euro 000's)	30 Sep 2023	31 Dec 2022
Non-current borrowings		
Credit facilities	**15,496**	20,768
	15,496	20,768
Current borrowings		
Credit facilities	**36,803**	52,595
	36,803	52,595

The Group had credit approval for facilities totalling €128.0 million (€119.6 million at 31 December 2022). During 2023, Atalaya drew down some of its existing credit facilities to financing the construction of 50 MW solar plant (payable amount of €21.5 million at 30 September 2023) and in 2022 to pay the Deferred Consideration.

Borrowing with fixed interest rates range from 1.60% to 2.45% with an average fixed interest rate of 1.95%. Margins on borrowing with variable interest rates, usually 12 months EURIBOR, range from 1.10% to 2.25% with an average margin of 1.53%.

At 30 September 2023, the Group had used €52.3 million of its facilities and had undrawn facilities of €83.7 million.

19. Lease liabilities

(Euro 000’s)	30 Sep 2023	31 Dec 2022
Non-current		
Lease liabilities	**4,002**	4,378
	4,002	4,378
Current		
Lease liabilities	**503**	536
	503	536

Lease liabilities

The Group entered into lease arrangements for the renting of land, laboratory equipment and vehicles which are subject to the adoption of all requirements of IFRS 16 Leases. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. Depreciation expense regarding leases amounts to €0.4 million (2022: €0.4 million) for the nine month period ended 30 September 2023. The land lease is set for a duration of thirteen years, with payments due at the beginning of each month, increasing annually by an average of 1.5%. As of 30 September 2023, the remaining term of this lease is nine years and a quarter.

Since the Company acquired 100% of the shares of Cambridge Mineria Espana, S.L. (renamed to Atalaya Masa Valverde, S.L.U.) in October 2020, a lease arrangement for a warehouse rent was included. The warehouse lease is scheduled for a period of thirteen years, with payments due at the beginning of each month, escalating in accordance with the yearly Spanish consumer price index. As of 30 September 2023, the remaining term of this lease is eight years and a quarter.

(Euro 000’s)	30 Sep 2023	31 Dec 2022
Minimum lease payments due:		
- Within one year	**503**	536
- Two to five years	**1,935**	1,957
- Over five years	**2,067**	2,421
Present value of minimum lease payments due	**4,505**	4,914

(Euro 000’s)	Lease liabilities
At 1 January 2023	**4,914**
Interest expense	**19**
Lease payments	**(428)**
At 30 September 2023	**4,505**
At 30 September 2023	
Non-current liabilities	**4,002**
Current liabilities	**503**
	4,505

20. Acquisition, incorporation and disposal of subsidiaries

There were no acquisitions or incorporation of subsidiaries during the nine month period ended 30 September 2023 and 2023.

21. Winding-up of subsidiaries

There were no operations wound up during the nine month period ended 30 September 2023.
On 4 January 2022, the subsidiary EMED Mining Spain, S.L. was wound up.

22. Related party transactions

The following transactions were carried out with related parties:

22.1 Compensation of key management personnel

The total remuneration and fees of Directors (including Executive Directors) and other key management personnel was as follows:

(Euro 000's)	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Directors' remuneration and fees	**455**	262	**1,070**	758
Directors' bonus [(1)]	**159**	-	**322**	357
Share option-based benefits and other benefits to directors	**29**	63	**97**	190
Key management personnel fees	**244**	144	**602**	426
Key management bonus [(1)]	**112**	-	**221**	239
Share option-based and other benefits to key management personnel	**29**	61	**97**	184
	1,028	530	**2,409**	2,154

[(1)] These amounts related to the performance bonus for 2022 approved by the Board of Directors of the Company during YTD 2023. Director's bonus relates to the amount approved for the CEO as an executive director and key management bonus relates to the amount approved for other key management personnel which are not directors of Atalaya Mining plc.

22.2 Share-based benefits

On 23 May 2023, the Company announced that in accordance with the Company's Long Term Incentive Plan 2020 which was approved by shareholders at the Annual General Meeting on 28 June 2023, it has granted 1,305,000 share options to Persons Discharging Managerial Responsibilities and other management.

The Options expire on 21 May 2028, five years from the deemed date of grant (22 May 2023), have an exercise price of 327 pence per ordinary share, being the last mid-market closing price on the grant date, and vest in three equal tranches, one third on grant and the balance equally on the first and second anniversary of the grant date.

22.3 Transactions with related parties/shareholders

i) Transaction with shareholders

(Euro 000's)	**Three month period ended 30 Sep 2023**	Three month period ended 30 Sep 2022	**Nine month period ended 30 Sep 2023**	Nine month period ended 30 Sep 2022
Trafigura– Revenue from contracts	**29,382**	17,270	**63,202**	62,078

Freight services	**-**	-	**-**	-
	29,382	17,270	**63,202**	62,078
Gain / (losses) relating provisional pricing within sales	**351**	68	**3,198**	(1,735)
Trafigura – Total revenue from contracts	**29,733**	17,338	**66,400**	60,343

ii) Period-end balances with related parties

(Euro 000's)	30 Sep 2023	31 Dec 2022
Receivables from related parties:		
Recursos Cuenca Minera S.L.	**56**	56
Total (Note 12)	**56**	56

The above balances bear no interest and are repayable on demand.

iii) Period-end balances with shareholders

(Euro 000's)	30 Sep 2023	31 Dec 2022
Trafigura – Debtor balance- subject to provisional pricing	**4,451**	12,800
Total (Note 12)	**4,451**	12,800

The above debtor balance arising from sales of goods and other balances bear no interest and is repayable on demand.

23. Contingent liabilities

Judicial and administrative cases

In the normal course of business, the Group may be involved in legal proceedings, claims and assessments. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Legal fees for such matters are expensed as incurred and the Group accrues for adverse outcomes as they become probable and estimable.

24. Commitments

There are no minimum exploration requirements at Proyecto Riotinto. However, the Group is obliged to pay local land taxes which are currently approximately €235,000 per year in Spain and the Group is required to maintain the Riotinto site in compliance with all applicable regulatory requirements.

In 2012, ARM entered into a 50/50 joint venture with Rumbo to evaluate and exploit the potential of the class B resources in the tailings dam and waste areas at Proyecto Riotinto (mainly residual gold and silver in the old gossan tailings). Under the joint venture agreement, ARM will be the operator of the joint venture, will reimburse Rumbo for the costs associated with the application for classification of the Class B resources and will fund the initial expenditure of a feasibility study up to a maximum of €2.0 million. Costs are then borne by the joint venture partners in accordance with their respective ownership interests.

25. Significant events

Geopolitical developments are impacting the Global Economy but cannot yet be predicted in full. The main concern now is the rising prices for energy, fuel and other raw materials and rising inflation, which may affect household incomes and business operating costs. The financial effect of the current crisis on the Global Economy and overall business activities cannot be estimated with reasonable certainty at this stage.

- On 12 January 2023, the Company was notified that Allianz Global Investors GmbH, shareholder of the Company, decreased its voting rights from 4.93% to 3.98%.
- On 20 February 2023, Atalaya announced a voluntary delisting of its ordinary shares from the Toronto Stock Exchange (the "TSX") which was effective from the closing of trading on 20 March 2023.
- On 23 February 2023, Atalaya announced the results from a new preliminary economic assessment ("PEA") for the Cerro Colorado, San Dionisio and San Antonio deposits at its Proyecto Riotinto operation in Spain.
- On 28 March 2023, Atalaya announced that Proyecto Masa Valverde was granted the Unified Environmental Authorisation (or in Spanish, Autorización Ambiental Unificada ("AAU")) by the Junta de Andalucía.
- On 23 May 2023, the Company announced that in accordance with the Company's Long Term Incentive Plan 2020, it was granted 1,305,000 share options to Persons Discharging Managerial Responsibilities ("PDMRs") and other employees.
- On 26 June 2023, the Company announced that the Ontario Securities Commission, as principal regulator, granted Atalaya's request to cease to be a reporting issuer in the Canadian Jurisdictions.
- On 10 July 2023, a PMDR sold 250,000 ordinary shares.
- Following the approval of Resolution 10 by the Company's shareholders at its 2023 Annual General Meeting, which took place on 28 June 2023, the 2022 Final Dividend of US$0.0385 per ordinary share was paid on 8 August 2023.
- On 9 August 2023, the Company's Board of Directors elected to declare a 2023 Interim Dividend of US$0.05 per ordinary share, which is equivalent to approximately 3.9 pence per share. This dividend was paid on 28 September 2023.

26. Events after the Reporting Period

- On 10 October 2023, Atalaya announced that a PDMR purchased 5,000 ordinary shares.
- On 13 November 2023, Atalaya announced its intention to apply for the Company's ordinary shares to be admitted to the premium listing segment of the Official List maintained by the Financial Conduct Authority ("FCA") and to trading on the London Stock Exchange plc's main market for listed securities.
- On 14 November 2023, Atalaya announced its intention to re-domicile the Company by transferring its registered office from the Republic of Cyprus to the Kingdom of Spain.