

18 March 2025
Atalaya Mining Copper, S.A.
("Atalaya" or "the Company")

2024 Annual Results
Transition year lays the foundation for key project catalysts in 2025

Atalaya Mining (LSE: ATYM) is pleased to announce its audited consolidated financial results for the year ended 31 December 2024 ("FY2024" or the "Period").

Highlights

- Copper production of 46.2 kt with cash costs of \$2.92/lb and AISC of \$3.26/lb, highlighting good control of absolute costs
- EBITDA of €66.4 million and cash flows from operating activities of €53.4 million supported balance sheet during period of continued investment
- Net cash position of €35.1 million and unsold concentrate valued at €19.7 million
- Improving sustainability performance, including a reduced lost time injury frequency rate and lower water and electricity consumption rates
- Proyecto Touro permitting process is advancing following the award of strategic industrial project status by the Xunta de Galicia in June 2024
- Completed move to Main Market and re-domiciliation to Spain, which facilitated the pending inclusion in the FTSE All-Share Index
- Final dividend of \$0.03/sh proposed, bringing the full year total to \$0.07/sh
- Positive start to year supports copper production outlook of 48 – 52 kt for 2025
 - Lower cash costs expected along with further investments in higher grade deposits such as San Dionisio and Masa Valverde

Q4 2024 and FY2024 Operating Results Summary

Period ended 31 Dec	Unit	Q4 2024	Q4 2023	FY2024	FY2023
Revenues from operations	€k	77,852	85,591	326,797	340,346
Operating costs	€k	(65,172)	(71,703)	(260,441)	(267,246)
EBITDA	€k	12,680	13,888	66,356	73,100
Profit for the period	€k	14,922	5,215	32,560	36,663
Basic earnings per share	€ cents/share	8.7	4.5	22.6	27.7
Dividend per share ⁽¹⁾	US\$/share	n/a	n/a	0.07	0.09
Cash flows from operating activities	€k	11,101	5,715	53,403	64,743
Cash flows used in investing activities	€k	(16,578)	(14,802)	(66,073)	(50,406)
Cash flows from financing activities	€k	(19,168)	13,069	(57,261)	(18,500)
Net cash position ⁽²⁾	€k	35,091	54,320	35,091	54,320
Working capital surplus	€k	44,728	68,618	44,728	68,618
Average realised copper price (excluding QPs)	US\$/lb	4.10	3.78	4.19	3.80
Copper concentrate produced	tonnes	69,550	64,414	252,165	249,321
Copper production	tonnes	12,078	12,775	46,227	51,667
Cash Cost	US\$/lb payable	2.79	2.90	2.92	2.79
All-In Sustaining Cost ("AISC")	US\$/lb payable	3.28	3.16	3.26	3.09

- (1) Consists of 2024 Interim Dividend (paid 19 September 2024) and proposed 2024 Final Dividend, which is subject to approval by shareholders at the Company's 2025 Annual General Meeting.
- (2) Includes restricted cash and bank borrowings at 31 December 2024 and 31 December 2023.

Alberto Lavandeira, CEO, commented:

"We are proud of several key accomplishments that were achieved in 2024 despite the challenges we faced with lower production. In terms of our operations, we achieved a new annual record for ore processed, exhibited good control of absolute costs, improved our safety performance and achieved reductions in our water and electricity consumption rates. Our balance sheet remains strong and the Board has again proposed a final dividend. At the corporate level, Atalaya's shares will soon be included in the FTSE All-Share Index thanks to the completion of our move to the Main Market and our re-domiciliation to Spain.

We are particularly optimistic about the prospects for 2025. Our operations have made a positive start to the year, supporting our outlook for higher full-year production. We expect to make further progress at our projects in the Riotinto District including San Dionisio and Masa Valverde, which are key components of our strategy to deliver higher grade material to the plant at Riotinto.

At Proyecto Touro, permitting continues to advance after being awarded the status of strategic industrial project by the Xunta de Galicia. We believe this project will be benchmark in sustainable mining in Europe and a milestone for Galician industry. We remain confident on the outlook for copper and believe that the timing for Touro is ideal given significant copper market deficits are on the horizon."

Results Presentations

Analyst and Investor Presentation

Alberto Lavandeira (CEO) and César Sánchez (CFO) will host a webcast for analysts and investors today at 9:00 GMT.

To access the SparkLive webcast, please visit:

[Atalaya Mining 2024 Annual Results | SparkLive | LSEG](#)

Investor Meet Company Presentation

In addition, Alberto Lavandeira and César Sánchez will be holding a live presentation via the Investor Meet Company platform today at 11:00 GMT.

To access the Investor Meet Company presentation, please visit:

<https://www.investormeetcompany.com/companies/atalaya-mining-plc>

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

Note to Readers

The financial information for the years ended 31 December 2024 and 2023 contained in this document does not constitute statutory accounts. The financial information for the years ended 31 December 2024 and 2023 has been extracted from the consolidated financial statements of Atalaya Mining Copper, S.A. for the year ended 31 December 2024 which have been approved by the directors on 17 March 2025. The auditor's report on those financial statements was unqualified.

FY2024 Select Sustainability Highlights

	Unit	FY2024	FY2023
Work-related injuries (Riotinto employees & contractors)	<i>LTIFR</i>	3.33	3.94
Operational water used	<i>m³/t processed</i>	1.91	2.15
Electricity intensity	<i>kWh/t processed</i>	22.66	23.29

Investment in local communities	€m	1.0	0.7
Procurement from Spanish suppliers	%	93	89

Atalaya continues to make progress towards achieving greater sustainability across its business activities. We look forward to further improvements in the years ahead.

For further information, please refer to Atalaya's 2024 Sustainability Report, which will be published in due course.

Q4 and FY2024 Operating Results Summary

	Unit	Q4 2024	Q4 2023	FY2024	FY2023
Ore mined	tonnes	3,507,203	3,742,814	15,176,009	14,944,638
Waste mined ⁽¹⁾	tonnes	10,200,079	7,362,657	32,824,156	32,182,904
Ore processed	tonnes	3,757,040	4,138,368	15,913,064	15,790,098
Copper grade	%	0.41	0.36	0.35	0.38
Copper concentrate grade	%	17.37	19.83	18.33	20.72
Copper recovery	%	78.15	85.47	83.06	86.62
Copper concentrate produced	tonnes	69,550	64,414	252,165	249,321
Copper production	tonnes	12,078	12,775	46,227	51,667
Payable copper production	tonnes	11,382	12,131	43,706	49,174
Cash Cost	US\$/lb payable	2.79	2.90	2.92	2.79
All-in Sustaining Cost	US\$/lb payable	3.28	3.16	3.26	3.09

(1) Represents the Cerro Colorado pit only.

Mining

Ore mined was 3.5 million tonnes in Q4 2024 (Q4 2023: 3.7 million tonnes) and 15.2 million tonnes in FY2024 (FY2023: 14.9 million tonnes).

Waste mined at Cerro Colorado was 10.2 million tonnes in Q4 2024 (Q4 2023: 7.4 million tonnes) and 32.8 million tonnes in FY2024 (FY2023: 32.2 million tonnes). In addition, waste stripping activities continued at the San Dionisio area.

Processing

Ore processed was 3.8 million tonnes in Q4 2024 (Q4 2023: 4.1 million tonnes) and 15.9 million tonnes in FY2024 (FY2023: 15.8 million tonnes), which represents a new annual throughput record.

Copper grade was 0.41% in Q4 2024 (Q4 2023: 0.36%) and 0.35% in FY2024 (FY2023: 0.38%), with lower full-year grades as a result of pit sequencing.

Copper recovery was 78.15% in Q4 2024 (Q4 2023: 85.47%) and 83.06% in FY2024 (FY2023: 86.62%), with the decrease due to a combination of lower grades and the characteristics of certain ores.

Production

Copper production was 12,078 tonnes in Q4 2024 (Q4 2023: 12,775 tonnes) and 46,227 tonnes in FY2024 (FY2023: 51,667 tonnes). Production in FY2024 was below FY2023 as a result of lower copper grades and recoveries, although higher silver production helped to mitigate the impact on revenues.

On-site copper concentrate inventories were 21,815 tonnes at 31 December 2024 (31 December 2023: 6,722 tonnes).

Copper contained in concentrates sold was 10,271 tonnes in Q4 2024 (Q4 2023: 12,928 tonnes) and 43,609 tonnes in FY2024 (FY2023: 50,808 tonnes).

Cash Cost and AISC Breakdown

<i>\$/lb Cu payable</i>	Q4 2024	Q4 2023	FY2024	FY2023
Mining	1.05	0.92	1.07	0.86
Processing	0.88	0.84	0.90	0.89
Other site operating costs	0.66	0.67	0.64	0.56
Total site operating costs	2.58	2.44	2.61	2.30
By-product credits	(0.34)	(0.11)	(0.27)	(0.09)
Freight, treatment charges and other offsite costs	0.55	0.57	0.58	0.58
Total offsite costs	0.21	0.47	0.30	0.49
Cash Cost	2.79	2.90	2.92	2.79
Cash Cost	2.79	2.90	2.92	2.79
Corporate costs	0.11	0.09	0.10	0.08
Sustaining capital (excluding tailings expansion)	0.03	0.02	0.05	0.03
Capitalised stripping costs ⁽¹⁾	0.27	0.08	0.11	0.12
Other costs	0.09	0.06	0.09	0.07
AISC	3.28	3.16	3.26	3.09

(1) Represents the Cerro Colorado pit only.

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

Cash costs were \$2.79/lb payable copper in Q4 2024 (Q4 2023: \$2.90/lb) and \$2.92/lb payable copper in FY2024 (FY2023: \$2.79/lb), with the increase mainly due to lower copper production, although this impact was partly offset by higher silver credits and good control of absolute costs.

AISC were \$3.28/lb payable copper in Q4 2024 (Q4 2023: \$3.16/lb) and \$3.26/lb payable copper in FY2024 (FY2023: \$3.09/lb), with the increase in full-year costs due to the same factors that impacted cash costs. AISC excludes investments in the tailings dam (consistent with prior reporting) and waste stripping at the San Dionisio area.

Q4 and FY2024 Financial Results Highlights

Income Statement

Revenues were €77.9 million in Q4 2024 (Q4 2023: €85.6 million) and €326.8 million in FY2024 (FY2023: €340.3 million), as a result of lower copper sales offsetting higher copper prices.

Operating costs were €65.2 million in Q4 2024 (Q4 2023: €71.7 million) and €260.4 million in FY2024 (FY2023: €267.2 million), highlighting good control of absolute costs.

EBITDA was €12.7 million in Q4 2024 (Q4 2023: €13.9 million) and €66.4 million in FY2024 (FY2023: €73.1 million).

Profit after tax was €14.9 million in Q4 2024 (Q4 2023: €5.2 million) or 8.7 cents basic earnings per share (Q4 2023: 4.5 cents) and €32.6 million in FY2024 (FY2023: €36.7 million) or 22.6 cents basic earnings per share (FY2023: 27.7 cents). Profits benefitted from a €6.9 million impairment reversal related to Proyecto Touro.

Cash Flow Statement

Cash flows from operating activities before changes in working capital were €11.7 million in Q4 2024 (Q4 2023: €12.7 million) and €11.1 million after working capital changes (Q4 2023: €5.7 million). For FY2024, cash flows from operating activities before changes in working capital were €66.4 million (FY2023: €72.2 million) and €53.4 million after working capital changes (FY2023: €64.7 million).

Cash flows used in investing activities were €16.6 million in Q4 2024 (Q4 2023: €14.8 million) and €66.1 million in FY2024 (FY2023: €50.4 million). Key investments in FY2024

included €4.0 million in sustaining capex, €9.9 million in capitalised stripping at Cerro Colorado, €25.7 million related to the San Dionisio area, €14.8 million to expand the tailings dam and €8.4 million for the 50 MW solar plant. In addition, €12.4 million was invested in the E-LIX Phase I Plant, of which €5.3 million was recorded as a loan to Lain Technologies, €2.1 million as additions to PP&E and the remaining as prepayments for service contracts.

Cash flows from financing activities were negative €19.2 million in Q4 2024 (Q4 2023: positive €13.1 million) and negative €57.3 million in FY2024 (FY2023: negative €18.5 million) as a result of credit facility repayments and dividend payments.

Balance Sheet

The Company's balance sheet remains strong with consolidated cash and cash equivalents of €52.9 million as at 31 December 2024 (31 December 2023: €121.0 million).

Current and non-current borrowings were €17.8 million, resulting in a net cash position of €35.1 million as at 31 December 2024 (31 December 2023: €54.3 million). The decrease in net cash is mainly the result of ongoing capital investments and the €10.3 million in dividend payments made during 2024.

Inventories of concentrate valued at cost were €19.7 million at 31 December 2024 (31 December 2023: €8.4 million). The total working capital surplus was €44.7 million at 31 December 2024 (31 December 2023: €68.6 million).

2024 Final Dividend

Atalaya has a dividend policy that seeks to provide capital returns to its shareholders and allows for continued investments in the Company's portfolio of growth projects. Dividends are payable in two half-yearly instalments.

The Board of Directors has proposed a final dividend for FY2024 of \$0.03 per ordinary share ("Final Dividend"), which is equivalent to approximately 2.3 pence per share. Payment of the Final Dividend is subject to shareholder approval at the Company's 2025 Annual General Meeting ("AGM"). Should it be approved, the Final Dividend, together with the Interim Dividend paid in September 2024, would result in a Full Year Dividend of \$0.07 per ordinary share for FY2024, which is equivalent to approximately 5.4 pence per share. Further details on the timing of the potential payment of the Final Dividend will be provided ahead of the AGM.

Outlook for 2025

Production

As announced in the Company's Q4 2024 Operations Update, copper production guidance is 48,000 – 52,000 tonnes for FY2025, which compares to FY2024 production of 46,227 tonnes. Production in FY2025 is expected to be weighted slightly towards H1 2025 as a result of pit sequencing.

Production in the initial months of 2025 has been encouraging and supports the Company's full-year 2025 outlook.

Operating Costs

The prices of several key consumables continued their downward trend in 2024 after having peaked in 2022, although unit prices remain above 2021 levels. Ongoing conflicts in several regions may continue to disrupt supply chains and impact energy prices, therefore further input price volatility is possible. With respect to electricity, the Company's long-term PPA and solar plant are expected to provide some price stability.

Cash Cost and AISC guidance for FY2025 are as follows:

- Cash Cost range of \$2.70 – 2.90/lb copper payable
 - Compares with actual of \$2.92/lb in FY2024

- AISC range of \$3.20 – 3.40/lb copper payable
 - Includes capitalised stripping costs of ~\$0.20/lb from Cerro Colorado
 - Compares with actual of \$3.26/lb in FY2024, which included \$0.11/lb in capitalised stripping costs from Cerro Colorado

AISC guidance excludes investments in the tailings dam and ongoing waste stripping at the San Dionisio area, which are included in the non-sustaining capital investment guidance below.

Non-Sustaining Capital Investments

Atalaya continues to make investments that support its core strategic objectives of increasing its copper production, diversifying its sources of production, extending mine life, delivering structural cost reductions and maximising overall asset optionality.

The Company plans to make the following non-sustaining capital investments in FY2025:

Item	€ million
San Dionisio waste stripping, dewatering and road relocation ⁽¹⁾	€32 – 46
Proyecto Masa Valverde access ramp ⁽²⁾	€8 – 12
E-LIX Phase I Plant	€5 – 7
50 MW solar plant	€3 – 5
Expansion of existing Riotinto tailings facility	€10 – 12
Total non-sustaining capital investments	€58 – 82

(1) Upon receipt of the final permit, a portion of this may be reclassified to Cash Cost and AISC

(2) Ramp development to begin once purchase of surface rights are completed

Exploration Expenditures

Investing in early stage exploration remains a key component of Atalaya's long-term strategy. The Company has interests in several key land packages in Spain, including in the Iberian Pyrite Belt (Riotinto District), the Ossa Morena Metallogenic Belt (Proyecto Ossa Morena) and around Proyecto Touro, as well as new earn-in agreements in two VMS districts in Sweden.

In FY2025, the Company's exploration expenditure budget is €6 – 8 million. The main focus will be on expanding and upgrading resources at Cerro Colorado, San Antonio, Proyecto Masa Valverde and Proyecto Touro, as well as drill testing targets in Sweden and at Proyecto Masa Valverde.

Corporate Activities Update

Move to the Main Market

On 29 April 2024, the Company announced the admission of its ordinary shares to the premium listing segment of the Official List maintained by the Financial Conduct Authority ("FCA") and to trading on London Stock Exchange's main market for listed securities, along with the cancellation of trading on AIM.

The move up marked a significant corporate milestone for Atalaya and reflected the Company's desire to expand its investor base and continue its growth trajectory.

New Listing Rules

On 29 July 2024, the FCA implemented a new simplified listing regime. As a result, the Company is now admitted to the equity shares (commercial companies) ("ESCC") category of the Official List, in place of the prior premium listing segment.

Re-domiciliation

On 10 January 2025, the Company announced the completion of its re-domiciliation from the Republic of Cyprus to the Kingdom of Spain.

As a result, trading in Atalaya's shares under the new registered name of Atalaya Mining Copper, S.A. became effective on 10 January 2025. In addition, the actions and initiatives noted in the Company's 6 January 2025 announcement became effective on 9 January 2025, with retrospective effect for Spanish corporate law purposes as from 27 December 2024.

The re-domiciliation to Spain, along with Atalaya's move to the Main Market, opened the possibility for Atalaya to be included in the FTSE UK Index Series and further expanded its access to new investors.

Indexation

On 5 March 2025, FTSE Russell announced the results of its March 2025 Quarterly Review for the FTSE UK Index Series. Atalaya is pleased that its shares will be added to the FTSE All-Share and FTSE SmallCap indices effective 24 March 2025. This milestone is expected to enhance the Company's visibility to institutional investors.

Board of Directors

During 2024 and early 2025, several updates took effect related to succession planning at the Company's Board of Directors:

- Neil Gregson was appointed Chair of Atalaya, succeeding Roger Davey
- Kate Harcourt was appointed Senior Independent Director
- Carole Whittall was appointed as an Independent Non-Executive Director
- Roger Davey retired from the Board
- Coriseo González-Izquierdo was appointed as an Independent Non-Executive Director

As a result of these updates, various changes were made to the composition of the Company's Board committees.

In addition, it is intended that Coriseo González-Izquierdo will succeed Hussin Barma as Chair of the Remuneration Committee no later than the date of the 2025 Annual General Meeting.

Asset Portfolio Update

Proyecto Riotinto

Waste stripping continues at San Dionisio in order to prepare the area for future mining phases. Total material mined was 1.9 million tonnes in Q4 2024 and 13.4 million tonnes in FY2024. Meanwhile, the permitting process associated with the San Dionisio final pit continues to advance.

Construction progress continues in relation to the planned relocation of the A-461 road that currently runs between Cerro Colorado and San Dionisio.

At San Antonio, an infill and step-out drilling programme is expected to begin in the coming months.

E-LIX Phase I Plant

Commissioning and ramp-up activities continue at the E-LIX Phase I plant. During Q4 2024, good progress was made in relation to rectifying issues in the conventional elements of the plant. The novel leaching section continues to perform well, where recent focus has been on leaching the zinc contained within Atalaya's copper concentrates given the low copper treatment charge environment.

Once fully 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 charges and a reduced carbon footprint.

50 MW Solar Plant

The 50 MW solar plant was connected to the substation at the end of October 2024. With Phase I complete, full capacity is expected to be reached in 2025 after which the facility is expected to provide approximately 22% of Riotinto's current electricity needs.

Together, the 50 MW solar plant and the Company's 10-year PPA will provide over 50% of the Company's current electricity requirements at a rate well below historical prices in Spain. The Company also continues to assess opportunities to enter into additional long-term PPAs in order to provide further price stability.

Riotinto District – Proyecto Masa Valverde ("PMV")

PMV has been granted the two key permits required for development – the Unified Environmental Authorisation (or in Spanish, Autorización Ambiental Unificada ("AAU")) and the exploitation permit. The Company expects to start construction of the access ramp in H1 2025 once it has completed the purchase of certain surface rights.

At present, four drill rigs are testing the north extension of the copper veining stockwork mineralisation at the Masa Valverde deposit, while additional drilling was recently completed at other targets.

Proyecto Touro

On 24 June 2024, Atalaya announced that Proyecto Touro, via its local entity Cobre San Rafael, was declared a strategic industrial project by the Council of the Xunta de Galicia ("XdG"). Under legislation of the Autonomous Community of Galicia, the status of strategic industrial project (or in Spanish, Proyecto Industrial Estratégico ("PIE")) acts to simplify the administrative procedures associated with the development of industrial projects and intends to substantially reduce permitting timelines.

This declaration highlights the XdG's commitment to promoting new investment that will benefit the region and also support the objectives of the European Union. Copper is considered a strategic raw material by the EU and this project has the potential to become a new source of sustainable European copper production.

The XdG is continuing its review according to the simplified procedures afforded to projects with PIE status. The public information period, which serves to inform the surrounding communities and organisations about the proposed project, concluded on 31 January 2025. Cobre San Rafael is currently focused on analysing and responding to the feedback submitted during the public information period and assessing the sectoral reports issued by the various departments of the XdG.

In addition, the Company continues to engage with the many stakeholders in the region including through various recruitment initiatives, and is restoring the water quality of the rivers around Touro by operating its water treatment plant.

The Company also continues infill and step-out drilling programmes focused on areas captured in the initial mine plan and where mineralisation remains open.

Proyecto Ossa Morena

Once new permits are approved, drilling will be prioritised at the flagship Alconchel-Pallares copper-gold project and the Guijarro-Chaparral gold-copper project.

Proyecto Riotinto East

A gravimetric ground survey will be carried out over selected areas to better define drill targets.

Skellefte Belt and Rockliden (Sweden)

On 19 November 2024, Atalaya announced that it had entered into two binding agreements with Mineral Prospektering i Sverige AB ("MPS") pursuant to which Atalaya

can earn an initial 75% interest in two separate land packages in Sweden. The Skellefte Belt land package ("Skellefte Belt Project") and the Rockliden land package ("Rockliden Project") are located in two notable districts that host many large-scale volcanogenic massive sulphide ("VMS") deposits and mines owned by Boliden AB. Both regions are underexplored and could increase Atalaya's exposure to critical minerals in Europe.

In Q4 2024, activities focused on preparing for the winter drilling season. At the Rockliden Project, drilling commenced during the first week of January 2025, with an initial focus on extensional drilling at the "Target 1" prospect and other untested high priority regional Versatile Time-Domain Electromagnetic ("VTEM") anomalies. At the Skellefte Belt Project, drilling is underway and focused on known VTEM anomalies and infill and extensional drilling at the Bjurtraskgruvan prospect.

This announcement contains information which, prior to its publication constituted inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

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About Atalaya Mining Copper, S.A.

Atalaya is a European copper producer that owns and operates the Proyecto Riotinto complex in southwest Spain. Atalaya's shares trade on the London Stock Exchange's Main Market under the symbol "ATYM".

Atalaya's 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, such as Proyecto Masa Valverde and Proyecto Riotinto East. In addition, Atalaya has a phased earn-in agreement for up to 80% ownership of Cobre San Rafael S.L., which fully owns the Proyecto Touro brownfield copper project in the northwest of Spain, as well as a 99.9% interest in Proyecto Ossa Morena. For further information, please visit www.atalayamining.com

ATALAYA MINING COPPER, S.A.
MANAGEMENT'S REVIEW AND
EXTRACT OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
31 December 2024

Notice to Reader

The accompanying consolidated financial statements of Atalaya Mining Copper, S.A. have been prepared by and are the responsibility of Atalaya Mining Copper, S.A.'s management.

Introduction

This report provides an overview and analysis of the financial results of operations of Atalaya Mining Copper, S.A. and its subsidiaries ("Atalaya" and/or "Group"), to enable the reader to assess material changes in the financial position between 31 December 2023 and 31 December 2024 and results of operations for the three and twelve months ended 31 December 2024 and 2023.

This report has been prepared as of 17 March 2024. The analysis hereby included is intended to supplement and complement the audited consolidated financial statements and notes thereto ("Financial Statements") as at and for the period ended 31 December 2024, which will be released together with the Company's 2024 Annual Report.

Atalaya prepares its Annual Financial Statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU. 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" applicable under securities laws. Except for statements of historical fact, certain information contained herein constitutes 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 all required third party regulatory and governmental approvals that 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 be correct. Factors that 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.

Non-Financial Information Statement

The Non-Financial Information Statement has been prepared in accordance with the requirements of Spanish Law 11/2018, of 28 December, on non-financial and diversity information (amending the Commercial Code, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of 2 July, and Law 22/2015 of 20 July on Auditing). This statement aims to provide stakeholders with relevant information on the Group's environmental, social, and governance performance.

For a comprehensive overview of Atalaya's ESG performance, including environmental initiatives, social impact, employee relations, human rights policies, and anti-corruption measures, please refer to the Atalaya Sustainability Report 2024, which is published separately and provides detailed disclosures aligned with international reporting standards such as the Global Reporting Initiative (GRI) standards.

1. Incorporation and summary of business

Atalaya Mining Plc 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 was at 1 Lampousa Street, Nicosia, Cyprus.

The Company was first listed on the Alternative Investment Market (AIM) of the London Stock Exchange in May 2005.

Change of name and share consolidation (2015)

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. The Company's trading symbol became "ATYM".

On 29 April 2024, the Company was admitted to trading on the main market of the London Stock Exchange.

Cross-border conversion (re-domiciliation) (2024-2025)

On 10 January 2025, the Company successfully completed a cross-border conversion, resulting in its re-domiciliation from the Republic of Cyprus to the Kingdom of Spain. This process was carried out in accordance with the Company's strategic objectives to align its corporate structure with its operational base in Spain.

A cross-border conversion deed was executed on 23 December 2024 and subsequently filed with the Spanish Commercial Registry on 27 December 2024. Under Spanish corporate law, the re-domiciliation became legally effective from the date of registration with the Spanish Commercial Registry, i.e., 27 December 2024. However, for administrative and procedural purposes, the final formalities were completed on 9 January 2025, with the official public announcement being made on 10 January 2025. Following this change:

- Atalaya's corporate seat was transferred from Cyprus to Spain, and Atalaya became a Spanish public limited company (Sociedad Anónima) under the laws of the Kingdom of Spain;
- Atalaya's registered name changed from Atalaya Mining Plc to Atalaya Mining Copper, S.A.; and;
- Atalaya's registered address changed from 1, Lampousas Street, 1095 Nicosia, Cyprus to Paseo de las Delicias, 1, 3, 41001, Sevilla, Spain.

The Company's shares commenced trading under "Atalaya Mining Copper, S.A." on 10 January 2025 at 8:00 am (London time) and the nominal value of the Company's shares were also adjusted from 7.5p to €0.09 per share.

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 East.

Additional information about the Company is available at www.atalayamining.com.

2. Operating Review

Proyecto Riotinto

The following table presents a summarised statement of operations of Proyecto Riotinto for the three and twelve month periods ended 31 December 2024 and 2023.

<i>Units expressed in accordance with the international system of units (SI)</i>	Unit	Q4 2024	Q4 2023	FY2024	FY2023
Ore mined	tonnes	3,507,203	3,742,814	15,176,009	14,944,638
Waste mined ⁽¹⁾	tonnes	10,200,079	7,362,657	32,824,156	32,182,904
Ore processed	tonnes	3,757,040	4,138,368	15,913,064	15,790,098
Copper grade	%	0.41	0.36	0.35	0.38

Copper concentrate grade	%	17.37	19.83	18.33	20.72
Copper recovery	%	78.15	85.47	83.06	86.62
Copper concentrate produced	tonnes	69,550	64,414	252,165	249,321
Copper production	tonnes	12,078	12,775	46,227	51,667
Payable copper production	tonnes	11,382	12,131	43,706	49,174
Cash Cost	US\$/lb payable	2.79	2.90	2.92	2.79
All-in Sustaining Cost	US\$/lb payable	3.28	3.16	3.26	3.09

(1) Represents the Cerro Colorado pit only.

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.

<i>\$/lb Cu payable</i>	Q4 2024	Q4 2023	FY2024	FY2023
Mining	1.05	0.92	1.07	0.86
Processing	0.88	0.84	0.90	0.89
Other site operating costs	0.66	0.67	0.64	0.56
Total site operating costs	2.58	2.44	2.61	2.30
By-product credits	(0.34)	(0.11)	(0.27)	(0.09)
Freight, treatment charges and other offsite costs	0.55	0.57	0.58	0.58
Total offsite costs	0.21	0.47	0.30	0.49
Cash Cost	2.79	2.90	2.92	2.79
Cash Cost	2.79	2.90	2.92	2.79
Corporate costs	0.11	0.09	0.10	0.08
Sustaining capital (excluding tailings expansion)	0.03	0.02	0.05	0.03
Capitalised stripping costs ⁽¹⁾	0.27	0.08	0.11	0.12
Other costs	0.09	0.06	0.09	0.07
AISC	3.28	3.16	3.26	3.09

(1) Represents the Cerro Colorado pit only.

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.

Mining and Processing

Mining

Ore mined was 3.5 million tonnes in Q4 2024 (Q4 2023: 3.7 million tonnes) and 15.2 million tonnes in FY2024 (FY2023: 14.9 million tonnes).

Waste mined at Cerro Colorado was 10.2 million tonnes in Q4 2024 (Q4 2023: 7.4 million tonnes) and 32.8 million tonnes in FY2024 (FY2023: 32.2 million tonnes). In addition, waste stripping activities continued at the San Dionisio area.

Processing

Ore processed was 3.8 million tonnes in Q4 2024 (Q4 2023: 4.1 million tonnes) and 15.9 million tonnes in FY2024 (FY2023: 15.8 million tonnes), which represents a new annual throughput record.

Copper grade was 0.41% in Q4 2024 (Q4 2023: 0.36%) and 0.35% in FY2024 (FY2023: 0.38%), with lower full-year grades as a result of pit sequencing.

Copper recovery was 78.15% in Q4 2024 (Q4 2023: 85.47%) and 83.06% in FY2024 (FY2023: 86.62%), with the decrease due to a combination of lower grades and the characteristics of certain ores.

Production

Copper production was 12,078 tonnes in Q4 2024 (Q4 2023: 12,775 tonnes) and 46,227 tonnes in FY2024 (FY2023: 51,667 tonnes). Production in FY2024 was below FY2023 as a result of lower copper grades and recoveries, although higher silver production helped to mitigate the impact on revenues.

On-site copper concentrate inventories were 21,815 tonnes at 31 December 2024 (31 December 2023: 6,722 tonnes).

Copper contained in concentrates sold was 10,271 tonnes in Q4 2024 (Q4 2023: 12,928 tonnes) and 43,609 tonnes in FY2024 (FY2023: 50,808 tonnes).

Asset Portfolio Update

Proyecto Riotinto

Waste stripping continues at San Dionisio in order to prepare the area for future mining phases. Total material mined was 1.9 million tonnes in Q4 2024 and 13.4 million tonnes in FY2024. Meanwhile, the permitting process associated with the San Dionisio final pit continues to advance.

Construction progress continues in relation to the planned relocation of the A-461 road that currently runs between Cerro Colorado and San Dionisio.

At San Antonio, an infill and step-out drilling programme is expected to begin in the coming months.

E-LIX Phase I Plant

Commissioning and ramp-up activities continue at the E-LIX Phase I plant. During Q4 2024, good progress was made in relation to rectifying issues in the conventional elements of the plant. The novel leaching section continues to perform well, where recent focus has been on leaching the zinc contained within Atalaya's copper concentrates given the low copper treatment charge environment.

Once fully 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 charges and a reduced carbon footprint.

50 MW Solar Plant

The 50 MW solar plant was connected to the substation at the end of October 2024. With Phase I complete, full capacity is expected to be reached in 2025 after which the facility is expected to provide approximately 22% of Riotinto's current electricity needs.

Together, the 50 MW solar plant and the Company's 10-year PPA will provide over 50% of the Company's current electricity requirements at a rate well below historical prices in Spain. The Company also continues to assess opportunities to enter into additional long-term PPAs in order to provide further price stability.

Riotinto District – Proyecto Masa Valverde

PMV has been granted the two key permits required for development – the Unified Environmental Authorisation (or in Spanish, Autorización Ambiental Unificada ("AAU")) and the exploitation permit. The Company expects to start construction of the access ramp in H1 2025 once it has completed the purchase of certain surface rights.

At present, four drill rigs are testing the north extension of the copper veining stockwork mineralisation at the Masa Valverde deposit, while additional drilling was recently completed at other targets.

Proyecto Touro

On 24 June 2024, Atalaya announced that Proyecto Touro, via its local entity Cobre San Rafael, was declared a strategic industrial project by the Council of the Xunta de Galicia ("XdG"). Under legislation of the Autonomous Community of Galicia, the status of strategic industrial project (or in Spanish, Proyecto Industrial Estratégico ("PIE")) acts to simplify the administrative procedures associated with the development of industrial projects and intends to substantially reduce permitting timelines.

This declaration highlights the XdG's commitment to promoting new investment that will benefit the region and also support the objectives of the European Union. Copper is considered a strategic raw material by the EU and this project has the potential to become a new source of sustainable European copper production.

The XdG is continuing its review according to the simplified procedures afforded to projects with PIE status. The public information period, which serves to inform the surrounding communities and organisations about the proposed project, concluded on 31 January 2025. Cobre San Rafael is currently focused on analysing and responding to the feedback submitted during the public information period and assessing the sectoral reports issued by the various departments of the XdG.

In addition, the Company continues to engage with the many stakeholders in the region including through various recruitment initiatives, and is restoring the water quality of the rivers around Touro by operating its water treatment plant.

The Company also continues infill and step-out drilling programmes focused on areas captured in the initial mine plan and where mineralisation remains open.

Proyecto Ossa Morena

Once new permits are approved, drilling will be prioritised at the flagship Alconchel-Pallares copper-gold project and the Guijarro-Chaparral gold-copper project.

Riotinto District – Proyecto Riotinto East

A gravimetric ground survey will be carried out over selected areas to better define drill targets.

Skellefte Belt and Rockliden (Sweden)

On 19 November 2024, Atalaya announced that it had entered into two binding agreements with Mineral Prospektering i Sverige AB ("MPS") pursuant to which Atalaya can earn an initial 75% interest in two separate land packages in Sweden. The Skellefte Belt land package ("Skellefte Belt Project") and the Rockliden land package ("Rockliden Project") are located in two notable districts that host many large-scale volcanogenic massive sulphide ("VMS") deposits and mines owned by Boliden AB. Both regions are underexplored and could increase Atalaya's exposure to critical minerals in Europe.

In Q4 2024, activities focused on preparing for the winter drilling season. At the Rockliden Project, drilling commenced during the first week of January 2025, with an initial focus on extensional drilling at the "Target 1" prospect and other untested high priority regional Versatile Time-Domain Electromagnetic ("VTEM") anomalies. At the Skellefte Belt Project, drilling is underway and focused on known VTEM anomalies and infill and extensional drilling at the Bjurtraskgruvan prospect.

Corporate Activities Update

Move to the Main Market

On 29 April 2024, the Company announced the admission of its ordinary shares to the premium listing segment of the Official List maintained by the Financial Conduct Authority ("FCA") and to trading on London Stock Exchange's main market for listed securities, along with the cancellation of trading on AIM.

The move up marked a significant corporate milestone for Atalaya and reflected the Company's desire to expand its investor base and continue its growth trajectory.

New Listing Rules

On 29 July 2024, the FCA implemented a new simplified listing regime. As a result, the Company is now admitted to the equity shares (commercial companies) ("ESCC") category of the Official List, in place of the prior premium listing segment.

Re-domiciliation

On 10 January 2025, the Company announced the completion of its re-domiciliation from the Republic of Cyprus to the Kingdom of Spain.

As a result, trading in Atalaya's shares under the new registered name of Atalaya Mining Copper, S.A. became effective on 10 January 2025. In addition, the actions and initiatives noted in the Company's 6 January 2025 announcement became effective on 9 January 2025, with retrospective effect for Spanish corporate law purposes as from 27 December 2024.

The re-domiciliation to Spain, along with Atalaya's move to the Main Market, opened the possibility for Atalaya to be included in the FTSE UK Index Series and further expanded its access to new investors.

Indexation

On 5 March 2025, FTSE Russell announced the results of its March 2025 Quarterly Review for the FTSE UK Index Series. Atalaya is pleased that its shares will be added to the FTSE All-Share and FTSE SmallCap indices effective 24 March 2025. This milestone is expected to enhance the Company's visibility to institutional investors.

Board of Directors

During 2024 and early 2025, several updates took effect related to succession planning at the Company's Board of Directors:

- Neil Gregson was appointed Chair of Atalaya, succeeding Roger Davey
- Kate Harcourt was appointed Senior Independent Director

- Carole Whittall was appointed as an Independent Non-Executive Director
- Roger Davey retired from the Board
- Coriseo González-Izquierdo was appointed as an Independent Non-Executive Director

As a result of these updates, various changes were made to the composition of the Company's Board committees.

In addition, it is intended that Coriseo González-Izquierdo will succeed Hussin Barma as Chair of the Remuneration Committee no later than the date of the 2025 Annual General Meeting.

3. Operational Guidance

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. Should the Company consider the current guidance no longer achievable, then the Company will provide a further update.

Proyecto Riotinto operational guidance for 2025 is as follows:

	Unit	Guidance 2025
Ore mined	million tonnes	15 – 16
Waste mined ⁽¹⁾	million tonnes	37 – 43
Ore processed	million tonnes	15.5 – 15.8
Copper grade	%	0.38 – 0.42
Copper recovery	%	78 – 82
Copper production	tonnes	48,000 – 52,000
Cash Cost	\$/lb payable	\$2.70 – 2.90
All-in Sustaining Cost	\$/lb payable	\$3.20 – 3.40

(1) Represents the Cerro Colorado pit only.

Production

As announced in the Company's Q4 2024 Operations Update, copper production guidance is 48,000 – 52,000 tonnes for FY2025, which compares to FY2024 production of 46,227 tonnes. Production in FY2025 is expected to be weighted slightly towards H1 2025 as a result of pit sequencing.

Production in the initial months of 2025 has been encouraging and supports the Company's full-year 2025 outlook.

Operating Costs

The prices of several key consumables continued their downward trend in 2024 after having peaked in 2022, although unit prices remain above 2021 levels. Ongoing conflicts in several regions may continue to disrupt supply chains and impact energy prices, therefore further input price volatility is possible. With respect to electricity, the Company's long-term PPA and solar plant are expected to provide some price stability.

Cash Cost and AISC guidance for FY2025 are as follows:

- Cash Cost range of \$2.70 – 2.90/lb copper payable
 - Compares with actual of \$2.92/lb in FY2024
- AISC range of \$3.20 – 3.40/lb copper payable
 - Includes capitalised stripping costs of ~\$0.20/lb from Cerro Colorado
 - Compares with actual of \$3.26/lb in FY2024, which included \$0.11/lb in capitalised stripping costs from Cerro Colorado

AISC guidance excludes investments in the tailings dam and ongoing waste stripping at the San Dionisio area, which are included in the non-sustaining capital investment guidance below.

Non-Sustaining Capital Investments

Atalaya continues to make investments that support its core strategic objectives of increasing its copper

production, diversifying its sources of production, extending mine life, delivering structural cost reductions and maximising overall asset optionality.

The Company plans to make the following non-sustaining capital investments in FY2025:

Item	€ million
San Dionisio waste stripping, dewatering and road relocation ⁽¹⁾	€32 – 46
Proyecto Masa Valverde access ramp ⁽²⁾	€8 – 12
E-LIX Phase I Plant	€5 – 7
50 MW solar plant	€3 – 5
Expansion of existing Riotinto tailings facility	€10 – 12
Total non-sustaining capital investments	€58 – 82

(1) Upon receipt of the final permit, a portion of this may be reclassified to Cash Cost and AISC

(2) Ramp development to begin once purchase of surface rights are completed

Exploration Expenditures

Investing in early stage exploration remains a key component of Atalaya's long-term strategy. The Company has interests in several key land packages in Spain, including in the Iberian Pyrite Belt (Riotinto District), the Ossa Morena Metallogenic Belt (Proyecto Ossa Morena) and around Proyecto Touro, as well as new earn-in agreements in two VMS districts in Sweden.

In FY2025, the Company's exploration expenditure budget is €6 – 8 million. The main focus will be on expanding and upgrading resources at Cerro Colorado, San Antonio, Proyecto Masa Valverde and Proyecto Touro, as well as drill testing targets in Sweden and at Proyecto Masa Valverde.

4. Financial Review

Income Statement

The following table presents a summarised consolidated income statement for the three and twelve month periods ended 31 December 2024 and 31 December 2023.

(Euro 000's)	Three month ended 31 Dec 2024	Three month ended 31 Dec 2023	Twelve month ended 31 Dec 2024	Twelve month ended 31 Dec 2023
Revenues from operations	77,852	85,591	326,797	340,346
Cost of sales	(59,598)	(65,038)	(242,163)	(247,290)
Corporate expenses	(1,833)	(4,713)	(7,927)	(12,741)
Exploration expenses	(4,637)	(1,311)	(7,950)	(6,467)
Care and maintenance expenditure	1,269	(1,199)	(2,784)	(2,384)
Other income	(373)	558	383	1,636
EBITDA	12,680	13,888	66,356	73,100
Depreciation/amortisation	(10,625)	(10,635)	(43,565)	(37,800)
Net Impairment reversals on Assets ⁽¹⁾	5,744	-	5,744	-
Net foreign exchange gain/(loss)	2,532	(2,038)	3,090	(1,278)
Net finance income/(cost)	553	(422)	(102)	2,071
Tax	4,038	4,422	1,037	570
Profit for the year	14,922	5,215	32,560	36,663

(1) Includes reversal of prior Touro impairment. Refer to Note 14

Three months financial review

Revenues for Q4 2024 amounted to €77.9 million, down from €85.6 million in Q4 2023. The decline was primarily due to lower concentrate sales volumes and concentrate grades. Realised copper prices, excluding QPs, were US\$4.10/lb in Q4 2024, compared with US\$3.78/lb in Q4 2023. Including QPs, the realised price was approximately US\$4.15/lb.

Copper contained in concentrates sold was 10,271 tonnes in Q4 2024 and 12,928 tonnes in FY2023.

Cost of sales for Q4 2024 totalled €59.6 million, compared to €65.0 million in Q4 2023. The decrease was

mainly due to a higher volume of concentrate stock at the end of the period. Cash costs stood at US\$2.79/lb payable copper, down from US\$2.90/lb in the prior-year quarter, benefiting from silver credits despite lower copper payable. All-in Sustaining Costs (AISC) for Q4 2024, excluding investments in the tailings dam, were US\$3.28/lb payable copper, compared with US\$3.16/lb in Q4 2023. The increase was mainly due to higher capitalised stripping costs.

Sustaining capex for Q4 2024 amounted to €0.4 million, compared with €0.5 million in Q4 2023, primarily related to plant processing system improvements. Investment in the tailings dam project during Q4 2024 was €4.0 million, €3.4 million in Q4 2023. Capitalised stripping costs for Cerro Colorado for Q4 2024 were €6.2 million, higher than previous year (€2.0 million). The 50 MW solar plant construction capex totalled €2.9 million in Q4 2024.

Corporate expenses for Q4 2024 totalled €1.8 million, compared with €4.7 million in Q4 2023. These expenses include non-operating costs of the Cyprus office, corporate legal and consultancy fees, listing costs, and salaries for corporate officers and directors. Exploration expenses for the three-month period ended 31 December 2024 were €4.6 million, compared to €1.3 million in Q4 2023.

EBITDA for Q4 2024 amounted to €12.7 million, down from €13.9 million in Q4 2023. Depreciation and amortisation remained stable at €10.6 million in both periods. Net foreign exchange gains in Q4 2024 were €2.5 million, compared with a loss of €2.0 million in Q4 2023. Net financing income in Q4 2024 were a positive €0.6 million, compared with a loss of €0.4 million in the prior-year quarter.

Twelve months financial review

Revenues for FY 2024 totalled €326.8 million, compared with €340.3 million in FY 2023. The decrease was mainly due to lower concentrate sales volumes and concentrate grades, partially offset by higher realised prices.

Copper concentrate production for FY 2024 was 252,165 tonnes, up from 249,321 tonnes in FY 2023, while sales totalled 237,072 tonnes, down from 246,128 tonnes in the previous year. Inventories of concentrates at year-end stood at 21,815 tonnes, compared with 6,722 tonnes at 31 December 2023. Copper contained in concentrates sold was 43,609 tonnes in FY 2024 and 50,808 tonnes in FY2023.

Realised copper prices, excluding QPs, averaged US\$4.19/lb in FY 2024, compared with US\$3.80/lb in FY 2023. The Company did not enter into any hedging agreements during 2024.

Cost of sales for FY 2024 amounted to €242.2 million, down from €247.3 million in 2023. The reduction in costs was mainly due to a positive impact from a higher year-end copper concentrate inventories despite of higher input costs. Cash costs for FY 2024 were US\$2.92/lb payable copper, up from US\$2.79/lb in 2023, mainly due to lower copper production. However, higher silver by-product credits helped offset part of the impact. AISC, excluding investment in the tailings dam, stood at US\$3.26/lb payable copper in FY 2024, compared to US\$3.09/lb in FY 2023, with the increase driven by higher capitalised stripping costs and corporate expenses.

Sustaining capex for the twelve-month period ended 31 December 2024 totalled €4.0 million, compared with €3.4 million in FY 2023, mainly for plant processing system upgrades. Investment in the tailings dam expansion was €14.8 million, compared with €13.7 million in 2023. The 50 MW solar plant construction capex amounted to €8.4 million in FY 2024, San Dionisio area €25.7 million, Capitalised stripping costs for Cerro Colorado €9.9 million while investments in the E-LIX Phase I plant totalled €12.4 million, of which €5.3 million was booked as a loan to Lain Technologies Ltd, €2.1 million to PPE and €5.0m as prepayments for service contracts.

Corporate expenses for FY 2024 amounted to €7.9 million, down from €12.7 million in FY 2023, reflecting lower overhead costs. Exploration expenses for the year totalled €7.9 million, compared with €6.5 million in 2023, with major exploration work carried out at Proyecto Masa Valverde and Riotinto.

EBITDA for FY 2024 was €66.4 million, down from €73.1 million in FY 2023. Depreciation and amortisation for the year amounted to €43.6 million, compared with €37.8 million in 2023. Net impairment reversals for FY 2024 were €5.7 million, compared with zero in FY 2023. The net foreign exchange gain for FY 2024 was €3.1 million, compared with a loss of €1.3 million in FY 2023.

Net finance costs for FY 2024 amounted to negative €0.1 million, compared with €2.1 million in FY 2023.

Profit after tax for FY 2024 was €32.6 million, down from €36.7 million in FY 2023. Tax expenses amounted to €1.0 million, compared to €0.6 million in 2023. Earnings per share for FY 2024 was 22.6 cents, compared with 27.7 cents in FY 2023. Diluted EPS was 21.8 cents, down from 26.9 cents in the prior year.

Realised Copper Prices

The average prices of copper for 2024 and 2023 were:

\$/lb		2024	2023
Realised copper price (excluding QPs)	\$/lb	4.19	3.80
Market copper price per lb (period average)	\$/lb	4.15	3.85

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 2024, including the QP, was approximately \$4.06/lb.

5. Alternative Performance Measures

Atalaya has included certain non-IFRS measures including "EBITDA", "Cash Cost per pound of payable copper" "All-In Sustaining Cost" ("AISC") and "realised prices" 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 on-site cash operating costs, and off-site 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 cash cost.

AISC per pound of payable copper includes the Cash Cost plus royalties and agency fees, expenditure on rehabilitations, stripping costs, exploration and geology costs, corporate costs, and sustaining capital expenditures.

Realised prices 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, expressed in USD per pound of payable copper. Realised price is consistent with the widely accepted industry standard definition.

6. Liquidity and Capital Resources

Atalaya monitors factors that could impact its liquidity as part of the Company'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 as at 31 December 2024 and 2023, and cash flows for the twelve months ended 31 December 2024 and 2023.

Liquidity Information

(Euro 000's)	31 Dec 2024	31 Dec 2023
Unrestricted cash and cash equivalents at Group level	43,184	94,868
Unrestricted cash and cash equivalents at Operation level	9,694	26,139
Consolidated cash and cash equivalents	52,878	121,007
Net cash position	35,091	54,320
Working capital surplus	44,728	68,618

Unrestricted cash and cash equivalents as at 31 December 2024 decreased to €52.9 million from €121.0 million at 31 December 2023. The decrease in cash balances is primarily due to cash outflows during 2024, mainly related to financing and investing activities. Cash balances are unrestricted and include balances at both the operational and corporate levels. The net decrease in cash and cash equivalents for the year was €68.1 million, compared to a decrease of €4.2 million in 2023. This decline was driven by increased capital expenditures, net debt repayments, and dividend payments.

As of 31 December 2024, Atalaya reported a working capital surplus of €44.7 million, compared with a working capital surplus of €68.6 million at 31 December 2023. The decrease in working capital surplus in 2024 was mainly driven by changes in current liabilities and cash balances. Cash decreased significantly

compared to the previous year, reflecting higher investments in property, plant, and equipment, as well as the repayment of borrowings and payment of dividends. At 31 December 2024, trade and other payables increased to €90.1 million, up from €75.9 million in 2023, while inventories also increased to €49.2 million from €33.3 million in the prior year. Trade and other receivables remained relatively stable at €36.9 million in 2024, compared to €42.9 million in 2023.

The Directors consider the current net cash position as well as the existing levels of the commodity prices and the current liquidity position to mitigate any potential financial risks linked to the liquidity position of the Company.

Overview of the Group's Cash Flows

(Euro 000's)	Twelve month ended 31 Dec 2024	Twelve month ended 31 Dec 2023
Cash flows from operating activities	53,403	64,743
Cash flows used in investing activities	(66,073)	(50,406)
Cash flows from financing activities	(57,261)	(18,500)
Net (decreased)/increase in cash and cash equivalents	(69,931)	(4,163)
Net foreign exchange differences	1,802	(1,278)
Total net cash flow for the period	(68,129)	(5,441)

In the twelve-month period ending 31 December 2024, cash and cash equivalents experienced a decrease of €69.9 million. This reduction resulted from cash generated by operating activities amounting to €53.4 million, offset by cash used in investing activities totalling €66.1 million and financing outflows amounting to €57.3 million, partially mitigated by a €1.8 million net positive foreign exchange impact.

Cash generated from operating activities before changes in working capital reached €66.4 million, compared with an EBITDA of €67.0 million. Atalaya increased its inventories by €15.0 million, while trade and other receivables decreased by €1.2 million, and trade and other payables increased by €5.6 million. The company incurred corporate tax payments totalling €0.8 million during this period.

Investing activities for the year 2024 amounted to €66.1 million, primarily directed towards capital expenditures related to ongoing projects, including plant improvements and infrastructure developments.

Financing activities in 2024 totalled negative €57.3 million, mainly driven by the repayment of borrowings amounting to €51.9 million, dividend payments of €10.3 million, and lease payments of €0.6 million, partially offset by proceeds from the issuance of share capital totalling €2.5 million and new borrowings of €3.0 million.

Foreign Exchange

In FY2024, Atalaya recognised a foreign exchange gain of €3.1 million (FY2023 loss: €1.3 million). The foreign exchange gain mainly related to variances in EUR and USD conversion rates during the period as all sales are settled and occasionally held in USD.

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

	Twelve months ended 31 Dec 2024	Twelve months ended 31 Dec 2023
Average rates for the periods		
GBP – EUR	0.8587	0.8698
USD – EUR	1.091	1.0813
Spot rates as at		
GBP – EUR	0.8292	0.8691
USD – EUR	1.039	1.105

During 2024 and 2023, Atalaya did not have any currency hedging agreements.

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 2024.

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 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 estimates and judgements in the audited consolidated financial statements for the year ended 31 December 2024.

9. Other Information

Additional information about Atalaya Mining Copper, S.A. is available at www.atalayamining.com

Consolidated financial statements on subsequent pages

By Order of the Board of Directors

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

(Euro 000's)	Note	2024	2023
Revenue	5	326,797	340,346
Operating costs and mine site administrative expenses		(240,784)	(246,630)
Mine site depreciation, amortisation and impairment	13,14	(36,617)	(37,800)
Gross profit		49,396	55,916
Administration and other expenses		(7,927)	(12,741)
Share based benefits	24	(1,379)	(661)
Impairment loss on financial and contract assets	15	(1,204)	-
Exploration expenses		(7,950)	(6,467)
Care and maintenance expenditure		(2,784)	(2,384)
Other income		383	1,637
Operating profit		28,535	35,300
Net foreign exchange gain/(loss)	4	3,090	(1,278)
Interest income from financial assets at amortised cost	8	1,887	5,393
Finance costs	9	(1,989)	(3,322)
Profit before tax		31,523	36,093
Tax	10	1,037	570
Profit for the year		32,560	36,663
Profit for the year attributable to:			
- Owners of the parent	25	31,738	38,769
- Non-controlling interests	25	822	(2,106)
		32,560	36,663
Earnings per share from operations attributable to ordinary equity holders of the parent during the year:			
Basic earnings per share (EUR cents per share)	11	22.6	27.7
Diluted earnings per share (EUR cents per share)	11	21.8	26.9
Profit for the year		32,560	36,663
Other comprehensive income:		-	-
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'	21	(7)	(2)
Total comprehensive income for the year		32,553	36,661
Total comprehensive income for the year attributable to:			
- Owners of the parent	25	31,731	38,767
- Non-controlling interests	25	822	(2,106)

The notes on subsequent pages are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

(Euro 000's)	Note	31 Dec 2024	31 Dec 2023
Assets			
Non-current assets			
Property, plant and equipment	13	409,032	384,739
Intangible assets	14	70,209	49,397
Loans	19	2,627	-
Trade and other receivables	20	33,252	26,702
Non-current financial asset	21	1,101	1,101
Deferred tax asset	17	15,085	11,282
		531,306	473,221
Current assets			
Inventories	18	49,162	33,314
Loans	19	5,352	-
Trade and other receivables	20	36,863	42,897
Tax refundable		266	100
Other financial assets	21	23	30
Cash and cash equivalents	22	52,878	121,007
		144,544	197,348
Total assets		675,850	670,569
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	23	12,668	13,596
Share premium	23	321,856	319,411
Other reserves	24	88,774	70,463
Accumulated profit		93,085	98,026
		516,383	501,496
Non-controlling interests	25	2,154	(9,104)
Total equity		518,537	492,392
Liabilities			
Non-current liabilities			
Trade and other payables	26	13,983	2,205
Provisions	27	29,328	27,234
Lease liability	28	3,320	3,877
Borrowings	29	10,866	16,131
		57,497	49,447
Current liabilities			
Trade and other payables	26	90,090	75,922
Lease liability	28	481	501
Current tax liabilities		1,408	1,317
Provisions	27	916	434
Borrowings	29	6,921	50,556
		99,816	128,730
Total liabilities		157,313	178,177
Total equity and liabilities		675,850	670,569

The notes on subsequent pages are an integral part of these consolidated financial statements.
The consolidated financial statements were authorised for issue by the Board of Directors on 17 March 2025 and were signed on its behalf.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

(Euro 000's)	Note	Share capital	Share premium	Other reserves ⁽¹⁾	Accum. Profits	Total	NCI	Total equity
1 Jan 2024		13,596	319,411	70,463	98,026	501,496	(9,104)	492,392
Profit for the period		-	-	-	31,738	31,738	822	32,560
Change in fair value of financial assets through other comprehensive income 'OCI'	21	-	-	(7)	-	(7)	-	(7)
Total comprehensive (loss)/income		-	-	(7)	31,738	31,731	822	32,553
Issuance of share capital	23	76	2,445	-	-	2,521	-	2,521
Recognition of depletion factor	24	-	-	8,949	(8,949)	-	-	-
Recognition of non-distributable reserve	24	-	-	1,843	-	1,843	-	1,843
Recognition of distributable reserve	24	-	-	142	(142)	-	-	-
Recognition of share-based payments	24	-	-	7,385	(7,385)	-	-	-
Other changes in equity		(1,004)	-	(1)	542	(463)	-	(463)
Revaluation of non-controlling interest		-	-	-	(10,439)	(10,439)	10,436	(3)
Dividends paid	12	-	-	-	(10,306)	(10,306)	-	(10,306)
31 Dec 2024		12,668	321,856	88,774	93,085	516,383	2,154	518,537

(Euro 000's)	Note	Share capital	Share premium	Other reserves ⁽¹⁾	Accum. Profits	Total	NCI	Total equity
1 Jan 2023		13,596	319,411	69,805	70,483	473,295	(6,998)	466,297
Profit/(loss) for the period		-	-	-	38,769	38,769	(2,106)	36,663
Change in fair value of financial assets through other comprehensive income 'OCI'	21	-	-	(3)	-	(3)	-	(3)
Total comprehensive (loss)/income		-	-	(3)	38,769	38,766	(2,106)	36,660
Recognition of share-based payments	24	-	-	661	-	661	-	661
Other changes in equity		-	-	-	252	252	-	252
Dividends paid	12	-	-	-	(11,478)	(11,478)	-	(11,478)
31 Dec 2023		13,596	319,411	70,463	98,026	501,496	(9,104)	492,392

⁽¹⁾ Refer to Note 23

The notes on subsequent pages are an integral part of these consolidated financial statements

Consolidated Statement of Cash Flows

for the year ended 31 December 2024

(Euro 000's)	Note	2024	2023
Cash flows from operating activities			
Profit before tax		31,523	36,093
Adjustments for:			
Depreciation of property, plant and equipment	13	39,658	33,307
Amortisation of intangible assets	14	3,907	4,493
Recognition of share-based payments	24	1,379	660
Interest income	8	(1,887)	(5,392)
Interest expense	9	1,161	2,607
Unwinding of discounting	9	828	690
Legal provisions	27	(1,255)	1
Impairment loss on financial and contract assets	6	1,205	-
Reversal of Intangible Asset Impairment	14	(6,948)	-
Net foreign exchange differences		(3,090)	1,278
Unrealised foreign exchange (loss)/gain on financing activities		(85)	(1,492)
Cash inflows from operating activities before working capital changes		66,396	72,245
Changes in working capital:			
Inventories	18	(14,958)	5,527
Trade and other receivables	20	(1,247)	10,918
Trade and other payables	26	5,595	(14,924)
Provisions	27	(434)	(1,203)
Cash flows from operations		55,352	72,563
Interest expense on lease liabilities	28	(30)	(25)
Interest paid		(1,131)	(2,607)
Tax paid		(788)	(5,188)
Net cash from operating activities		53,403	64,743
Cash flows from investing activities			
Purchases of property, plant and equipment	13	(60,212)	(53,837)
Purchases of intangible assets	14	(1,198)	(460)
Payments for investments	19	(5,305)	-
Interest received	8	642	3,891
Net cash used in investing activities		(66,073)	(50,406)
Cash flows from financing activities			
Lease payment	28	(577)	(536)
Proceeds from borrowings	29(a)	3,000	36,810
Repayment of borrowings	29(a)	(51,900)	(43,296)
Proceeds from issue of share capital		2,522	-
Dividends paid	12	(10,306)	(11,478)
Net cash (used in)/from financing activities		(57,261)	(18,500)
Net decrease in cash and cash equivalents		(69,931)	(4,163)
Net foreign exchange difference		1,802	(1,278)
Cash and cash equivalents:			
At beginning of the year	22	121,007	126,448
At end of the year	22	52,878	121,007

The notes on subsequent pages are an integral part of these consolidated financial statements.

1. Incorporation and summary of business

Atalaya Mining Plc 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 was at 1 Lampousa Street, Nicosia, Cyprus.

The Company was first listed on the Alternative Investment Market (AIM) of the London Stock Exchange in May 2005.

Change of name and share consolidation (2015)

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. The Company's trading symbol became "ATYM".

On 29 April 2024, the Company was admitted to trading on the main market of the London Stock Exchange.

Cross-border conversion (re-domiciliation) (2024-2025)

On 10 January 2025, the Company successfully completed a cross-border conversion, resulting in its re-domiciliation from the Republic of Cyprus to the Kingdom of Spain. This process was carried out in accordance with the Company's strategic objectives to align its corporate structure with its operational base in Spain.

A cross-border conversion deed was executed on 23 December 2024 and subsequently filed with the Spanish Commercial Registry on 27 December 2024. Under Spanish corporate law, the re-domiciliation became legally effective from the date of registration with the Spanish Commercial Registry, i.e., 27 December 2024. However, for administrative and procedural purposes, the final formalities were completed on 9 January 2025, with the official public announcement being made on 10 January 2025. Following this change:

- Atalaya's corporate seat was transferred from Cyprus to Spain, and Atalaya became a Spanish public limited company (Sociedad Anónima) under the laws of the Kingdom of Spain;
- Atalaya's registered name changed from Atalaya Mining Plc to Atalaya Mining Copper, S.A.; and;
- Atalaya's registered address changed from 1, Lampousas Street, 1095 Nicosia, Cyprus to Paseo de las Delicias, 1, 3, 41001, Sevilla, Spain.

The Company's shares commenced trading under "Atalaya Mining Copper, S.A." on 10 January 2025 at 8:00 am (London time) and the nominal value of the Company's shares were also adjusted from 7.5p to €0.09 per share.

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 East.

Additional information about the Company is available at www.atalayamining.com

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 initially acquired a 10% stake in Cobre San Rafael, S.L. ("CSR"), the owner of Proyecto Touro, as part of an earn-in agreement, which was designed to enable the Group to acquire up to 80% of the copper project. Proyecto Touro is located in Galicia, north-west Spain, and is currently in the permitting process.

In July 2017, the Group announced that it had executed the option to acquire 10% of the share capital of CSR, a wholly owned subsidiary of Explotaciones Gallegas S.L. This acquisition was part of an earn-in agreement, structured in four phases, allowing the Group to progressively increase its stake in CSR up to 80%:

- Phase 1 – The Group paid €0.5 million to secure the exclusivity agreement and committed to funding up to a maximum of €5.0 million to support the permitting and financing stages.
- Phase 2 – Upon receipt of permits, the Group is required to pay €2.0 million to acquire an additional 30% interest in the project (cumulative 40%).
- Phase 3 – Once development capital is secured and construction commences, the Group is required to pay €5.0 million to acquire an additional 30% interest in the project (cumulative 70%).
- Phase 4 – Upon declaration of commercial production, the Group purchases an additional 10% interest (cumulative 80%) in exchange for a 0.75% Net Smelter Return royalty, with a buyback option.

The Agreement was structured to ensure that each phase and corresponding payment would only occur once the project was de-risked, permitted, and operational..

On 24 June 2024, Atalaya announced that Proyecto Touro, via its local entity Cobre San Rafael, was declared a strategic industrial project by the Council of the Xunta de Galicia ("XdG"). Under legislation of the Autonomous Community of Galicia, the status of strategic industrial project (or in Spanish, Proyecto Industrial Estratégico ("PIE")) acts to simplify the administrative procedures associated with the development of industrial projects and intends to substantially reduce permitting timelines.

This declaration highlights the XdG's commitment to promoting new investment that will benefit the region and also support the objectives of the European Union. Copper is considered a strategic raw material by the EU and this project has the potential to become a new source of sustainable European copper production.

The XdG is continuing its review according to the simplified procedures afforded to projects with PIE status. The public information period, which serves to inform the surrounding communities and organisations about the proposed project, concluded on 31 January 2025. Cobre San Rafael is currently focused on analysing and responding to the feedback submitted during the public information period and assessing the sectoral reports issued by the various departments of the XdG.

As a result of the changes occurred during the year, the Group considers that it is likely that phases 2, 3 and 4 of the Touro project may be completed, and therefore, in application of the Group's policy on contingent payments (Note 2.31), it has recorded an intangible asset amounting to €16.5 million at the end of the year (Note 14), as well as the corresponding contingent liabilities (note 26).

In line with the Group's policy on non-controlling interests (note 2.3), the Group has allocated 20% of this new intangible asset in non-controlling interests, amounting to €3.3 million (Note 25).

As described in note 14 and linked to the Group's expectation that future phases may be completed, the Group has reversed an impairment recorded in 2019 on intangible fixed assets amounting to €6.9 million, which corresponded to capitalised expenses associated with Proyecto Touro.

In addition, the Company continues to engage with the many stakeholders in the region including through various recruitment initiatives, and is restoring the water quality of the rivers around Touro

by operating its water treatment plant.

The Company also continues infill and step-out drilling programmes focused on areas captured in the initial mine plan and where mineralisation remains open.

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 Minería 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). Under the terms of the agreement Atalaya will make an aggregate €1.4 million cash payment in two instalments of approximately the same amount. The first payment is to be executed once the project is permitted and second and final payment when first production is achieved from the concession.

In November 2023, the exploitation permit for the Masa Valverde and Majadales deposits was officially granted. Following this milestone, in January 2024, the Company made a payment of €0.7 million as part of the process associated with the granted permits.

Proyecto Ossa Morena

In December 2021, Atalaya announced the acquisition of a 51% interest in Rio Narcea Nickel, S.L., which owned 9 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. During 2022 Atalaya rejected 8 investigation permits.

Atalaya will pay a total of €2.5 million in cash in three instalments and grant a 1% net smelter return ("NSR") royalty over all acquired permits. The first payment of €0.5 million was made following execution of the purchase agreement. The second and third instalments of €1 million each will be made once the environmental impact statement ("EIS") and the final mining permits for any project within any of the investigation permits acquired under the Transaction are secured. In accordance with the agreement, these outstanding instalments are disclosed as a non-current payable to the sellers (Note 26).

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. After a short drilling campaign, the Los Herreros investigation permit was rejected in June 2022. Proyecto Riotinto East consists of the remaining two investigation permits, Peñas Blancas and Cerro Negro, totalling 10,016 hectares.

Skellefte Belt Project and Rockliden Project

During the year, the Group entered into agreements with Mineral Prospektering i Sverige AB in relation to the Skellefte Belt Project and the Rockliden Project, both situated in well-established volcanogenic massive sulphide districts renowned for their mineral resource potential. In 2024, a total of €1.2 million in funding was provided to MPS in relation to preparatory work for the planned winter drilling campaigns and to compensate for certain past expenditures incurred by MPS (Note 15).

Overview of assets by mining projects

The following table presents the allocation of assets across the Company's mining operations, distinguishing between mining assets, which include exploration, development, and production-related investments, and non-mining assets, covering infrastructure, equipment, and other supporting assets.

Net book value (€'000)	Proyecto Touro	Proyecto Ossa Morena	Proyecto Masa Valverde	Proyecto Riotinto	Proyecto Riotinto East	Total
Mining assets	31,894	2,101	3,842	441,295	50	479,182
Non-mining assets	-	-	-	59	-	59

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these consolidated and company financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Overview

The consolidated financial statements of Atalaya Mining Copper, S.A. and its subsidiaries (together, the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU). IFRS comprise the standards issued by the International Accounting Standards Board ("IASB"), as endorsed by the EU for application by publicly listed companies.

The consolidated financial statements are presented in Euros (€), with all amounts rounded to the nearest thousand (€'000), unless otherwise stated.

As a Spanish company operating under EU regulations, the Group also complies with the requirements of Spanish corporate law, including the Commercial Code (Código de Comercio) and the Spanish Capital Companies Act (Ley de Sociedades de Capital), where applicable. These regulations govern the preparation and disclosure of consolidated financial statements.

The definition of Public Interest Entity ("PIE") is set out in Article 2.13 of Directive 2006/43/EC, amended by Article 1 of Directive 2014/56/EU, that states that it is considered to be PIEs: (a) entities governed by the law of a Member State whose transferable securities are admitted to trading on a regulated market of any Member State; (b) credit institutions as defined in point 1 of Article 3(1) of Directive 2013/36/EU; (c) insurance undertakings within the meaning of Article 2(1) of Directive 91/674/EEC; and (d) entities designated by Member States as public-interest entities. As the company is not included in any of the categories above, it is not considered to be a PIE.

The preparation of these financial statements in conformity with IFRS requires the application of critical accounting estimates and judgements. Management must exercise its best judgement when applying the Group's accounting policies, particularly in areas involving complex transactions, estimates, and assumptions. The key areas requiring significant judgment or estimates are disclosed in Note 3.3.

(b) Going concern

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will continue to operate and meet its financial obligations in the normal course of business.

The Directors have assessed the Group's financial position, operational performance, and external market conditions for a period of at least 12 months from the date of approval of these financial statements. This assessment considered: Copper price volatility and foreign exchange fluctuations, given their direct impact on revenue and profitability; production levels and cost profile, ensuring the Group maintains operational efficiency and financial resilience; capital expenditure and ongoing development projects, aligning with the Group's strategic and operational needs; liquidity and borrowing facilities, confirming the Group's ability to meet financial obligations as they fall due; energy cost stability, supported by the commissioning of a solar power plant and a long-term PPA to mitigate electricity price volatility, regulatory and geopolitical risks, ensuring compliance with evolving industry regulations and addressing potential global market disruptions; copper head grade variability, with sensitivity analyses conducted to evaluate the impact of potential fluctuations in ore quality.

Following a comprehensive review of forecasts, financial resources, and stress-tested downside scenarios, the Directors have concluded that there are no material uncertainties that could reasonably be expected to cast significant doubt on the Group's ability to continue operating as a going concern. Accordingly, the going concern basis of accounting remains appropriate for the preparation of these consolidated financial statements.

The Directors and Management will continue to monitor external factors, including market conditions and regulatory developments, to ensure the Group remains well-positioned to navigate potential challenges.

2.2 Changes in accounting policy and disclosures

The Group has adopted all the new and revised IFRSs and International Accounting Standards (IASs) which are relevant to its operations and are effective for accounting periods commencing on 1 January 2024.

IFRS 16 (Amendment) – Lease Liability in a Sale and Leaseback

The amendment to IFRS 16 clarifies how a company should account for a sale and leaseback transaction after the transaction date. While IFRS 16 already includes requirements on how to recognise a sale and leaseback at the transaction date, it did not previously specify how to record the transaction thereafter. The amendment provides additional guidance on how entities should measure lease liabilities that arise in a sale and leaseback transaction. This amendment became effective from 1 January 2024. After assessment, management has concluded that this amendment has no material impact on the Group's consolidated financial statements.

IAS 1 (Amendment) – Classification of Liabilities as Current or Non-Current and IAS 1 (Amendment) – Non-Current Liabilities with Covenants

The amendments to IAS 1 clarify that the classification of liabilities as current or non-current depends on the rights that exist at the reporting date, rather than management's expectations or post-balance sheet events (e.g., waivers or covenant breaches). Additionally, the amendments improve disclosure requirements when the right to defer the settlement of a liability is conditional on meeting covenants within 12 months after the reporting date. These amendments became effective on 1 January 2024 and must be applied retrospectively under IAS 8 ("Accounting Policies, Changes in Accounting Estimates, and Errors"). After assessment, management has concluded that this amendment has no material impact on the Group's consolidated financial statements.

IAS 7 (Amendment) and IFRS 7 (Amendment) – Supplier Finance Arrangements ("Confirming")

The IASB has amended IAS 7 and IFRS 7 to enhance disclosure requirements for supplier finance arrangements ("confirming") and their impact on liabilities, cash flows, and liquidity risk exposure. These amendments address investor concerns regarding the lack of transparency in the reporting of supplier finance arrangements. This amendment became effective on 1 January 2024. After assessment, management has concluded that this amendment has no material impact on the Group's consolidated financial statements.

Standards issued but not yet effective and not yet adopted by the Group

The following amendment has been issued but is not yet effective for the Group. While its mandatory application begins on 1 January 2025, early adoption is permitted.

IAS 21 (Amendment) – Lack of Exchangeability

The IASB has amended IAS 21 to introduce new requirements to help entities determine whether a currency is exchangeable into another currency and, if not, how to determine the appropriate spot exchange rate to use. When a currency is not exchangeable, an entity must estimate the spot exchange rate on the valuation date, reflecting the rate at which an orderly exchange transaction between market participants would occur under prevailing economic conditions.

Upon initial application of this amendment, entities are not required to restate comparative information. Instead, affected balances must be translated using the estimated spot exchange rate at the initial application date, with the resulting adjustment recognised in reserves.

This amendment becomes effective on 1 January 2025, with early adoption permitted. Following our assessment, we have determined that this amendment does not have a material impact on the Group's consolidated financial statements.

Standards, Interpretations, and Amendments to Existing Standards Not Yet Endorsed by the European Union or Not Available for Early Adoption

As of the date of preparation of these consolidated financial statements, the IASB and the IFRS Interpretations Committee have issued the following standards, amendments, and interpretations that are still pending endorsement by the European Union.

Since these standards cannot yet be adopted, we have assessed their potential impact on the Group's consolidated financial statements once they become applicable.

IFRS 10 (Amendment) and IAS 28 (Amendment) – Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture

These amendments clarify the accounting treatment for sales and contributions of assets between an investor and its associates or joint ventures, depending on whether the non-monetary assets transferred constitute a "business" under IFRS 3. If the assets qualify as a business, the investor must recognise the full gain or loss on the transaction. Otherwise, the investor recognises only the portion of the gain or loss attributable to other investors.

Originally, these amendments were set to be applied prospectively from 1 January 2016, but in late 2015, the IASB postponed their effective date indefinitely, pending a broader review of the accounting treatment for associates and joint ventures. As these amendments remain indefinitely deferred and pending EU endorsement, their potential impact on the Group has adopted the following accounting policy in accordance with IAS 8:

Since the Group does not engage in business combinations, the sale or contribution of assets to a joint venture is accounted for by recognising only the portion of the gain or loss attributable to other investors in the joint venture.

IFRS 18 – Presentation and Disclosures in Financial Statements

IFRS 18 is a newly issued standard that replaces IAS 1 (Presentation of Financial Statements) while retaining many of its core principles. However, it introduces key changes, including:

A structured format for the income statement, requiring specific totals and subtotals and categorising items into five sections: operating, investing, financing, income taxes, and discontinued operations.

Disclosure requirements for performance measures reported in financial statements (management-defined performance measures).

Enhanced aggregation and disaggregation principles applicable to both primary financial statements and notes.

Although IFRS 18 does not affect recognition or measurement principles, it may alter how entities present their operating result.

This standard becomes effective from 1 January 2027, including interim financial statements, and requires retrospective application. Early adoption is permitted, but it is still pending EU endorsement.

Following our preliminary assessment, IFRS 18 is expected to impact the presentation and disclosures in the Group's consolidated financial statements but will not affect recognition or measurement principles.

IFRS 19 – Subsidiaries Without Public Accountability: Disclosures

IFRS 19 is a new standard designed for subsidiaries without public accountability whose parent company applies full IFRS in its consolidated financial statements. It allows such subsidiaries to follow IFRS recognition and measurement principles while applying reduced disclosure requirements.

This voluntary standard applies to subsidiaries preparing consolidated, separate, or individual financial statements, provided that local regulations permit its use.

IFRS 19 becomes effective from 1 January 2027, with early adoption permitted, but it is still pending EU endorsement.

This standard is not expected to have a material impact on the Group's consolidated financial statements, as its applicability depends on the status of subsidiaries and local regulatory requirements.

IFRS 9 (Amendment) and IFRS 7 (Amendment) – Classification and Measurement of Financial Instruments

These amendments clarify and refine the classification and derecognition of certain financial instruments, including:

Clarification of the recognition and derecognition date for specific financial assets and liabilities, with a new exception for certain liabilities settled through electronic cash transfer systems. Additional guidance on assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion. New disclosure requirements for financial instruments with contractual terms that can alter cash flows, including ESG-linked financial instruments. Updates to disclosure requirements for equity instruments measured at fair value through other comprehensive income (FVOCI).

While the amendments related to the SPPI criterion mainly affect financial institutions, the changes regarding recognition, ESG-linked instruments, and disclosures are relevant to all entities.

These amendments become effective from 1 January 2026, with early adoption permitted but pending EU endorsement. The amendments may introduce additional disclosure requirements, but they are not expected to have a significant impact on the Group's recognition and measurement of financial instruments.

IFRS Annual Improvements – Volume 11

The IASB's Annual Improvements process addresses minor amendments to IFRS to eliminate inconsistencies and improve clarity. The 11th volume includes changes to the following standards:

IFRS 1 – First-time Adoption of IFRS

IFRS 7 – Financial Instruments: Disclosures

IFRS 9 – Financial Instruments

IFRS 10 – Consolidated Financial Statements

IAS 7 – Statement of Cash Flows

These amendments become effective from 1 January 2026, pending EU endorsement. The impact of these improvements is expected to be limited, as they primarily clarify existing guidance rather than introduce substantial changes.

IFRS 9 (Amendment) and IFRS 7 (Amendment) – Electricity Supply Contracts Linked to Natural Variability

These amendments address the accounting for electricity supply contracts dependent on natural conditions (e.g., wind and solar energy), helping entities reflect these contracts more accurately in their financial statements. The key changes include:

Clarification of the "own use" exemption for electricity contracts.

Allowing hedge accounting for certain contracts when used as hedging instruments.

New disclosure requirements to improve transparency regarding the financial impact of such contracts.

These amendments become effective from 1 January 2026, pending EU endorsement. The amendments may require additional disclosures, particularly if the Group enters into renewable energy contracts, but they are not expected to have a material impact on recognition or measurement principles.

2.3 Consolidation

The consolidated financial statements include the financial statements of Atalaya Mining Copper, S.A. and its subsidiaries, each prepared up to 31 December, together with the attributable share of results and reserves of associates and joint ventures, adjusted where necessary to conform to the Group's accounting policies.

Subsidiaries are consolidated from the date of acquisition, which is the date on which the Group obtains control and continue to be consolidated until the date such control ceases. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity.

The Group reassesses control whenever facts and circumstances indicate that one or more of the elements of control may have changed.

A subsidiary is an entity that is controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. This control is typically achieved through ownership of more than 50% of the voting rights, either directly or indirectly.

The Group also considers the existence of potential voting rights, which are currently exercisable or convertible, in its assessment of control. Additionally, de facto control may exist where the Group's voting rights, relative to the size and dispersion of other shareholders, give it the power to direct the financial and operating policies of the entity.

If the Group's ownership interest in a subsidiary change but control is retained, the transaction is accounted for as an equity transaction.

If the Group loses control of a subsidiary, it:

- Derecognises the subsidiary's assets, liabilities, non-controlling interests, and other equity components.
- Recognises any resulting gain or loss in profit or loss.
- Recognises any retained investment at fair value on the date control is lost.

All intragroup balances, transactions, income, and expenses, including unrealised profits and losses on transactions within the Group, are eliminated in full in preparing the consolidated financial statements.

The name and shareholding of the entities included in the Group in these financial statements are:

Entity name	Business	% ⁽²⁾	Country
Atalaya Mining Copper, S.A. (former Atalaya Mining Plc)	Holding	n/a	Spain
EMED Marketing Ltd.	Trade	100%	Cyprus
Atalaya Riotinto Minera, S.L.U.	Operating	100%	Spain
Recursos Cuenca Minera, S.L. ⁽³⁾	Dormant	50%	Spain
Atalaya Minasderiotinto Project (UK), Ltd.	Holding	100%	United Kingdom
Eastern Mediterranean Exploration & Development, S.L.U.	Dormant	100%	Spain
Atalaya Touro (UK), Ltd.	Holding	100%	United Kingdom
Fundación ARM	Trust	100%	Spain
Cobre San Rafael, S.L. ⁽¹⁾	Development	10%	Spain
Atalaya Servicios Mineros, S.L.U.	Holding	100%	Spain
Atalaya Masa Valverde, S.L.U.	Development	100%	Spain
Atalaya Financing Ltd.	Financing	100%	Cyprus
Atalaya Ossa Morena, S.L.	Development	99.9%	Spain
Iberian Polimetal S.L.	Development	100%	Spain

Notes

⁽¹⁾ Cobre San Rafael, S.L. is the entity which holds the mining rights of the Proyecto Touro. The Group has control in the management of Cobre San Rafael, S.L., including one of the two Directors, management of the financial books.

⁽²⁾ The effective proportion of shares held as at 31 December 2024 and 31 December 2023 remained unchanged.

⁽³⁾ Recursos Cuenca Minera is a joint venture with ARM, see note 16.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the transferred assets, liabilities incurred by the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the acquisition date. The Group recognised any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position.

If there are contractual arrangements that determine the attribution of earnings, such as a profit-sharing agreement or the attribution specified by the arrangement the non-controlling interest will be presented accordingly. Otherwise, the relative ownership interests in the entity should be used if the parent's ownership and the non-controlling interest's ownership in the assets and liabilities are proportional.

When contractual profit-sharing arrangement changes over time, the earnings allocation to the non-controlling interest should be based on its present entitlement.

(a) Acquisition-related costs are expensed as incurred

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Gains and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(b) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee (generally accompanying a shareholding of between 20% and 50% of the voting rights) but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investments in associates or joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates or joint ventures includes goodwill identified on acquisition.

If the ownership interest in an associate or joint venture is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income, with a corresponding adjustment to the carrying amount of the investment. When the Group share of losses in an associate or a joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or the joint venture.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or the joint venture and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates' or joint ventures' in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the associates or the joint ventures. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates or joint ventures are recognised in the income statement.

(d) Functional currency

Functional and presentation currency items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro which is the Company's functional and presentation currency.

Determination of functional currency may involve certain judgements to determine the primary economic environment and the parent entity reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Foreign currency transactions are translated into the functional currency using the spot exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the income statement.

Monetary assets and liabilities denominated in foreign currencies are updated at year-end spot exchange rates.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Gains or losses of monetary and non-monetary items are recognised in the income statement.

Balance sheet items are translated at period-end exchange rates. Exchange differences on translation of the net assets of such entities whose functional currency are not the Euro are taken to equity and recorded in a separate currency translation reserve.

e) Care and Maintenance Expenditure

Care and maintenance expenditure includes costs incurred to maintain assets and infrastructure in an operationally ready state during periods of reduced or suspended activity. These costs may relate to preparatory works for potential projects, ongoing maintenance of assets not currently in active production, or regulatory compliance obligations.

Under IFRS, these expenditures are classified below gross profit in the statement of comprehensive income because they are not directly attributable to revenue-generating operations. Instead, they represent period costs incurred while assets are not in active use, and therefore, are recognised as an operating expense rather than part of cost of sales.

2.4 Interest in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control that is when the strategic, financial and operating policy decisions relating to the activities the joint arrangement require the unanimous consent of the parties sharing control.

Where a Group entity undertakes its activities under joint arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other ventures are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint arrangement expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Group and their amount can be measured reliably.

The Group enters joint arrangements that involve the establishment of a separate entity in which each acquiree has an interest (jointly controlled entity). The Group reports its interests in jointly controlled entities using the equity method of accounting.

Where the Group transacts with its jointly controlled entities, unrealised profits and losses are eliminated to the extent of the Group's interest in the joint arrangement.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CEO who makes strategic decisions.

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

2.6 Inventory

Inventory consists of copper concentrates, ore stockpiles and metal in circuit and spare parts. Inventory is physically measured or estimated and valued at the lower of cost or net realisable value. Net realisable value is the estimated future sales price of the product the entity expects to realise when the product is processed and sold, less estimated costs to complete production and bring the product to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

Cost is determined by using the FIFO method and comprises direct purchase costs and an appropriate portion of fixed and variable overhead costs, including depreciation and amortisation, incurred in converting materials into finished goods, based on the normal production capacity. The cost of production is allocated to joint products using a ratio of spot prices by volume at each month end. Separately identifiable costs of conversion of each metal are specifically allocated.

Materials and supplies are valued at the lower of cost or net realisable value. Any provision for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision for obsolescence.

2.7 Assets under construction

All subsequent expenditure on the construction, installation or completion of infrastructure facilities including mine plants and other necessary works for mining, are capitalised in "Assets under Construction". Any costs incurred in testing the assets to determine if they are functioning as intended, are capitalised.

Revenue and costs from pre-commissioning sales

In accordance with IAS 16 (Amendment, paragraph 20A), proceeds from selling any product produced during the testing phase are recognised as revenue in the statement of profit or loss, and the related production costs are recognised in accordance with IAS 2 Inventories. These proceeds are not offset against the cost of assets under construction.

Capitalisation of development expenditure

Development expenditure, including expenditure on intangible assets, is capitalised when it meets the recognition criteria under IFRS. Specifically, expenditure is capitalised when:

- It is directly attributable to preparing the asset for its intended use, including feasibility studies, pilot plant costs, engineering and design costs, and other costs necessary for the development of the asset.
- The technical and commercial feasibility of the project has been demonstrated, and it is probable that the expenditure will generate future economic benefits.
- The project is determined to be commercially viable, based on an assessment of project economics, including market conditions, resource estimates, expected operating and capital costs, and management's strategic intent.
- For intangible assets, capitalisation applies to development-phase expenditures when the future economic benefits of the asset are probable. Costs incurred before feasibility is demonstrated, or those related to general research activities, are expensed as incurred.
- The project is determined to be commercially viable, based on an assessment of project economics, including market conditions, resource estimates, expected operating and capital costs, and management's strategic intent.

Reversal of Impairment

An impairment loss previously recognised on an asset, including capitalised intangible expenditure, is reversed when there is an indication that the impairment conditions no longer exist or have changed. The reversal occurs when:

- There is new evidence supporting the recoverability of the asset, such as technological or economic developments, improved market conditions, or additional data confirming its future economic benefits.
- The asset's recoverable amount, determined as the higher of fair value less costs of disposal and value in use, exceeds its previously impaired carrying amount.
- The initial impairment was not due to obsolescence or permanent damage that would prevent the asset from generating future economic benefits.

The reversal is recognised in the income statement up to the amount that would have been recognised had the original impairment not occurred, in line with IAS 36 Impairment of Assets.

Depreciation commencement

Depreciation is not recognised until the assets are substantially complete and ready for productive use. At that point, all capitalised amounts within "Assets under Construction" are transferred to the relevant asset categories and depreciation begins in accordance with the Group's accounting policy.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Property, plant and equipment are depreciated to their estimated residual value over the estimated useful life of the specific asset concerned, or the estimated remaining life of the associated mine ("LOM"), field or lease. Depreciation commences when the asset is available for use.

The major categories of property, plant and equipment are depreciated/amortised on a Unit of Production ("UOP") and/or straight-line basis as follows:

Land and buildings	UOP
Deferred mining costs	UOP

Plant and equipment	UOP
Other assets: Furniture/fixtures/office equipment/Motor vehicles	5 – 10 years
Right of use assets (IFRS 16)	UOP

The Group reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, the Group determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Group's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Group's buildings and office properties. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other income" in the income statement.

(a) Mineral rights

Mineral reserves and resources which can be reasonably valued are recognised in the assessment of fair values on acquisition. Mineral rights for which values cannot be reasonably determined are not recognised. Exploitable mineral rights are amortised using the UOP basis over the commercially recoverable reserves and, in certain circumstances, other mineral resources. Mineral resources are included in amortisation calculations where there is a high degree of confidence that they will be extracted in an economic manner.

(b) Deferred mining costs – stripping costs

Mainly comprises of certain capitalised costs related to pre-production and in-production stripping activities as outlined below.

Stripping costs incurred in the development phase of a mine (or pit) before production commences are capitalised as part of the cost of constructing the mine (or pit) and subsequently amortised over the life of the mine (or pit) on a UOP basis.

In-production stripping costs related to accessing an identifiable component of the ore body to realise benefits in the form of improved access to ore to be mined in the future (stripping activity asset), are capitalised within deferred mining costs provided all the following conditions are met:

- i. it is probable that the future economic benefit associated with the stripping activity will be realised;
- ii. the component of the ore body for which access has been improved can be identified and;
- iii. the costs relating to the stripping activity associated with the improved access can be reliably measured.

If all of the criteria are not met, the production stripping costs are charged to the consolidated statement of income as they are incurred.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore, plus an allocation of directly attributable overhead costs.

(c) Exploration costs

Under the Group's accounting policy, exploration expenditure is not capitalised until the management determines a property will be developed and point is reached at which there is a high degree of confidence in the project's viability and it is considered probable that future economic benefits will flow to the Group. A development decision is made based upon consideration of project economics, including future metal prices, reserves and resources, and estimated operating and capital costs.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any related impairment provisions are written off.

(d) Major maintenance and repairs

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets and overhaul costs. Where an asset, or part of an asset, that was separately depreciated and is now written off is replaced, and it is probable that future economic benefits associated with the item will flow to the Group through an extended life, the expenditure is capitalised.

Where part of the asset was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) which is immediately written off. All other day-to-day maintenance and repairs costs are expensed as incurred.

(e) Borrowing costs

Borrowing costs directly and indirectly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective asset. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

(f) Restoration, rehabilitation and decommissioning

Restoration, rehabilitation and decommissioning costs arising from the installation of plant and other site preparation work, discounted using a risk adjusted discount rate to their net present value, are provided for and capitalised at the time such an obligation arises.

The costs are charged to the consolidated statement of income over the life of the operation through depreciation of the asset and the unwinding of the discount on the provision. Costs for restoration of subsequent site disturbance, which are created on an ongoing basis during production, are provided for at their net present values and charged to the consolidated statement of income as extraction progresses.

Changes in the estimated timing of the rehabilitation or changes to the estimated future costs are accounted for prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, provided the reduction in the provision is not greater than the depreciated capitalised cost of the related asset, in which case the capitalised cost is reduced to zero and the remaining adjustment recognised in the consolidated statement of income. In the case of closed sites, changes to estimated costs are recognised immediately in the consolidated statement of income.

2.9 Intangible assets

(a) Permits

Permits represent legal rights, licences, and authorisations required to advance mining projects from the pre-development stage to production. Costs directly attributable to obtaining and securing these permits are capitalised as intangible assets, provided they meet the recognition criteria of IAS 38 – Intangible Assets. These costs typically include application fees, environmental and engineering studies, legal expenses, and other necessary expenditures incurred to obtain the permits.

No amortisation is recognised on these intangible assets until the associated project transitions into commercial production. Once the Group receives the required permits and commences production, the capitalised permit costs are amortised using the UOP method, based on the commercially recoverable reserves of the related mining project.

If at any stage it is determined that the permit will not be utilised due to project discontinuation or regulatory changes, the capitalised costs are immediately impaired and recognised as an expense in the consolidated statement of profit or loss. The Group will recurrently evaluate the status of the project. Should subsequently evaluation of the project determine the underlying reasons to determine the permit would not be utilised are reasonable reversed or mitigated, the Group may reverse the impairment consequently.

(b) Other intangible assets include computer software.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition provided they meet recognition criteria as per IFRS 3. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated and company statements of comprehensive income when the asset is derecognised.

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready for use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact.

2.11 Financial assets and liabilities

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost.
- those to be measured subsequently at fair value through OCI, and.
- those to be measured subsequently at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest' ('SPPI') on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

(b) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.

Impairment losses are presented as separate line item in the statement of profit or loss.

The Company's financial assets at amortised cost include current and non-current receivables (other than trade receivables which are measured at fair value through profit and loss) and cash and cash equivalents.

(c) Fair value through other comprehensive income

Financial assets which are debt instruments, that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in net foreign exchange gain/(loss) before tax and impairment expenses are presented as a separate line item in the statement of profit or loss.

(d) Equity instruments designated as fair value through other comprehensive income

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the consolidated and company statements of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its listed equity investments under this category.

(e) Assets at fair value through profit and loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised as profit or loss and presented net within other gains/(losses) in the period in which it arises.

Changes in the fair value of financial assets at FVPL are recognised in the consolidated and company statements of comprehensive income as applicable. The Company's and Group's financial assets at

fair value through profit and loss include current and non-current receivables (other than trade receivables which are measured at amortised cost).

(f) De-recognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(g) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For receivables (other than trade receivables which are measured at FVPL), the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

(h). Financial liabilities and trade payables

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated and company statements of comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking any discount or premium on acquisition and fees or costs that are an integral part of the EIR, into account. The EIR amortisation is included as finance costs in the consolidated and company statements of comprehensive income

2.12 Current versus Non-current Classification

The Group presents assets and liabilities in the consolidated and company statements of financial position based on current/non-current classification.

(a) An asset is current when it is either:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within 12 months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

All other assets are classified as non-current.

(b) A liability is current when either:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.13 Cash and cash equivalents

In the consolidated statements of cash flows, cash and cash equivalents includes cash in hand and cash at bank, as well as short-term deposits with banks that have an original maturity of less than three months from the date of acquisition.

2.14 Provisions

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 the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.15 Interest-bearing loans and borrowings

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings, using the effective interest method, unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalised as part of the cost of that asset.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

2.16 Deferred consideration

Deferred consideration arises when settlement of all or any part of the cost of an agreement is deferred. It is stated at fair value at the date of recognition, which is determined by discounting the amount due to present value at that date. Interest is imputed on the fair value of non-interest-bearing deferred consideration at the discount rate and expensed within interest payable and similar charges. At each balance sheet date deferred consideration comprises the remaining deferred consideration valued at acquisition plus interest imputed on such amounts from recognition to the balance sheet date.

2.17 Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds in the share premium account.

2.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

2.19 Share-based payments

The Group operates a share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The fair value is measured using the Black Scholes pricing model. The inputs used in the model are based on management's best estimates for the effects of non-transferability, exercise restrictions and behavioural considerations. Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

Vesting conditions are: (i) the personnel should be an employee that provides services to the Group; and (ii) should be in continuous employment for the whole vesting period of 3 years. Specific arrangements may exist with senior managers and board members, whereby their options stay in use until the end.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied (Note 24).

2.20 Rehabilitation provisions

The Group records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and re-vegetation of affected areas. The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the production location. When the liability is initially recognised, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred prior to the production of related ore. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the consolidated income statement as a finance cost. Additional disturbances or changes in rehabilitation costs will be recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognised immediately in the consolidated income statement.

The Group assesses its mine rehabilitation provision annually. Material estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at the consolidated statement of financial position date represents management's best estimate of the present value of the future rehabilitation costs required.

The impact of climate-related matters, such as changes in environmental regulations and other relevant legislation, is considered by the Group in estimating the rehabilitation provision on the manufacturing facility. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the asset.

2.21 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date including whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A reassessment is made after inception of the lease only if one of the following applies:

- a) There is a change in contractual terms, other than a renewal or extension of the arrangement;
- b) A renewal option is exercised, or extension granted, unless the term of the renewal or extension was initially included in the lease term;
- c) There is a change in the determination of whether fulfilment is dependent on a specified asset; or
- d) There is a substantial change to the asset.

Group as a lessee

The Group has lease contracts for various items of laboratory equipment, motor vehicle, lands and buildings used in its operations. Leases of laboratory equipment and motor vehicles generally have lease terms for four years, while lands and buildings generally have lease terms for the life of mine, currently after 13 years of operation. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

After initial measurement, the right-of-use assets are depreciated from the commencement date using the straight-line method over the shorter of the estimated useful lives of the right-of-use assets or the end of lease term. These are as follows:

Right-of-use asset	Depreciation terms in years
Lands and buildings	Based on Units of Production (UOP)
Motor vehicles	Based on straight line depreciation
Laboratory equipment	Based on straight line depreciation

After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability include the following:

- Fixed payments, less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option
- Payments of penalties for early terminating the lease, unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest rate method. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The result of this re-measurement is disclosed in a line of the right-of-use assets note as modifications.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded as profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below €5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.22 Revenue recognition

(a) Revenue from contracts with customers

Atalaya is principally engaged in the business of producing copper concentrate and in some instances, provides freight/shipping services. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which Atalaya expects to be entitled in exchange for those goods or services. Atalaya has concluded that it is the principal in its revenue contracts because it controls the goods or services before transferring them to the customer.

(b) Copper in concentrate (metal in concentrate) sales

For most copper in concentrate (metal in concentrate) sales, the enforceable contract is each purchase order, which is an individual, short-term contract. For the Group's metal in concentrate sales not sold under CIF Incoterms, the performance obligations are the delivery of the concentrate. A proportion of the Group's metal in concentrate sales are sold under CIF Incoterms, whereby the Group is also responsible for providing freight services. In these situations, the freight services also represent separate performance obligation (see paragraph (c) below).

The majority of the Group's sales of metal in concentrate allow for price adjustments based on the market price at the end of the relevant QP stipulated in the contract. These are referred to as provisional pricing arrangements and are such that the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after shipment to the customer. Adjustments to the sales price occur based on movements in quoted market prices up to the end of the QP. The period between provisional invoicing and the end of the QP can be between one and three months.

Revenue is recognised when control passes to the customer, which occurs at a point in time when the metal in concentrate is physically transferred onto a vessel, train, conveyor or other delivery mechanism. The revenue is measured at the amount to which the Group expects to be entitled, being the estimate of the price expected to be received at the end of the QP, i.e., the forward price, and a corresponding trade receivable is recognised. For those arrangements subject to CIF shipping terms, a portion of the transaction price is allocated to the separate freight services provided (See paragraph (c) below).

For these provisional pricing arrangements, any future changes that occur over the QP are included within the provisionally priced trade receivables and are, therefore, within the scope of IFRS 9 and not within the scope of IFRS 15. Given the exposure to the commodity price, these provisionally priced trade receivables will fail the cash flow characteristics test within IFRS 9 and will be required to be measured at fair value through profit or loss up from initial recognition and until the date of settlement. These subsequent changes in fair value are recognised as part of revenue in the statement of profit or loss and other comprehensive income each period and disclosed separately from revenue from contracts with customers as part of 'Fair value gains/losses on provisionally priced trade receivables. Changes in fair value over, and until the end of, the QP, are estimated by reference to updated forward market prices for copper as well as taking other relevant fair value considerations as set out in IFRS 13, into account, including interest rate and credit risk adjustments.

Final settlement is based on quantities adjusted as required following the inspection of the product by the customer as well as applicable commodity prices. IFRS 15 requires that variable consideration should only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. As the adjustments relating to the final assay results for the quantity and quality of concentrate sold are not significant, they do not constrain the recognition of revenue.

(c) Freight services

As noted above, a proportion of the Group's metal in concentrate sales are sold under CIF Incoterms, whereby the Group is responsible for providing freight services (as principal) after the date that the Group transfers control of the metal in concentrate to its customers. The Group, therefore, has separate performance obligation for freight services which are provided solely to facilitate sale of the commodities it produces.

The revenue from freight services is a separate performance obligation under IFRS 15 and therefore is recognised as the service is provided, hence at year end a portion of revenue must be deferred as well as the insurance costs associated.

Other Incoterms commonly used by the Group are FOB, where the Group has no responsibility for freight or insurance once control of the products has passed at the loading port, Ex works where control of the goods passes when the product is picked up at seller's premises, and CIP where control of the goods passes when the product is delivered to the agreed destination. For arrangements which have these Incoterms, the only performance obligations are the provision of the product at the point where control passes.

(d) Sales of services

The Group sells services in relation to maintenance of accounting records, management, technical, administrative support and other services to other companies. Revenue is recognised in the accounting period in which the services are rendered.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The Group does not have any contract assets as performance and a right to consideration occurs within a short period of time and all rights to consideration are unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

From time to time, the Group recognises contract liabilities in relation to some metal in concentrate sales which are sold under CIF Incoterms, whereby a portion of the cash may be received from the customer before the freight services are provided.

2.23 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group and the Company reduce the carrying amount to its recoverable amount, the estimated future cash flow is discounted at the original effective interest rate of the instrument and the discount continues unwinding as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

2.24 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.25 Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.26 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise instruments convertible into ordinary shares and share options granted to employees.

2.27 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

2.28 Amendment of financial statements after issue

The Board of Directors and shareholders has no right to amend the Financial Statements after they are authorised.

2.29 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 and fair value through profit and loss 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 and company 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).

(Euro 000's)	Level 1	Level 2	Level 3	Total
31 Dec 2024				
Other current financial assets				
Financial assets at FV through OCI	23	-	1,101	1,124
Trade and other receivables				
Receivables (subject to provisional pricing)	-	10,769	-	10,769
Total	23	10,769	1,101	11,893
31 Dec 2023				
Other current financial assets				
Financial assets at FV through OCI	30	-	1,101	1,131
Receivables (subject to provisional pricing)	-	15,164	-	15,164
Total	30	15,164	1,101	16,295

2.30 Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures, based on the assessment on climate-related matters, there was no impact.
- Impairment of non-financial assets. The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group products, based on the assessment on climate-related matters, there was no impact.
- In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered and based on the assessment on climate-related matters, there was no impact.
- Rehabilitation provision. The impact of climate-related legislation and regulations is considered in estimating the timing and future costs of rehabilitation of the Group facilities, based on the assessment on climate-related matters, there was no impact.

2.31 Contingent liabilities in assets acquisitions

The Group has adopted the approach set out in IFRIC 1 (International Financial Reporting Interpretations Committee) for contingent payments related to asset acquisitions. When acquiring intangible assets with contingent payments that depend on future events, such as the Touro, Masa Valverde, and Ossa Morena projects (see Note 1), the Group assesses whether these payments are directly attributable to the cost of the acquired asset. If the analysis concludes that the payment is linked to the acquisition cost, the Group recognises an intangible asset reflecting the fair value of the acquired rights and a corresponding liability based on the best estimate of the expected future payment, including anticipated undetermined costs.

If the contingent payment is not directly related to the acquisition cost of the asset, it is recognised as an expense in the period it is incurred.

Subsequent changes in the estimated liability due to revisions in assumptions, project feasibility, or economic factors are recognised against the carrying amount of the intangible asset. If at a later stage there is uncertainty regarding the continuation of the project, leading to a reassessment of the probability of making the contingent payment, the Group adjusts the liability accordingly and recognises the change against the asset's carrying amount.

For intangible assets where non-controlling interests exist, the Group assigns the corresponding portion of the asset to non-controlling interest holders, ensuring that any valuation adjustments to contingent liabilities are reflected appropriately. This policy is applied consistently across all projects to ensure compliance with IFRS and alignment with industry practices.

3. Financial Risk Management and Critical accounting estimates and judgements

3.1 Financial risk factors

The Group manages its exposure to key financial risks in accordance with its financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security. The main risks that could adversely affect the Group's financial assets, liabilities or future cash flows are market risks comprising: commodity price risk, interest rate risk and foreign currency risk; liquidity risk and credit risk; operational risk, compliance risk and litigation risk. Management reviews and agrees policies for managing each of these risks that are summarised below.

The Group's senior management oversees the management of financial risks. The Group's senior management is supported by the AC that advises on financial risks and the appropriate financial risk governance framework for the Group. The AC provides assurance to the Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. Currently, the Group does not apply any form of hedge accounting.

(a) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Group has procedures with the object of minimising such losses such as maintaining sufficient cash to meet liabilities when due. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes principal cash flows associated with both principal and interests.

(Euro 000's)	Carrying amounts	Contract ual cash flows	Less than 3 months	Between 3 – 12 months	Between 1 – 2 years	Between 2 – 5 years	Over 5 years
31 Dec 2024							
Lease liability	3,801	4,323	-	519	519	1,556	1,729
Other financial liabilities	17,787	18,983	1,519	6,015	5,670	5,779	-
Non-current payables	12,492	13,750	-	-	750	11,000	2,000
Trade and other payables	90,090	90,255	52,929	37,266	60	-	-
	124,170	127,311	54,448	43,800	6,999	18,335	3,729

31 Dec 2023

Lease liability	4,378	4,841	-	519	1,037	1,556	1,729
Other financial liabilities	66,687	67,896	1,749	51,171	9,912	5,064	-
Non-current payables	2,003	2,750	-	-	750	-	2,000
Trade and other payables	75,922	75,922	36,964	38,882	76	-	-
	148,990	151,409	38,713	90,572	11,775	6,620	3,729

For better understanding and comparability, the 2023 figures have been broken down in line with the 2024 presentation

(b) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's measurement currency. The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar and the British Pound. The Group's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

The table below presents the Group's balances denominated in foreign currencies as at 31 December 2024 and 31 December 2023, categorised by currency and nature of balance:

(Euro 000's)	2024	2023
USD		
Cash and cash equivalents	15,513	70,496
Trade and other receivables	10,769	31,580
	26,282	102,075
GBP		
Cash and cash equivalents	70	41

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the foreign exchange rate, with all other variables held constant, of the Group's profit before tax due to changes in the carrying value of monetary assets and liabilities at reporting date:

	Effect on profit before tax for the year ended 31 Dec 2024 increase/(decrease)	Effect on profit before tax for the year ended 31 Dec 2023 increase/(decrease)	Effect on equity for the year ended 31 Dec 2024 increase/(decrease)	Effect on equity for the year ended 31 Dec 2023 increase/(decrease)
(Euro 000's)				
(+5%)	20,364	17,454	16,698	14,312
(-5%)	(20,364)	(17,454)	(16,698)	(14,312)

Commodity price risk

Commodity price is the risk that the Group's future earnings will be adversely impacted by changes in the market prices of commodities, primarily copper. Management is aware of this impact on its primary revenue stream but knows that there is little it can do to influence the price earned apart from a hedging scheme.

Commodity price hedging is governed by the Group's policy which allows to limit the exposure to prices. The Group may decide to hedge part of its production during the year.

Commodity price sensitivity

The table below summarises the impact on profit before tax for changes in commodity prices on the fair value of derivative financial instruments and trade receivables that are subject to provisional pricing. The impact on equity is the same as the impact on profit before income tax, as these derivative financial instruments have not been designated as hedges under IFRS 9. Instead, they are classified as held-for-trading and are therefore fair valued through profit or loss.

The derivative financial instruments referenced in this sensitivity analysis are economic derivatives rather than hedge derivatives. These instruments arise from the Group's provisional pricing arrangements, whereby copper concentrate sales are initially recorded at provisional prices and are subsequently adjusted based on market prices at the end of the quotational period (QP), as per the terms of offtake agreements. As a result, the fair value of trade receivables fluctuates with commodity price movements, creating an embedded derivative that is accounted for separately.

This derivative is not designated as a hedge and is classified as held-for-trading, meaning its fair value fluctuations are recognised in profit or loss. Since this pricing adjustment is directly linked to revenue, the impact on profit before tax (PBT) and equity is the same.

The analysis is based on the assumption that copper prices move by \$0.05/lb, with all other variables held constant. Reasonably possible movements in commodity prices were determined based on a review of the last two years' historical prices.

(Euro 000's)	Effect on profit before tax for the year ended 31 Dec 2024 increase/(decrease)	Effect on profit before tax for the year ended 31 Dec 2023 increase/(decrease)	Effect on equity for the year ended 31 Dec 2024 increase/(decrease)	Effect on equity for the year ended 31 Dec 2023 increase/(decrease)
Increase/(decrease) in copper prices				
Increase \$0.05/lb (2023: \$0.05)	5,012	5,138	4,110	4,213
Decrease \$0.05/lb (2023: \$0.05)	(5,012)	(5,138)	(4,110)	(4,213)

A \$0.05/lb movement in copper prices was determined as a reasonably possible change based on historical volatility over the past two years.

(c) Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Group has no significant concentration of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables. The Group has policies to limit the amount of credit exposure to any financial institution.

Except as detailed in the following table, the carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the maximum credit exposure without taking account of the value of any collateral obtained:

(Euro 000's)	31 Dec 2024	31 Dec 2023
Unrestricted cash and cash equivalents at Group level	43,184	94,868
Unrestricted cash and cash equivalents at Operation level	9,694	26,139
Consolidated cash and cash equivalents	52,878	121,007
Net cash position ⁽¹⁾	35,091	54,320
Working capital surplus	44,728	68,618

There are no collaterals held in respect of these financial instruments and there are no financial assets that are past due or impaired as at 31 December 2024 and 2023.

The table below presents the Group's financial assets exposed to credit risk as at 31 December 2024 and 31 December 2023, classified by type of asset.

(Euro 000's)	2024	2023
Non-current financial assets		
Non-current loans	2,768	233
Non-current deposits	611	307
	3,379	540
Current financial assets		
Current loans	5,352	-
Current receivables	11,458	16,039
	16,810	16,039
Total	20,189	16,579

(d) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

At the reporting date the interest rate profile of interest-bearing financial instruments was:

(Euro 000's)	2024	2023
Variable rate instruments		
Financial assets	52,878	121,007

An increase of 100 basis points in interest rates at 31 December 2024 would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the profit and other equity.

(Euro 000's)	Equity		Profit or loss	
	2024	2023	2024	2023
Variable rate instruments	529	1,210	529	1,210

(e) Operational risk

Operational risk is the risk that derives from the deficiencies relating to the Group's information technology and control systems as well as the risk of human error and natural disasters. The Group's systems are evaluated, maintained and upgraded continuously.

(f) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arises from non-compliance with laws and regulations. The Group has systems in place to mitigate this risk, including seeking advice from external legal and regulatory advisors in each jurisdiction.

(g) Litigation risk

Litigation risk is the risk of financial loss, interruption of the Group's operations or any other undesirable situation that arises from the possibility of non-execution or violation of legal contracts and consequentially of lawsuits. The risk is restricted through the contracts used by the Group to execute its operations.

3.2 Capital risk management

The Group considers its capital structure to consist of share capital, share premium and share options reserve. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group is not subject to any externally imposed capital requirements.

In order to maintain or adjust the capital structure, the Group issues new shares. The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The AC reviews the capital structure on a continuing basis.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Group monitors capital on the basis of the gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as provisions plus deferred consideration plus trade and other payables less cash and cash equivalents.

(Euro 000's)	31 Dec 2024	31 Dec 2023
Total liabilities less cash	104,433	57,170
Total equity (excluding NCI)	516,384	501,496
Total capital	620,187	558,666
Gearing ratio	16.82%	10.23%

3.3 Critical accounting judgements and Key sources of estimation uncertainty

The preparation of the Group's financial statements requires management to apply judgements, estimates, and assumptions that affect the recognition and measurement of assets, liabilities, revenues, and expenses. These judgements and estimates are based on management's experience, industry knowledge, and expectations of future events that are considered reasonable under the circumstances.

Under IAS 1 – Presentation of Financial Statements, the Group distinguishes between critical accounting judgements and key sources of estimation uncertainty, as they have different disclosure requirements:

- Critical accounting judgements involve decisions made by management in applying accounting policies that have the most significant impact on the financial statements (IAS 1, paragraph 122). These judgements do not involve estimation uncertainty but require management to make subjective assessments in applying IFRS.
- Key sources of estimation uncertainty involve assumptions about the future that create a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year (IAS 1, paragraph 125). These estimates are subject to inherent uncertainty, and actual results may differ from those originally assumed.

Management continuously evaluates these judgements and estimates to ensure they remain appropriate and reflect the latest available information. Significant accounting judgements and critical estimates identified by the Group are outlined below, along with their potential financial impact.

Critical accounting judgments

(a) Consolidation of Cobre San Rafael

Cobre San Rafael, S.L. is the entity that holds the mining rights for Proyecto Touro. Although the Group initially owned only a 10% equity interest, management has exercised judgement under IFRS 10 – Consolidated Financial Statements and determined that Atalaya controls Cobre San Rafael, S.L. and should consolidate up to 80% of its interest in the Group's financial statements.

This judgement is based on the following key factors:

Power Over Relevant Activities

- Atalaya has substantive rights that enable it to direct key operational and financial decisions.
- The Group has the ability to appoint key personnel, including senior management and operational leadership.
- One of the two Directors of Cobre San Rafael, S.L. is appointed by Atalaya, allowing it to influence strategic decisions.

Exposure to Variable Returns

- Atalaya bears financial risks through contractual obligations that require it to absorb Cobre San Rafael, S.L.'s losses, exceeding its initial ownership percentage.
- The Group provides funding and financial support to maintain the subsidiary's operations, reinforcing its economic exposure.

Control and Increased Consolidation Up to 80%

- Under IFRS 10, control is determined by power over the entity, exposure to variable returns, and the ability to affect those returns.
- Due to Atalaya's contractual rights, financial obligations, and decision-making authority, management has determined that the Group exercises control over Cobre San Rafael, S.L.
- As a result, the Group has elected to consolidate up to 80% of its interest, in line with its milestone-based acquisition framework, which allows for an increase in ownership over time.

This assessment represents a significant judgement, as control is not based solely on the percentage of ownership but rather on the ability to direct relevant activities and bear associated financial risks. Management continues to monitor changes in contractual arrangements, funding obligations, and decision-making rights to assess whether control remains appropriate under IFRS 10.

Management has exercised judgement in determining that Atalaya controls Cobre San Rafael, S.L., despite holding only a 10% equity interest. Under IFRS 10 – Consolidated Financial Statements, control exists when an entity has power over relevant activities, exposure to variable returns, and the ability to affect those returns.

Atalaya has the ability to appoint key personnel and influence strategic decisions through board representation. Additionally, it bears the financial risks of the subsidiary due to contractual obligations requiring it to absorb its losses. Based on these factors, Atalaya consolidates up to 80% of its interest in the Group's financial statements.

Contingent Liabilities Related to Cobre San Rafael

In addition to the consolidation judgement, the Group evaluated whether any contingent liabilities exist in relation to Cobre San Rafael or other entities. Under IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, a contingent liability arises when a past event creates a possible obligation, but its settlement depends on uncertain future events outside the Group's control.

As of 31 December 2024, the Group does not have any significant contingent liabilities other than those related to Cobre San Rafael. The main risks associated with CSR include potential legal and environmental obligations related to Proyecto Touro's permitting process, which remain subject to ongoing regulatory developments.

Management continues to assess whether any additional provisions or contingent liabilities should be recognised, considering legal, regulatory, and operational risks affecting the Group's interests.

(b) Capitalisation of exploration and evaluation costs

Under the Group's accounting policy, exploration and evaluation expenditure is not capitalised until the point is reached at which there is a high degree of confidence in the project's viability, and it is considered probable that future economic benefits will flow to the Group. Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project proves to be unviable, all irrecoverable costs associated with the project net of any related impairment provisions are written off.

Judgement is required to determine when exploration and evaluation costs should be capitalised. The Group only capitalises expenditure once there is a high degree of confidence in a project's viability, and future economic benefits are considered probable. Until this point, costs are expensed.

(c) Classification of financial instruments

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.

The Group and Company exercises judgement upon determining the classification of its financial assets upon considering whether contractual features including interest rate could significantly affect future cash flows. Furthermore, judgment is required when assessing whether compensation paid or received on early termination of lending arrangements results in cash flows that are not 'solely payments of principal and interest (SPPI)'.

The classification of financial instruments requires judgement in assessing whether contractual terms meet the Solely Payments of Principal and Interest (SPPI) test under IFRS 9 – Financial Instruments. Certain financial assets contain features such as early termination options or linked interest rates, which require management to assess their classification as amortised cost, fair value through OCI, or fair value through profit or loss.

(d) Stripping costs

The Group incurs waste removal costs (stripping costs) during the development and production phases of its surface mining operations. Furthermore, during the production phase, stripping costs are incurred in the production of inventory as well as in the creation of future benefits by improving access and mining flexibility in respect of the orebodies to be mined, the latter being referred to as a stripping activity asset. Judgement is required to distinguish between the development and production activities at surface mining operations.

The Group is required to identify the separately identifiable components or phases of the orebodies for each of its surface mining operations. Judgement is required to identify and define these components, and also to determine the expected volumes (tonnes) of waste to be stripped and ore to be mined in each of these components. These assessments may vary between mines because the assessments are undertaken for each individual mine and are based on a combination of information available in the mine plans, specific characteristics of the orebody, the milestones relating to major capital investment decisions and the type and grade of minerals being mined.

Judgement is also required to identify a suitable production measure that can be applied in the calculation and allocation of production stripping costs between inventory and the stripping activity asset. The Group considers the ratio of expected volume of waste to be stripped for an expected volume of ore to be mined for a specific component of the orebody, compared to the current period ratio of actual volume of waste to the volume of ore to be the most suitable measure of production.

These judgements and estimates are used to calculate and allocate the production stripping costs to inventory and/or the stripping activity asset(s). Furthermore, judgements and estimates are also used to apply the units of production method in determining the depreciable lives of the stripping activity asset(s).

(e) Contingent liabilities

A contingent liability arises where a past event has taken place for which the outcome will be confirmed only by the occurrence or non-occurrence of one or more uncertain events outside of the control of the Group, or a present obligation exists but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A provision is made when a loss to the Group is likely to crystallise. The assessment of the existence of a contingency and its likely outcome, particularly if it is considered that a provision might be necessary, involves significant judgment taking all relevant factors into account.

(f) Impairment of assets

Events or changes in circumstances can give rise to significant impairment charges or impairment reversals in a particular year. The Group assesses each Cash Generating Unit ("CGU") annually to determine whether any indications of impairment exist. If it was necessary management could contract independent expert to value the assets. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered the higher of the fair value less cost to sell and value-in-use. An impairment loss is recognised immediately in net earnings. The Group has determined that each mine location is a CGU.

These assessments require the use of estimates and assumptions such as commodity prices, discount rates, future capital requirements, exploration potential and operating performance. Fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted at an appropriate discount rate to determine the net present value. For the purpose of calculating the impairment of any asset, management regards an individual mine or works site as a CGU.

Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its projects.

The assessment of impairment indicators and the recoverable amount of assets requires management to estimate future cash flows, discount rates, and market conditions. After performing sensitivity calculations, a 10% decrease in copper prices would not result in an impairment charge.

Key sources of estimation uncertainty

(g) Ore reserve and mineral resource estimates

The estimation of ore reserves and mineral resources impacts various accounting estimates in the Group's financial statements that requires critical accounting judgement. While ore reserve estimates are based on geological, technical, and economic assessments performed by qualified persons, they are not standalone accounting estimates under IFRS. Instead, they act as key assumptions that influence multiple financial statement areas, including:

- Depreciation and amortisation, particularly for assets depreciated using the unit-of-production (UOP) method.
- Impairment assessments, as future expected cash flows depend on estimated recoverable reserves.
- Capitalisation of stripping costs, which determines whether waste removal costs should be recognised as an asset or expensed.
- Rehabilitation and decommissioning provisions, as reserve estimates affect the timing and expected costs of site restoration.

The Group estimates its ore reserves and mineral resources based on geological and technical data relating to the size, depth, shape, and grade of the ore body, along with suitable production techniques and recovery rates. These assessments require complex geological judgements, including:

- Long-term copper price assumptions.
- Foreign exchange rate forecasts affecting project viability.
- Production costs, capital expenditure requirements, and expected recovery rates.
- Mining recovery and dilution factors.
- Environmental and regulatory considerations.

The Group uses qualified persons (as defined by the Canadian Securities Administrators' National Instrument 43-101) to compile this data. Changes in the judgments surrounding proven and probable reserves may impact as follows:

- The carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, and goodwill may be affected due to changes in estimated future cash flows;

- Depreciation and amortisation charges in the consolidated and company statements of comprehensive income may change where such charges are determined using the UOP method, or where the useful life of the related assets change;
- Capitalised stripping costs recognised in the statement of financial position as either part of mine properties or inventory or charged to profit or loss may change due to changes in stripping ratios;
- Provisions for rehabilitation and environmental provisions may change where reserve estimate changes affect expectations about when such activities will occur and the associated cost of these activities;
- The recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

Update in Ore Reserves and Its Financial Impact

In May 2024, Atalaya incorporated an update of its ore reserves based on an independent expert analysis in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (the "CIM Standards"). This update has some impact on our financial statements and accounting estimates and reflects a revised understanding of the economic potential and operational requirements of our mining assets.

Judgements and Assumptions:

The update in ore reserves requires significant judgments and assumptions, particularly in estimating the quantity and quality of the ore, the economic viability of extraction, and the life of the mine. These estimates impact various accounting measures, including depreciation schedules, cost allocations, and capitalisation policies. Our management has applied considerable expertise and relied on independent expert opinions to ensure these estimates are robust and reflect the best available information.

Impact on Profit and Loss Statement:

The update of ore reserves has resulted in some changes to our accounting practices in relation to depreciation, stripping costs and capitalisation. Specifically, these changes result in a total decrease in net profit of €1.5 million, comprising €0.7 million from increased depreciation, €0.1 million from increased depreciation of stripping costs and €0.7 million from reduced capitalisation of stripping costs. These changes help to maintain the accuracy of our financial statements and ensure that they give a fair view of the financial position and performance of our business.

Accumulated Depreciation of Mining Assets:

The revised ore reserve estimates have led to an increase in the accumulated depreciation of our mining assets by €0.7 million during the year. This change is due to the adjustment in the useful life and depletion rate of these assets, which are now expected to be utilised over a shorter timeframe than previously estimated. The new ore reserve data has provided a more accurate basis for calculating depreciation, ensuring our financial records accurately reflect the wear and tear on these assets over their updated useful lives.

Stripping Costs: depreciation

The reserves update also resulted in an increase in depreciation of €0.1 million during the period. Depreciation, which covers the allocation of the cost of assets over their useful lives, has been adjusted to reflect the new ore reserve estimates. The reassessment of reserves has impacted the level and timing of depreciation, reflecting the updated operational requirements to access the newly defined ore bodies.

Capitalisation of Stripping Costs:

In conjunction with the increase in stripping costs, there is a reduction in the capitalisation of stripping costs amounting to €0.7 million. This adjustment arises from the revised criteria for capitalising stripping costs under the updated ore reserve estimates. With a clearer understanding of the ore body and its economic feasibility, certain costs previously capitalised are now expensed, aligning our financial practices with the current and more accurate projections of our mining operations.

Compliance with Reporting Standards:

The Group reports its Mineral Resources and Mineral Reserves in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (the "CIM Standards"). This ensures that our reporting is consistent with internationally recognised guidelines, providing transparency and comparability for our stakeholders.

(h) Provisions for decommissioning and site restoration costs

Accounting for restoration provisions requires management to make estimates of the future costs the Group will incur to complete the restoration and remediation work required to comply with existing laws, regulations and agreements in place at each mining operation and any environmental and social principles the Group is in compliance with. The calculation of the present value of these costs also includes assumptions regarding the timing of restoration and remediation work, applicable risk-free interest rate for discounting those future cash outflows, inflation and foreign exchange rates and assumptions relating to probabilities of alternative estimates of future cash outflows.

The discount rate used in the calculation of the net present value of the liability as at 31 December 2024 was 3.23% (2023: 3.62%), which corresponds to the 15-year Spain Government Bond rate for 2024. An inflation rate of 2%-2.80% (2023: 1%-3.10%) was applied on an annual basis.

Management uses its judgement and experience to provide for and (in the case of capitalised decommissioning costs) amortise these estimated costs over the life of the mine. The ultimate cost of decommissioning and timing is uncertain and cost estimates can vary in response to many factors including changes to relevant environmental laws and regulations requirements, the emergence of new restoration techniques or experience at other mine sites. As a result, there could be significant adjustments to the provisions established which would affect future financial results. Refer to Note 27 for further details.

Provisions are based on estimates of future costs, inflation rates, discount rates, and the timing of restoration activities. Changes in environmental laws or unexpected site conditions could significantly affect these estimates. A 1% increase in the discount rate would reduce the provision by €2.1 million, while a 1% decrease would increase the provision by €2.1 million.

(i) Inventory

Net realisable value tests are performed at each reporting date and represent the estimated future sales price of the product the entity expects to realise when the product is processed and sold, less estimated costs to complete production and bring the product to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

Copper concentrate inventories are valued at the lower of cost or NRV. This estimate is based on forecasted commodity prices and production costs. A 10% decrease in copper prices would not result in any impairment, as inventory values would still exceed cost.

(j) Recoverability of Assets Related to the E-LIX Project

The new E-LIX technology represents a source of estimation uncertainty due to the significant assumptions involved in assessing the recoverability of Atalaya's investment in the project. The Group has invested and funded various phases of development, including the construction of a pilot plant, feasibility studies testing, and the development of an industrial-scale plant to apply the E-LIX electrochemical extraction technology to complex sulphide ores.

The recoverability of these investments depends on several factors, including:

- Successful commercialisation of the E-LIX Technology – The technology must demonstrate continued operational effectiveness and economic scalability in full-scale production.
- Market conditions for copper and zinc – Long-term price trends impact the financial viability of the project.
- Production efficiency and cost assumptions – The plant's ability to achieve projected recovery rates and cost efficiencies is critical.
- Exclusivity agreements – The Group holds limited exclusive rights to the E-LIX technology within the Iberian Pyrite Belt, supporting long-term value generation.

Given these factors, management assesses the recoverability of the investment based on projected future cash flows from the plant's operations. The key estimation uncertainties relate to:

- The finalisation of the ramp-up and expected operational efficiency running the Industrial Plant at continuously production pace – Any delays or underperformance could impact future cash flow generation.
- Commodity price fluctuations – Variations in copper and zinc prices could significantly influence revenue projections.
- Regulatory and operational risks – The project requires ongoing compliance with environmental and industrial regulations.

Sensitivity Analysis:

A reasonable range of changes in these key assumptions could result in a material impact on the estimated recoverability of the investment. After performing sensitivity calculations, a 10% decrease in zinc prices has resulted in a 3.21% reduction in the IRR of the project. Or delays in the ramp-up with an increase in €10 million cost, has resulted in a 3.4% reduction in the IRR. Management monitors these factors closely and assesses whether impairment indicators exist at each reporting date.

At 31 December 2024, no impairment indicators have been identified. However, due to the inherent estimation uncertainty, the Group will continue to monitor operational performance and market conditions, reassessing the valuation of the investment as necessary.

4. Segments

Segments

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

Copper concentrates produced by the Group are sold to three offtakers as per the relevant offtake agreement (Note 31.3).

Geographical areas of operations

The Group has only one distinct business segment, which is mining operations, including mineral exploration and development.

The Group's copper concentrate production takes place in Spain, while its commercialisation is carried out through Cyprus via its subsidiary, EMED Marketing Limited. The production of copper concentrate is undertaken by Atalaya Riotinto Minera, S.L.U. in Spain. Once produced, the copper concentrate is sold to international clients under the Group's offtake agreements, which are managed by EMED Marketing Limited, a subsidiary based in Cyprus.

EMED Marketing Limited holds the offtake agreements with customers and is responsible for the promotion and sale of the copper concentrate. Under these agreements, it provides marketing services, including coordinating and managing the ordering and delivery of the copper concentrate. However, EMED Marketing Limited does not control the concentrate before it is transferred to customers, as the production and provision of the product are undertaken by Atalaya Riotinto Minera, S.L.U. Since it does not have the ability to direct the use of the concentrate or obtain benefits from it before the transfer to customers, EMED Marketing Limited acts as an agent in these transactions.

The transfer of control over the marketing services provided by EMED Marketing Limited occurs at the moment the customer receives the copper concentrate. This is the point in time when the customer benefits from EMED Marketing Limited's role in arranging for the provision of the concentrate. Consequently, revenue from these sales is recognised at that point.

Sales transactions between Group companies are conducted at arm's length, in accordance with transfer pricing regulations, ensuring comparability with third-party transactions. The accounting policies applied by the Group in Spain and Cyprus are consistent with those outlined in Note 2.

The table below presents an analysis of revenue from external customers based on their geographical location, determined by the country of establishment of each customer.

Revenue – from external customers	2024	2023
	€'000	€'000
Switzerland	256,243	260,284
Singapore	69,676	80,031
Spain	878	31
	326,797	340,346

The table below presents revenues from external customers attributed to the country of domicile of the Company.

Revenue – from external customers	2024	2023
	€'000	€'000
Cyprus	25,404	25,712
Spain	301,393	314,634
	326,797	340,346

The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property, plant and equipment as well as intellectual property.

Non-current assets	2024	2023
	€'000	€'000
Spain	479,241	434,136
	479,241	434,136

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)	2024		2023	
	Segment	€'000	Segment	€'000
Offtaker 1	Copper	69,676	Copper	80,031
Offtaker 2	Copper	91,849	Copper	76,688
Offtaker 3	Copper	164,394	Copper	183,596

5. Revenue

(Euro 000's)	2024	2023
Revenue from contracts with customers ⁽¹⁾	341,787	344,940
Fair value gain/(loss) relating to provisional pricing within sales ⁽²⁾	(15,868)	(4,594)
Other income ⁽³⁾	878	-
Total revenue	326,797	340,346

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.

The decrease in revenues was mainly due to lower concentrate sales volumes and concentrate grades, partially offset by higher realised prices. Inventories of concentrates at year-end was 21,815 tonnes, compared with 6,722 tonnes in 2023.

- ⁽¹⁾ Included within 2024 revenue there is a transaction price of €11,709 thousand (€9,783 thousand in 2023) related to the freight services provided by the Group to the customers arising from the sales of copper concentrate under CIF incoterm.
- ⁽²⁾ Provisional pricing impact represented the change in fair value of the embedded derivative arising on sales of concentrate.
- ⁽³⁾ Other income mainly represents scraps.

6. Expenses by nature

(Euro 000's)	2024	2023
Operating costs*	197,793	208,416
Care and maintenance expenditure	16,723	11,511
Exploration expenses	4,975	5,103
Employee benefit expense (Note 7)	27,868	25,756
Compensation of directors and key management personnel	2,397	2,230
Auditors' remuneration – audit (Note 32)	401	452
Other accountants' remuneration	1,291	385
Consultants' remuneration	1,775	4,977
Depreciation of property, plant and equipment (Note 13)	39,658	33,307
Amortisation of intangible assets (Note 14)	3,907	4,493
Share option-based employee benefits (Note 24)	1,379	660
Shareholders' communication expense	125	232
On-going listing costs	1,114	521
Legal costs	368	1,779
Public relations and communication development	963	711
Rents (Note 28)	5,492	5,682
Other expenses and provisions	(1,841)	467
Reversal of impairment losses (*) (Note 14)	(6,948)	-
Impairment loss on trade receivables and contract assets	1,205	-
Total	298,645	306,682

(*) An impairment charge for the same amount was recorded in the same caption: mine site depreciation, amortisation and impairment, in the consolidated statement of comprehensive income of 2019.

The reduction in costs was mainly due to lower input costs and an increase in copper concentrate stock at the end of the period. The increase in amortisation mainly due to the change of stripping ratio from 1.84 to 2.10.

(*) Operating costs primarily include mining and processing costs related to the Proyecto Riotinto operation. These comprise costs for raw materials (€56.2m), utilities (€31.4m), professional and contract services (€92.9m), maintenance (€13.3m) and other direct production expenses incurred in the extraction and processing of copper concentrate.

7. Employee benefit expense

(Euro 000's)	2024	2023
Wages and salaries	20,430	18,836
Social security and social contributions	6,613	6,246
Employees' other allowances	24	18
Bonus to employees	801	656
Total	27,868	25,756

The average number of employees and the number of employees at year end by office are:

Number of employees	Average		At year end	
	2024	2023	2024	2023
Spain – Full time	492	479	490	476
Spain – Part time	3	6	3	6
Cyprus – Full time	1	1	1	1
Cyprus – Part time	2	2	2	2
United Kingdom – Full time	-	-	1	-
Total	498	488	497	485

8. Finance income

(Euro 000's)	2024	2023
Financial interest	1,887	1,501
Other received interest	-	3,892
	1,887	5,393

Financial interests include interest received on bank balances of €0.6 million (2023: €0.5 million) and €1.3 million related to E-LIX project funding (Note 13)

Other received interests, in 2023, mainly comprise the €3.5 million interest received as a result of the agreement reached with Astor in May 2023.

9. Finance costs

(Euro 000's)	2024	2023
Interest expense:		
Interest payable for borrowings	1,131	2,607
Interest expense on lease liabilities	30	25
Unwinding of discount on mine rehabilitation provision (Note 27)	828	690
	1,989	3,322

Interest payable for borrowings include the financing costs related to Solar plant, other long-term debt and other operating facilities.

10. Tax

(Euro 000's)	2024	2023
Current income tax charge	2,732	3,419
Deferred tax income relating to the origination of temporary differences (Note 17)	(6,297)	(6,852)
Deferred tax expense relating to reversal of temporary differences (Note 17)	2,528	2,863
	(1,037)	(570)

The tax on the Group's results before tax differs from the theoretical amount that would arise using the applicable tax rates as follows:

(Euro 000's)	2024	2023
Accounting profit before tax	31,523	36,093
Tax calculated at the applicable tax rates of the Company –25% Spain (2023: 12.5% Cyprus)	7,881	4,512
Tax effect of expenses not deductible for tax purposes	-	3,290
Tax effect of tax loss for the year	4,018	(1,271)
Tax effect of allowances and income not subject to tax	(5,769)	(4,381)
Effect of lower tax rates in other jurisdictions of the group	(2,921)	993
Tax effect of tax losses brought forward	-	276
Deferred tax (Note 17)	(4,246)	(3,989)
Tax (credit)/ charge	(1,037)	(570)

Tax losses carried forward

As at 31 December 2024, the Group had tax losses carried forward amounting to €9.7 million from the Spanish subsidiaries.

Applicable tax

With regard to taxation and, in particular, income tax, the Group is subject to the regulations of several tax jurisdictions due to the broad geographical activities carried out by the companies comprising the Group. For this reason, the Group effective tax rate is shaped by the breakdown of earnings obtained in each of the countries where it operates and, occasionally, by the taxation of these earnings in more than one country (double taxation).

Cyprus

The corporation tax rate is 12.5%. Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17% for 2014 and thereafter. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years.

Spain

Most of the entities resident in Spain for tax purposes are subject to taxation for corporate income tax under Spain's consolidated tax regime. Under this regime, the companies comprising the tax group jointly determine the Group's taxable profit and tax liability.

Atalaya Mining Copper, S.A. is the parent of Consolidated Tax Group, which comprises all of the companies resident in Spain that are at least 75%-owned, directly or indirectly, by the parent and that meet certain prerequisites. This Consolidated Tax Group was composed of 7 companies in 2024, the most significant of which are: Atalaya Mining Copper, S.A., Atalaya Riotinto Minera, S.L.U. and Atalaya Masa Valverde S.L.U.

The rest of the companies resident in Spain for tax purposes that are not included in the above tax group determine their income tax individually.

Spanish companies, whether taxed individually or on a consolidated basis, were subject to a general tax rate of 25% in 2024.

The corporate income tax rate in Spain for 2024 is 25% (25% in 2023), in accordance with the Spanish General Tax Law.

Government and legal proceedings with tax implications

The years for which the Group companies have their tax returns open for audit with regard to income tax and the main applicable taxes are as follows:

Country	Years
Spain	2020-2024
Cyprus	2019-2024
United Kingdom	2019-2024

The Group hasn't recognized tax provisions related to Administrative and judicial proceedings with tax implications in 2024 (2023: €nil).

11. Earnings per share

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

(Euro 000's)	2024	2023
Parent company	(2,468)	(6,255)
Subsidiaries	34,206	45,024
Profit attributable to equity holders of the parent	31,738	38,769
Weighted number of ordinary shares for the purposes of basic earnings per share ('000)	140,404	139,880
Basic earnings per share (EUR cents/share)	22.6	27.7
Weighted number of ordinary shares for the purposes of diluted earnings per share ('000)	145,457	144,224
Diluted earnings per share (EUR cents/share)	21.8	26.9

At 31 December 2024 there are nil warrants and 5,423,666 options (Note 23) (31 December 2023: nil warrants and 4,848,500 options) which have been included when calculating the weighted average number of shares for FY2024.

12. Dividends

Cash dividends declared and paid during the year:

(Euro 000's)	2024	2023
Final dividends declared and paid	5,243	4,956
Interim dividends declared and paid	5,063	6,522
	10,306	11,478

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

FY 2023

A final dividend of US\$0.04 per ordinary share, which is equivalent to approximately £0.031 per share, was proposed on 18 March 2024 for approval by shareholders at the 2024 AGM, which gave a total dividend for 2023 of US\$0.09 per share. Following the approval of Resolution 11 by the Company's shareholders at the 2024 AGM, which took place on 27 June 2024, the final dividend which (based on as exchange rates used for conversion after the record date) amounted to €5.2 million was approved and the dividend was paid on 9 August 2024.

FY 2024

On 13 August 2024, the Company's Board of Directors elected to declare an interim dividend of US\$0.04 per share, which was equivalent to approximately 3.1 pence per share. The interim dividend was paid on 19 September 2024.

A final dividend of US\$0.03 per share has been proposed for approval by shareholders at the 2025 Annual General Meeting. This would give a total dividend for 2024 of US\$0.07 per share.

13. Property, plant and equipment

(Euro 000's)	Land and buildings	Right of use assets (5)	Plant and equipment	Assets under construction (3)	Deferred mining costs (2)	Other assets (1)	Total
2024							
Cost							
At 1 January 2024	83,517	7,076	319,129	70,601	64,072	951	545,346
Adjustments	-	-	5	-	-	-	5
Opening adjusted	83,517	7,076	319,134	70,601	64,072	951	545,351
Additions ⁽⁸⁾	233	-	332	52,801	9,902	-	63,268
Increase in rehab. Provision (Note 27)	3,274	-	-	-	-	-	3,274
Reclassifications ⁽⁴⁾	-	-	21,050	(21,969)	-	29	(890)
Other transfer	(572)	-	-	(2,586) ⁽⁸⁾	-	-	(3,158)
Write-off	-	(148)	-	-	-	-	(148)
Advances	-	-	-	1,601 ⁽⁷⁾	-	-	1,601
31 Dec 2024	86,452	6,928	340,516	100,448	73,974	980	609,298
Depreciation							
At 1 January 2024	24,702	2,531	113,547	-	19,063	764	160,607
Adjustments	-	-	1	-	-	-	1
Opening adjusted	24,702	2,531	113,548	-	19,063	764	160,608
Charge for the year ⁽⁶⁾	6,192	497	27,328	-	5,655	43	39,715
Write-off	-	(57)	-	-	-	-	(57)
31 Dec 2024	30,894	2,971	140,876	-	24,718	807	200,266
Net book value at 31 December 2024	55,558	3,957	199,640	100,448	49,256	173	409,032
2023							
Cost							
1 Jan 2023	80,326	7,076	291,335	50,235	52,358	872	482,202
Additions	36	-	6,011	42,149	11,714	79	59,782
Increase in rehab. provision	3,145	-	-	-	-	-	3,145
Reclassifications	-	-	21,783	(21,783)	-	-	-
Advances	10	-	-	-	-	-	10
31 Dec 2023	83,517	7,076	319,129	70,601	64,072	951	545,346
Depreciation							
At 1 January 2023	20,454	1,998	89,182	-	14,921	739	127,294
Adjustments	-	-	6	-	-	-	6
Opening adjusted	20,454	1,998	89,188	-	14,921	739	127,300
Charge for the year	4,248	533	24,359	-	4,142	25	33,307
31 Dec 2023	24,702	2,531	113,547	-	19,063	764	160,607
Net book value at 31 December 2023	58,815	4,545	205,582	70,601	45,009	187	384,739

⁽¹⁾ Includes motor vehicles, furniture, fixtures and office equipment which are depreciated over 5-10 years.

⁽²⁾ Stripping costs related to Cerro Colorado (note 2.9 (b))

⁽³⁾ Assets under construction at 31 December 2024 amounted to €100.4 million (2023: €70.6 million), this balance include €30.6 million related to San Dionisio where €4.7 million are road deviation, €41.0 million Solar plant, €7.0 million sustaining capital, €13.0 million E-LIX plant and €28.2 million tailing dams capital expenditure. Additions include sustaining capital expenditures with an investment of €4.0 million (2023: €3.4 million), tailings dams project €14.8 million (2023: €13.7 million), E-LIX plant amounted to €2.1 million (€8.9 million in 2023) San Dionisio area spending €25.7 million (2023, €4.8 million) and solar plant €8.4 million (2023, €12.9 million).

⁽⁴⁾ Reclassifications of €21.1 million to plant and equipment are associated with sustaining capex. Additionally, €0.9 million related to low-rotation stock were reclassified to inventories (material supplies).

⁽⁵⁾ See leases in Note 28.

⁽⁶⁾ Increase of depreciation due to the update of its ore reserves in May 2024 in the subsidiary ARM.

⁽⁷⁾ Advances related to E-LIX plant.

⁽⁸⁾ During the year ended 31 December 2024, the Group capitalised €1.0 million of borrowing costs related to the construction of the solar plant in accordance with IAS 23. The average effective interest rate applied was 1.5%. The tax deductibility of these capitalised borrowing costs will be realised over the asset's useful life through depreciation deductions, rather than as an immediate tax relief.

The above fixed assets are mainly located in Spain.

E-LIX Project

In May 2019, after approx.. 4 years of laboratory work, Atalaya initiated a partnership with Lain Technologies Ltd. (hereinafter "Lain") for the development of technology known as E-LIX. The E-LIX Technology is a new-developed technology invented and owned by Lain which is protected by industrial secret. Atalaya's rights on the E-LIX technology is limited to its use on favourable terms and other benefits but excluding the ownership.

E-LIX is an innovative electrochemical extraction process developed by Lain to assess the production of zinc and copper cathodes, as well as other derivatives of these metals, from complex sulphide ores.

Lain and Atalaya have worked on a partnership to develop the E-LIX technology from 2019 to date. During these years, the collaboration has progressed through different phases, summarised as follows:

- **Phase 0:** Preliminary work and research.
- **Phase 1:** Construction and commissioning of the Pilot Plant.
- **Phase 2:** Operation of the Pilot Plant and feasibility studies of the project.
- **Phase 3:** Construction and commissioning of an Industrial Plant.

As a result of the successful laboratory tests carried out by Atalaya on the E-LIX technology during Phase 0, in July 2020, Atalaya and Lain executed a memorandum of understanding ("MOU"), with the first step being the construction of a pilot plant (the "Pilot Plant") fully funded by Atalaya via loans.

The Pilot Plant was built during 2021 and confirmed the feasibility of E-LIX, proving the capacity of leaching selective metals from concentrates and achieving high recovery rates for copper and zinc through a more efficient and sustainable process compared to traditional methods.

In December 2021, the Company's Board of Directors approved the construction and financing of a Phase 1 of a larger-scale plant with a significantly greater processing capacity than the Pilot Plant (the "Industrial Plant").

As of 31 December 2024, the construction of the Industrial Plant was close to be completed and Lain was in the process of bringing the Industrial Plant into operation at a commercial production rate. Once the plant is fully ramped up it is intended that the plant will operate at normal commercial levels..

Throughout the partnership from 2019 and aligned with the MOU signed between Atalaya and Lain, several agreements have been signed, including:

- Construction of the fixed assets required for the use of the E-LIX technology;
- Exclusivity agreements
- Funding agreements for the construction and the commissioning of the Pilot Plant
- Funding agreements for the construction and commissioning of the Industrial Plant; and
- Operational agreements for the construction of the Industrial Plant.

As of 31 December 2024, Atalaya has the following balances relating to the pilot plant and the industrial plant arising from the agreements with Lain:

Description	Caption	Note	Amount (€k)
Pilot plant	Non-current loan	19	2,627
Industrial Plant	Non-current Receivables (prepayment)	20	29,662
Industrial Plant	PPE	13	12,978
Convertible Loan	Current loan	19	5,352
			50,619

Recoverability of Assets

The E-LIX technology has demonstrated positive results in the recovery of pure zinc and copper, as well as their derivatives, in a technologically efficient manner. The E-LIX technology has the potential to unlock the production of metals from complex ore in a financially and sustainable viable manner and its use at an industrial scale could potentially increase significantly the life of the mine at Proyecto Riotinto.

As of the reporting date, Atalaya has a reasonable expectation that the E-LIX technology can operate a commercial scale. During 2024, the construction of the Industrial Plant and the ramp up experienced certain delays but unrelated to the E-LIX technology.

Atalaya has considered both external and internal factors that support the strength of the project and has assessed the recoverability of the assets associated with E-LIX technology based on a financial model that demonstrates its long-term sustainability.

The main production assumptions used in the base case financial model zinc model are as follows for the balances relating to the pilot and industrial plant:

Main assumptions for the E-LIX model

Total investment (*)	€million	45
Processing capacity	Tpa cons	74,500
Zinc metal produced	tpa Zn	6,700
Zinc recovery rate	%	90
Zinc grade in concentrate	%	10

(*) excluding convertible loan which is guaranteed with equity of Lain.

The assessment carried out by the Company on the zinc base case financial model results on an after-tax NPV (8%) of €18.8 million a 14% IRR and a payback period of 7 years estimated using long-term prices of 3,000 US\$/tonne.

Whilst the ramp-up of the Industrial Plant is not completed and the production assumptions are yet to be proven, the Company has enough information to consider the above production assumptions as reasonable. In addition, various adverse scenarios were tested to determine whether, as at 31 December 2024, the asset related to the E-LIX technology should be impaired, including lower recovery rates, higher sustaining capex and sensitivity on zinc prices ranging +/- 15% of the base case price and additional delays of the ramp-up with a €10 million extra investment.

Based on the base case financial model analysis, and while acknowledging that unforeseen delays in the ramp up or unfavourable market conditions could influence this outlook, the Board has a reasonable expectation that Atalaya will be able to recover the balances relating to Lain and therefore, no impairment indicators have been identified.

14. Intangible assets

	Permits ⁽¹⁾	Licences, R&D and Software	Other intangible assets	Total
(Euro 000's)				
2024				
Cost				
At 1 January 2024	81,199	8,758	-	89,957
Additions	-	-	17,771 ⁽²⁾	17,771
Reclassification	(3,128)	(6,948)	10,076	-
31 Dec 2024	78,071	1,810	27,847	107,728
Amortisation				
At 1 January 2024	32,080	8,480	-	40,560
Charge for the year	3,878	29	-	3,907
Reversal of impairment losses	-	(6,948)	-	(6,948)
31 Dec 2024	35,958	1,561	-	37,519
Net book value at 31 December 2024	42,113	249	27,847	70,209
2023				
Cost				
1 Jan 2023	81,255	8,642	-	89,897
Additions	144	116	-	260
Disposals	(200)	-	-	(200)
31 Dec 2023	81,199	8,758	-	89,957
Amortisation				
1 Jan 2023	27,627	8,440	-	36,067
Charge for the year	4,453	40	-	4,493
31 Dec 2023	32,080	8,480	-	40,560
Net book value at 31 December 2023	49,119	278	-	49,397

⁽¹⁾ Permits include the mining rights of Proyecto Riotinto, Proyecto Touro, Masa Valverde and Ossa Morena

⁽²⁾ Additions include €16.7 million at fair value related to the interest to acquire the 80% of the shares of Cobre San Rafael, SL, as per the Shareholders' Agreement, including €16.5 million (note 26) and €0.2 million related to capitalisation expenses according with the policy of the Group once the Touro Project was granted as Strategic Industrial Project (PIE).

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 in case there is an indicator of impairment. Atalaya assessed its assets concluding that there are no indicators of impairment for either Proyecto Riotinto or any

other as of 31 December 2024 and 2023.

⁽⁴⁾ Reversal of Impairment on Intangible Assets

On 29 January 2020, the Company released an update on Proyecto Touro. The Company announced a recent press released by the regional government of Galicia ("Xunta de Galicia") in relation to the permitting process, where the General Directorate to the Mines, Energy and Industry Department announced a negative Environmental Impact Statement for Proyecto Touro.

As a result of the announcement made by the Xunta de Galicia, the Company re-assessed the uncertainty about the feasibility of obtaining the necessary permits for Touro, impacting the project's development prospects.

As at result of the re-assessment, the Company booked as at 31 December 2019 an impairment of €6.9 million related to the capitalised cost incurred by the Company to the date according to its accounting policy. However, the Company retained the value of the mining rights at €5.0 million, as these rights remained in force.

Since 2019, the Company had actively worked with stakeholders to advance the permitting process and improve the regulatory framework for Proyecto Touro. In 2024, the permitting and operational environment for the project had improved significantly, leading to a reassessment of its technical and financial feasibility.

A key development had been the designation of Proyecto Touro as a Strategic Industrial Project ("PIE") by the Xunta de Galicia. This designation had granted priority status, accelerated administrative procedures, and reduced regulatory uncertainties, removing the primary risk factor that had led to the initial impairment.

In compliance with IAS 36 – Impairment of Assets, the Company had conducted an impairment test as at 31 December 2024, concluding that the conditions that had led to the impairment in 2019 no longer existed. The impairment test had been carried out by evaluating both technical and financial feasibility, confirming that the project was in a position to generate economic benefits in line with initial expectations.

The impairment assessment had considered:

- Technical viability, based on updated resource and reserve estimates, engineering reports, and environmental compliance advancements.
- Financial feasibility, including updated cash flow projections, capital expenditure forecasts, and a revised financing strategy that had demonstrated the project's ability to meet investment requirements.
- Projected long-term copper prices, in line with industry benchmarks and independent market forecasts.
- Capital and operating cost projections, supported by recent feasibility studies

To further validate the assessment, an independent third-party valuation of the mining assets had been conducted. The valuation had confirmed that the estimated fair value of the project was higher than the total carrying amount of the intangible assets associated with Proyecto Touro, reinforcing the recoverability of the asset.

As a result, the impairment loss of €6.9 million had been fully reversed as at 31 December 2024, reflecting the improved expectations for the project and supporting the recoverability of the asset in accordance with IAS 36 – Impairment of Assets.

This assessment had demonstrated that there had been no doubts regarding the technical and financial viability of Proyecto Touro as at the reporting date, further supporting the impairment reversal.

15. Non-current assets

During the year, the Group entered into agreements with Mineral Prospektering i Sverige AB ("MPS") in relation to the Skellefte Belt Project and the Rockliden Project, both located in established volcanogenic massive sulphide ("VMS") districts known for their potential mineral resources.

The Group entered into earn-in agreements with MPS to acquire an initial 75% interest in these projects, structured as follows:

- An initial funding commitment of US\$3 million per project, to be invested over a 24-month period.
- Stage 1 option to provide additional funding of US\$3 million per project to secure a 51% ownership interest.
- Stage 2 option to provide additional funding of US\$6 million per project, and complete scoping studies, to secure a 75% ownership interest.

During 2024, a total of €1.2 million in funding was provided to MPS in relation to preparatory work for the planned winter drilling campaigns and to compensate for certain past expenditures incurred by MPS.

The following table summarises the movement in exploration and evaluation assets during the year:

(Euro 000's)	2024	2023
Opening balance as of 1 January	-	-
Additions during the year	1,205	-
Impairment losses	(1,205)	-
Closing balance as of 31 December	-	-

As of 31 December 2024, the carrying amount of exploration and evaluation assets was reviewed for impairment. Following management's assessment, the Company recognised a full impairment of €1.2 million, as these projects remain in the early exploration stage and are still far from obtaining operating mining permits.

16. Investment in joint venture

Company name	Principal activities	Country of incorporation	Effective proportion of shares held at 31 December 2015
Recursos Cuenca Minera S.L.	Exploitation of tailing dams and waste areas resources	Spain	50%

In 2012, ARM initiated a 50/50 joint venture with Rumbo to assess and leverage the potential of class B resources within the tailings dam and waste areas at Proyecto Riotinto. Pursuant to the joint venture agreement, ARM served as the operator and reimbursed Rumbo for the expenses linked to the classification application for the Class B resources. ARM covered the initial expenses for a feasibility study, with a maximum funding limit of €2.0 million. Subsequent costs were shared by the joint venture partners in accordance with their respective ownership interests.

The Group's significant aggregate amounts in respect of the joint venture are as follows:

(Euro 000's)	31 Dec 2024	31 Dec 2023
Intangible assets	94	94
Trade and other receivables	4	3
Cash and cash equivalents	15	19
Trade and other payables	(115)	(115)
Net assets	2	1
Revenue	-	-
Expenses	-	-
Net profit/(loss) after tax	-	-

17. Deferred tax

(Euro 000's)	Consolidated statement of financial position		Consolidated income statement	
	2024	2023	2024	2023
Deferred tax asset				
At 1 January	11,282	7,293	-	-
Deferred tax income relating to the origination of temporary differences (Note 10)	6,297	6,852	(6,297)	(6,852)
Deferred tax asset due to losses available against future taxable income overprovision previous years	34	-	-	-
Deferred tax expense relating to reversal of temporary differences (Note 10)	(2,528)	(2,863)	2,528	2,863
At 31 December	15,085	11,282		
Deferred tax income/(expense) (Note 10)			(3,769)	(3,989)

18. Inventories

Deferred tax assets are recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available in the future against which the unused tax losses/credits can be utilised. The Group held tax losses amounted to €9.7 million in Spain (2023: €6.0 million).

(Euro 000's)	31 Dec 2024	31 Dec 2023
Finished products	19,732	8,416
Materials and supplies	25,540	21,852
Work in progress	3,890	3,046
	49,162	33,314

As at 31 December 2024, copper concentrate produced and not sold amounted to 21,815 tonnes (FY2023: 6,722 tonnes), due to timing on shipments. Accordingly, the inventory for copper concentrate was €19.7 million (FY2023: €8.4 million). During the year 2024 the Group recorded cost of sales amounting to €242.2 million (FY2023: €247.3 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.

19. Loans

(Euro 000's)	2024	2023
Non-current loans		
Loans	2,627	-
	2,627	-
Current loans		
Loans	5,352	-
	5,352	-

During 2024, the Company reassessed the classification of a loan related to the funding of the E-LIX pilot plant. This loan, originally classified as prepayments for service contract under trade receivables, has been reclassified as a non-current loan, as it is now considered more probable that the recoverability will be in cash rather than through the use of the E-LIX technology.

The original agreement with Lain Technologies Ltd. contemplated both possibilities—repayment in cash or recovery through the use of the E-LIX technology. Initially, the Company expected to recover the amount through the use of the technology; however, following a reassessment, it has now been concluded that repayment in cash is the more probable outcome.

This change in classification is a reclassification and not a correction of an error, as the previous classification was based on the Company's best estimate at the time. Given the updated assessment of the expected recovery method, the loan has been presented accordingly in 2024.

Non-current loans are referred to the loan with Lain Technologies regarding the Pilot Plant. Includes principal for €2.3 million plus €0.3 million of interest accumulated (see note 13). This balance bears interest of EURIBOR 12M + 2%. This amount has been reclassified from prepayments regarding the previous year.

On 30 September 2024 the Company signed a convertible loan, granting a credit facility of up to a maximum amount of €10 million. This facility was granted for a fixed term up to 31 December 2025. This balance bears interest of EURIBOR 3M + 2%. This balance includes €5.3 million referred to the convertible loan with Lain Technologies Ltd plus €0.1. of interest accumulated (see note 13).

20. Trade and other receivables

(Euro 000's)	2024	2023
Non-current trade and other receivables		
Deposits	611	307
Loans	141	233
Prepayments for service contract ⁽¹⁾	29,662	23,476
Other non-current receivables	2,838	2,686
	33,252	26,702
Current trade and other receivables		
Trade receivables at fair value – <i>subject to provisional pricing</i>	9,727	10,110
Trade receivables from shareholders at fair value – <i>subject to provisional pricing</i> (Note 31.5)	1,042	5,054
Other receivables from related parties at amortised cost (Note 31.4)	-	56
Deposits	35	37
VAT receivable	20,898	21,003
Prepayments	4,507	5,855
Other current assets	654	782
	36,863	42,897
Allowance for expected credit losses	-	-
Total trade and other receivables	70,115	69,599

⁽¹⁾ On 28 January 2022 the Company signed a loan for €15 million and on 8 May 2023 an amendment up to €20 million to the construction of the first phase of the industrial-scale plant ("Phase I") that utilises the E-LIX System. This loan was granted for a fixed term of 10 years since the start of commercial production. This balance includes capitalised interest, and repayment will be made through the use of the E-LIX technology.

⁽¹⁾ This balance also includes €7.6 million refer additional costs classified as prepayments related to Industrial Plant of Proyecto E-LIX (see note 13).

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 value of trade and other receivables approximate their book values.

Non-current deposits included €250k (€250k at 31 December 2023) as a collateral for bank guarantees, which was recorded as restricted cash (or deposit) in Proyecto Riotinto and €334k related to Proyecto Masa Valverde.

21. Other Financial assets

(Euro 000's)	31 Dec 2024	31 Dec 2023
Financial asset at fair value through OCI (see (a) below)	1,124	1,131
Total current	23	30
Total non-current	1,101	1,101

a) Financial assets at fair value through OCI

(Euro 000's)	31 Dec 2024	31 Dec 2023
At 1 January	1,131	1,134
Fair value change recorded in equity (Note 24)	(7)	(3)
At 31 December	1,124	1,131

Company name	Principal activities	Country of incorporation	Effective proportion of shares held at 31 December 2024
Explotaciones Gallegas del Cobre SL	Exploration company	Spain	12.5%
KEFI Minerals Plc	Exploration and development mining company listed on AIM	UK	0.19%
Prospech Limited	Exploration company	Australia	0.53%

The Group decided to recognise changes in the fair value through Other Comprehensive Income ('OCI'), as explained in Note 2.12.

As per Note 2.29, the Group's investment in Explotaciones Gallegas del Cobre S.L., amounting to €1,101k, is classified as a Level 3 financial instrument, as its fair value is based on unobservable inputs.

The fair value is determined using valuation techniques that reflect the asset's nature and the absence of an active market. The primary methodology applied is a market-based approach, considering comparable transactions within the mining exploration sector. Where such data is unavailable, management applies an adjusted cost approach, incorporating estimates of resource potential and exploration progress.

The valuation is reviewed periodically, considering changes in market conditions, commodity prices, and exploration results.

22. Cash and cash equivalents

(Euro 000's)	31 Dec 2024	31 Dec 2023
Unrestricted cash and cash equivalents at Group level	43,184	94,868
Unrestricted cash and cash equivalents at Operation level	9,694	26,139
Consolidated cash and cash equivalents	52,878	121,007

Cash and cash equivalents denominated in the following currencies:

(Euro 000's)	31 Dec 2024	31 Dec 2023
Euro – functional and presentation currency	37,299	50,470
Great Britain Pound	70	52
United States Dollar	15,509	70,485
	52,878	121,007

23. Share capital

	Shares 000's	Share Capital €'000	Share premium €'000	Total €'000
Authorised				
Ordinary shares of €0.09 each*	200,000	18,000	-	18,000

Issued and fully paid			Shares 000's	Share Capital €'000	Share premium €'000	Total €'000
Issue Date	Price (£)	Details				
31 December 2022/1 January 2023			139,880	13,596	319,411	333,007
31-Dec-23			139,880	13,596	319,411	333,007
9-Feb-24	3.090	Exercised share options ^(a)	20	3	71	74
7-May-24	2.015	Exercised share options ^(b)	67	6	151	157
22-May-24	2.015	Exercised share options ^(c)	600	53	1,368	1,421
27-Jun-24	4.160	Exercised share options ^(d)	120	11	570	581
27-Jun-24	3.575	Exercised share options ^(d)	36	3	149	152
27-Jun-24	3.270	Exercised share options ^(d)	36	3	136	139
26- Dec 24		Capital increase**		272		272
26- Dec 24		Capital decrease**	-	(1,279)	-	(1,279)
31-Dec-2024			140,759	12,668	321,856	334,524

*The Company's share capital at 31 December 2024 is 140,759,043 ordinary shares (139,879,209 in 2023) of €0.09 each.

** Decrease of capital from 7.5p to €0.09 per share

Authorised capital

The Company's authorised share capital is 200,000,000 ordinary shares. After the re-domiciliation of Atalaya to Spain, in order to comply with Spanish law, redenominate it to euros, thereby increasing the share capital (represented by 140,759,043 ordinary shares) to 12,395,853.02 euros, instead of 10,556,928.2 GBP, and the nominal value per ordinary share to 0.088065 EUR instead of 0.075 GBP (all applying the exchange rate of 0.85165 EUR/GBP). In order to round the nominal value of the shares following the Cross-Border Transformation, the shareholders have agreed to increase the Company's share capital, currently amounting to €12,395,853.02, by €272,460.85. This has resulted in an increase of €0.001935 in the nominal value of each share, thereby setting the nominal value per share at €0.09. The share capital increase has been carried out using distributable reserves.

Issued capital

- (a) On 9 February 2024, the Company announced that it has issued 20,000 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to an exercise of share options by an employee.
- (b) On 7 May 2024, Atalaya announced that it has issued 66,500 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to an exercise of share options by an employee.
- (c) On 22 May 2024, the Company announced that it has issued 600,000 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to an exercise of share options by a person discharging managerial responsibilities ("PDMR").
- (d) On 27 June 2024, Atalaya announced that it has issued 193,334 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to the exercise of share options by an employee. These options were issued as part of the Company's long term incentive plan.

No shares were issued in FY2023.

24. 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
1 Jan 2023	10,365	208	37,778	(1,153)	8,316	14,291	69,805
Recognition of share based payments	661	-	-	-	-	-	661
Change in fair value of financial assets at fair value through OCI (Note 21)	-	-	-	(3)	-	-	(3)
31 Dec 2023/1 Jan 2024	11,026	208	37,778	(1,156)	8,316	14,291	70,463
Recognition of depletion factor	-	-	8,949	-	-	-	8,949
Recognition of non-distributable reserve	-	-	-	-	142	-	142
Recognition of distributable reserve	-	-	-	-	-	7,848	7,848
Recognition of share based payments	1,379	-	-	-	-	-	1,379
Change in fair value of financial assets at fair value through OCI (Note 21)	-	-	-	(7)	-	-	(7)
Other changes in reserves	464	-	-	-	-	(464)	-
31 Dec 2024	12,869	208	46,727	(1,163)	8,458	21,675	88,774

⁽¹⁾ Depletion factor reserve

During the twelve month period ended 31 December 2024, the Group has recognised €8.9 million (FY2023: addition of €nil) as a depletion factor reserve as per the Spanish Corporate Tax Act.

⁽²⁾ Fair value reserve of financial assets at FVOCI

The Group decided to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI reserve under equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

⁽³⁾ Non-distributable reserve

As required by the Spanish Corporate Tax Act, the Group classified a non-distributable reserve of 10% of the profits generated by the Spanish subsidiaries until the reserve is 20% of share capital of the subsidiary for an amount of €8.0m.

⁽⁴⁾ Distributable reserve

This heading includes the transfer from income for the year attributable to the parent for 2024.

⁽⁵⁾ Share options

Details of share options outstanding as at 31 December 2024:

Grant date	Expiry date	Exercise price £	Share options
30 Jun 2020	30 Jun 2030	1.475	516,000
24 Jun 2021	23 Jun 2031	3.090	996,000
22 Jun 2022	30 Jun 2027	3.575	1,188,333
22 May 2023	21 May 2028	3.270	1,268,333
11 June 2024	10 Jun 2029	4.135	1,305,000
22 Dec 2024	21 Dec 2029	3.335	150,000
Total			5,423,666

	Weighted average exercise price £	Share options
At 1 January 2024	2.968	4,848,500
Granted options during the year	4.053	1,455,000
Options executed during the year	2.449	(879,834)
31 December 2024	3.343	5,423,666

On 12 June 2024, the Company announced that in accordance with the Company's Long Term Incentive Plan 2020, it granted 1,305,000 share options to Persons Discharging Managerial Responsibilities ("PDMRs") and other employees and, on 22 December was granted 150,000 share options (the "Options") to an employee.

On 9 February 2024, the Company announced that it has issued 20,000 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to an exercise of share options by a former employee.

On 7 May 2024, the Company announced that it has issued 66,500 ordinary shares of 7.5p in the Company ("Option Shares") pursuant to an exercise of share options by non-PDMR employees and on 22 May announced that 600,000 ordinary

On 23 May 2023, the Company announced that in accordance with the Company's Long Term Incentive Plan 2020, it granted 1,305,000 share options to Persons Discharging Managerial Responsibilities ("PDMRs") and other employees.

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.

The estimated fair values of the options were calculated using the Black Scholes option pricing model. The inputs into the model and the results are as follows:

Grant Date	Weighted average share price £	Weighted average exercise price £	Expected volatility	Expected life (years)	Risk Free rate	Expected dividend yield	Estimated Fair Value £
23 Feb 2017	1.440	1.440	51.8%	5	0.6%	Nil	0.666
29 May 2019	2.015	2.015	46.9%	5	0.8%	Nil	0.66
8 July 2019	2.045	2.045	46.9%	5	0.8%	Nil	0.66
30 June 2020	1.475	1.475	50.32%	10	0.3%	Nil	0.60
23 June 2021	3.090	3.090	50.91%	10	0.7%	Nil	0.81
26 Jan 2022	4.160	4.160	49.18%	10	1.149%	Nil	1.12
22 June 2022	3.575	3.575	34.12%	5	2.748%	Nil	0.71
22 May 2023	3.270	3.270	38.15%	5	4.219%	Nil	0.88
11 June 2024	4.135	4.135	39.28%	5	4.149%	2.13%	0.93
22 Dec 2024	3.335	3.335	39.28%	5	4.322%	2.13%	0.79

The volatility has been estimated based on the underlying volatility of the price of the Company's shares in the preceding twelve months.

25. Non-controlling interest

(Euro 000's)	2024	2023
Opening balance	(9,104)	(6,998)
Share of total comprehensive income for the year	822	(2,106)
Revaluation of NCI	10,436	-
Closing balance	2,154	(9,104)

The non-controlling interest corresponds to the partner involved in Sociedad Cobre San Rafael, the owner of the Touro project.

Change of controlling interest

Atalaya held an initial 10% stake in Cobre San Rafael S.L., which, under normal circumstances, would classify it as a non-controlling investment with limited influence over the company's operations. However, to determine of the effective control of the company it has been considered the substantive contractual arrangements between Atalaya and the other shareholders according to note 2.3.

As a result of the changes in project Touro that have occurred during the current year (note 1), Group considers it likely that phases 2, 3 and 4 of the Touro project will be completed, and therefore, it has been recorded the associated impact in Non-controlling interest, according with the shareholders agreement, due to the impact that the project's phase change has on the responsibilities agreed between the parties as outlined in notes 1, as well as the allocation of the intangible asset that also emerged during the 2024 fiscal year.

The significant financial information with respect to the subsidiary before intercompany eliminations as at and for the twelve-month period ended 31 December 2024 and 2023 is as follows:

(Euro 000's)	2024	2023
Non-current assets	15,322	7,273
Current assets	1,636	601
Non-current liabilities	(21,624)	(17,096)
Grants	(177)	-
Current liabilities	(960)	(697)
Equity	9,915	7,578
(Profit)/loss for the year and total comprehensive income	(4,112)	2,341
Allocation of consolidated intangible assets	3,315	-

26. Trade and other payables

(Euro 000's)	31 Dec 2024	31 Dec 2023
Non-current trade and other payables		
Other non-current payables	12,492	2,003
Government grant	1,491	202
	13,983	2,205
Current trade and other payables		
Trade payables	78,965	70,303
Trade payables to shareholders (Note 31.5)	109	179
Accruals	2,505	3,395
VAT payable	-	391
Other	8,511	1,654
	90,090	75,922

As of 31 December 2024, other non-current payables include €9.7 million reflecting the liabilities related to the potential acquisition of 80% of the shares of Cobre San Rafael, SL, as per the Shareholders' Agreement (note 14). In addition, there are €2.8 million related with the acquisition of Atalaya Masa Valverde SL formerly Cambridge Minería España, SL and Atalaya Ossa Morena SLU formerly Rio Narcea Nickel, SL (note 1).

Other current payables include €6.8 million also related to the potential increase in the stake of Cobre San Rafael, S.L., under the Shareholders' Agreement (note 14). This amount has been classified as current, as the likelihood of reaching the associated milestone is high, making settlement probable within 2025.

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.

The Group's exposure to currency and liquidity risk related to liabilities is disclosed in Note 3.

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

Information on the average period of payment to suppliers in Spain

The disclosures made in relation to the average period of payment for trade payables in Spain are presented below in accordance with that established in applicable law.

Average payment days to suppliers

Days	2024	2023
Average payment days for payment to suppliers	28	27
Ratio of transactions paid	31	29
Ratio of transactions outstanding for payment	15	25

(€m)	2024	2023
Total payments made	187.8	363.2
Total payments made within the legal term	115.3	339.7
Percentage over total payments	80%	94%
Total payments outstanding	50.8	36.3

Number of invoices	2024	2023
Number of invoices within the legal term ⁽¹⁾	7,013	11,524
Percentage over total invoices	85%	88%

27. Provisions

(Euro 000's)	Other provisions	Legal costs	Rehabilitation costs	Total
31 Dec 2022/1 Jan 2023	1,435	226	23,374	25,035
Additions	-	1	-	1
Used of provision	(685)	-	(518)	(1,203)
Increase of provision	-	-	3,145	3,145
Finance cost (Note 9)	-	-	690	690
31 Dec 2023/1 Jan 2024	750	227	26,691	27,668
Additions	-	230	-	230
Used of provision	-	(62)	(944)	(1,006)
Transfer to other non-current Payables	(750)	-	-	(750)
Increase of provision	-	-	3,274	3,274
Finance cost (Note 9)	-	-	828	828
31 Dec 2024	-	395	29,849	30,244

(Euro 000's)	2024	2023
Non-Current	29,328	27,234
Current	916	434
Total	30,244	27,668

Rehabilitation provision

Rehabilitation provision represents the estimated cost required for 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.

During 2020, Management engaged an independent consultant to review and update the rehabilitation liability. The updated estimation includes the expanded capacity of the plant and its impact on the mining project.

The discount rate used in the calculation of the net present value of the liability as at 31 December 2024 was 3.23% (2023: 3.62%), which is the 15-year Spain Government Bond rate for 2024. An inflation rate of 2%-2.80% (2023: 1%-3.10%) is applied on annual basis

In May 2024, Atalaya incorporated an update of its ore reserves based on an independent expert analysis in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (the "CIM Standards"). This update has some impact on our financial statements and accounting estimates and reflects a revised understanding of the economic potential and operational requirements of our mining assets.

The expected payments for the rehabilitation work are as follows:

(Euro 000 's)	Between 1 – 5 Years	Between 6 – 10 Years	More than 10 years
Expected payments for rehabilitation of the mining site, discounted	5,167	19,612	5,070

Legal provision

The Group has been named as defendant in several legal actions in Spain, the outcome of which is not determinable as at 31 December 2024. Management has reviewed individually each case and made a provision of €395k (€227k in 2023) for these claims, which has been reflected in these consolidated financial statements.

28. Leases

(Euro 000's)	31 Dec 2024	31 Dec 2023
Non-current		
Leases	3,320	3,877
	3,320	3,877
Current		
Leases	481	501
	481	501

The Group entered into lease arrangements for the renting of land and a warehouse which are subject to the adoption of all requirements of IFRS 16 Leases (Note 2.2). 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.

Amounts recognised in the statement of financial position and profit or loss

Set out below are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period:

(Euro 000's)	Right – of-use assets				Lease liabilities
	Lands and buildings	Vehicles	Laboratory equipment	Total	
As at 1 January 2024	4,545	-	-	4,545	4,378
Additions	-	-	-	-	-
Depreciation expense	(440)	-	-	(440)	-
Interest expense	-	-	-	-	30
Payments	-	-	-	-	(519)
Write-off	(148)	-	-	(148)	(88)
As at 31 December 2024	3,957	-	-	3,957	3,801

The amounts recognised in profit or loss, are set out below:

(Euro 000's)	Twelve month ended 31 Dec 2024	Twelve month ended 31 Dec 2023
As at 31 December		
Depreciation expense of right-of-use assets	(440)	(533)
Interest expense on lease liabilities	(30)	(25)
Total amounts recognised in profit or loss	(470)	(558)

The Group recognised rent expense from short-term leases (Note 6).

The duration of the land and building lease is for a period of twelve years. Payments are due at the beginning of the month escalating annually on average by 1.5%. At 31 December 2024, the remaining term of this lease is six years. (Note 2).

Present value of minimum lease payments due	31 Dec 2024	31 Dec 2023
	€'000	€'000
Within one year	481	501
2 to 5 years	1,856	1,928
Over 5 years	1,464	1,949
	3,801	4,378

Minimum lease payments due	31 Dec 2024	31 Dec 2023
	€'000	€'000
Within one year	518	531
2 to 5 years	2,075	2,125
Over 5 years	1,729	2,285
	4,322	4,941

(Euro 000's)	Lease liability
Balance 1 January 2024	4,378
Additions	-
Interest expense	30
Lease payments	(519)
Write-off	(88)
Balance at 31 Dec 2024	3,801
Balance at 31 Dec 2024	
- Non-current liabilities	3,320
- Current liabilities	481
	3,801

29. Borrowings

(Euro 000's)	2024	2023
Non-current borrowings		
Credit facilities - fix interest	-	-
Credit facilities - variable interest	10,866	16,131
	10,866	16,131
Current borrowings		
Credit facilities - fix interest	-	5,626
Credit facilities - variable interest	6,921	44,930
	6,921	50,556

The Group had credit approval for unsecured facilities totalling €97.4 million (€103.8 million at 31 December 2023). During 2024, Atalaya drew down some of its existing credit facilities to finance the solar plant, payable amount of €13.9 million at 31 December 2024 (2023: €20.0m) and for the construction of a new part of the processing plant payable amount of €2.8 million at 31 December 2024 (2023: €nil).

Borrowing with fixed interest rates in 2023 was between a range of 2.00% and 2.45%. Margins on borrowings with variable interest rates, usually 3 months EURIBOR and 12 months EURIBOR, range from 0.75% to 2.25% with an average margin of 1.25%.

At 31 December 2024, the Group had used €17.8 million of its facilities and had undrawn facilities of €79.5 million.

29(a) Net debt reconciliation

Reconciliation of Liabilities Arising from Financing Activities

In accordance with IAS 7 paragraph 44D, the reconciliation below provides information on changes in liabilities arising from financing activities, including both cash and non-cash changes.

€'000	2024	2023
Cash and cash equivalents	52,878	121,007
Borrowings – repayable within one year	(6,921)	(50,556)
Borrowings – repayable after one year	(10,866)	(16,131)
Lease	(3,801)	(4,378)
Net debt	31,290	49,942

€'000	Cash	Borrowings	Lease	Total
Net debt as at 1 January 2023	126,448	(73,363)	(4,914)	48,171
Financing cash flows	(4,504)	-	-	(4,504)
Proceeds from borrowings	-	(36,730)	-	(36,730)
Repayment of borrowings	-	43,216	536	43,752
Foreign exchanges adjustments	(937)	-	-	(937)
Other changes				
Interest paid	-	2,607	25	2,632
Interest expense	-	(2,417)	(25)	(2,442)
Net debt as at 31 December 2023	121,007	(66,687)	(4,378)	49,942
Financing cash flows	(69,931)	-	-	(69,931)
Proceeds from borrowings	-	(3,000)	-	(3,000)
Repayment of borrowings	-	51,900	519	52,419
Foreign exchanges adjustments	1,802	-	-	1,802
Other changes				
Interest paid	-	1,131	30	1,161
Interest expense	-	(1,131)	(30)	(1,161)
Other changes	-	-	58	58
Net debt as at 31 December 2024	52,878	(17,787)	(3,801)	31,290

(*) The comparative figures of the cash flow statement includes further breakdown in respect comparative figures, breaking down loan proceeds and repayments for a better understanding of the movement.

30. Acquisition, incorporation and disposals of subsidiaries

2024

Acquisition and incorporation of subsidiaries

There were no acquisition or incorporation of subsidiaries during the year.

Disposals of subsidiaries

There were no disposals of subsidiaries during the year.

Wind-up of subsidiaries

There were no disposals of subsidiaries during the year.

2023

Acquisition and incorporation of subsidiaries

There were no acquisition or incorporation of subsidiaries during the year.

Disposals of subsidiaries

There were no disposals of subsidiaries during the year.

Wind-up of subsidiaries

There were no disposals of subsidiaries during the year.

31. Group information and related party disclosures

31.1 Information about subsidiaries

These audited consolidated financial statements include:

Subsidiary companies	Parent	Principal activity	Country of incorporation	Effective proportion of shares held
Atalaya Touro (UK) Ltd	Atalaya Mining Copper SA	Holding	United Kingdom	100%
Atalaya Financing Ltd	Atalaya Mining Copper SA	Financing	Cyprus	100%
Atalaya MinasdeRiotinto Project (UK) Ltd	Atalaya Mining Copper SA	Holding	United Kingdom	100%
EMED Marketing Ltd	Atalaya Mining Copper SA	Trading	Cyprus	100%
Atalaya Riotinto Minera S.L.U.	Atalaya MinasdeRiotinto Project (UK) Ltd	Production	Spain	100%
Eastern Mediterranean Exploration and Development S.L.U.	Atalaya MinasdeRiotinto Project (UK) Ltd	Dormant	Spain	100%
Cobre San Rafael, S.L. ⁽¹⁾	Atalaya Touro (UK) Ltd	Exploration	Spain	10%
Recursos Cuenca Minera S.L.U.	Atalaya Riotinto Minera SLU	Dormant	Spain	J-V
Fundacion Atalaya Riotinto	Atalaya Riotinto Minera SLU	Trust	Spain	100%
Atalaya Servicios Mineros, S.L.U.	Atalaya MinasdeRiotinto Project (UK) Ltd	Holding	Spain	100%
Atalaya Masa Valverde S.L.U.	Atalaya Servicios Mineros, S.L.U.	Exploration	Spain	100%
Atalaya Ossa Morena S.L.U. ⁽³⁾	Atalaya Servicios Mineros, S.L.U.	Exploration	Spain	99.9%
Iberian Polimetal S.L.U.	Atalaya Servicios Mineros, S.L.U.	Dormant	Spain	100%

⁽¹⁾ Cobre San Rafael, S.L. is the entity which holds the mining rights of Proyecto Touro. The Group has control in the government, key management and other key business aspects of Cobre San Rafael, S.L., including one of the two Directors, management of the financial books and the capacity of appointment the key personnel (Note 2.3 (b) (1)).

Transactions between Atalaya and Cobre San Rafael are not disclosed as related party interest as they are fully eliminated as part of the consolidation process (Note 2.3 (b)).

⁽³⁾ Rio Narcea Nickel, S.L.U. changed its name to Atalaya Ossa Morena, S.L.U on 31 January 2022. In July 2022, Atalaya increased its ownership interest in Proyecto Ossa Morena to 99.9%, up from 51%, following completion of a capital increase that will fund exploration activities.

The following transactions were carried out with related parties:

31.2 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)	The Group	
	2024	2023
Directors' remuneration and fees	1,275	1,092
Director's bonus ⁽¹⁾	294	322
Share option-based benefits to Directors	409	190
Key management personnel remuneration ⁽²⁾	598	588
Key management bonus ⁽¹⁾	325	221
Share option-based and other benefits to key management personnel	409	190
	3,215	2,603

⁽¹⁾ These amounts related to the performance bonus for 2024 (and 2023 in respect of the comparatives) approved by the Board of Directors following the proposal of the Remuneration Committee.

In the 2023 financial statements, the amount disclosed related to the bonus paid in the year in respect of the preceding year as the 2023 bonus had not yet been decided by the Board of Directors at the time the financial statements were approved. As the bonus for 2024 has been approved as explained above, this amount has been disclosed for 2024. The bonus disclosed for 2023 remains stated at the amount actually paid in that year in respect of 2022. The bonus in respect of 2023 was €327k for the Executive Director and €247k for other key management.

⁽²⁾ Includes wages and salaries of key management personnel of €568k (2023: €568k) and other benefits of €30k (2023: €20k).

At 31 December 2024 amounts due to Directors, as from the Company, are €nil (€nil at 31 December 2023) and €nil (€nil at 31 December 2023) to key management.

Share-based benefits

In 2024, the Company granted a total of 800,000 share options to Persons Discharging Managerial Responsibilities (PDMRs) with an exercise price of 413.5 pence per share and an expiry date of 10 June 2029 under the Long Term Incentive Plan 2020 (LTIP20), which was approved by shareholders at the Annual General Meeting on 25 June 2020.

In 2023, the Company granted a total of 800,000 share options to Persons Discharging Managerial Responsibilities (PDMRs) with an exercise price of 327.0 pence per share and an expiry date of 21 May 2028 under the Long Term Incentive Plan 2020 (LTIP20), which was approved by shareholders at the Annual General Meeting on 25 June 2020.

Both grants vest in three equal tranches—one-third on grant, with the remaining balance vesting equally on the first and second anniversaries of the grant date.

During 2024 the Directors and key management personnel have not been granted any bonus shares (2023: nil).

Conflict of interest

In order to avoid situations of conflict of interests of the parent company, during the year Directors who have held positions as company director have complied with the obligations provided for in article 228 of the Revised Text of the Spanish Capital Enterprises Act. Furthermore, Directors or related to them have abstained from incurring in the cases of conflict of interest provided for in article 229 the Spanish Capital Enterprises Act, except in cases where the corresponding authorization has been obtained.

31.3 Transactions with shareholders and related parties

(Euro 000's)	2024	2023
Trafigura Pte Ltd – Revenue from contracts ^(a)	73,433	78,723
Gains/(Losses) relating provisional pricing within sales	(3,757)	1,308
	69,676	80,031
Impala Terminals Huelva S.L.U. - Port Handling and Warehousing services ^(b)	(2,201)	(2,431)
Related parties - total amounts from contracts	67,475	77,600

(a) Offtake agreement and spot sales to Trafigura

Offtake agreement

In May 2015, the Company agreed terms with key stakeholders in a capitalisation exercise to finance the re-start of Proyecto Riotinto (the "2015 Capitalisation").

As part of the 2015 Capitalisation, the Company entered into offtake agreements with some of its large shareholders, one of which was Trafigura Pte Ltd ("Trafigura"), under which the total forecast concentrate production from Proyecto Riotinto was committed ("2015 Offtake Agreements").

During 2024, the Company completed 10 sales transactions under the terms of the Offtake Agreements valued at €71.6 million (2023: 6 sales valued at €36.9 million).

Spot Sales Agreements

Due to various expansions implemented at Proyecto Riotinto in recent years, volumes of concentrate have been periodically available for sale outside of the Company's various offtake agreements.

In 2024, the Company did not complete any spot sales with Trafigura; however, €1.0 million in sales was recognised through amendments to its existing offtake agreement following QP closures during the year. (2023: 2 spot sales valued at €43.1 million).

Sales transactions with related parties are at arm's length basis in a similar manner to transactions with third parties.

(b) Port Handling and Warehousing services

In September 2015, Atalaya entered into a services agreement with Impala Terminals Huelva S.L.U. ("Impala Terminals") for the handling, storage and shipping of copper concentrates produced from Proyecto Riotinto. The agreement covered total export concentrate volumes produced from Proyecto Riotinto for three years for volumes not committed to Trafigura under its offtake agreement and for the life of mine for the volumes committed to Trafigura under its offtake agreement.

In September 2018, the Company entered into an amendment to the 2015 Port Handling Agreement, which included improved financial terms and a five year extension.

As at year end 31 December 2024 and 2023, Impala Terminals was part of the Trafigura Group, under joint control.

During 2023, management carried out a reassessment of its relationship with Impala Terminals in accordance with IAS 24 requirements and concluded that Impala Terminals is a related party of the Group. These transactions with related parties are at arm's length basis in a similar manner to transactions with third parties.

In December 2023, the Company entered into an extension of the service agreement with Impala Terminals for the handling, storage and shipping of copper concentrates produced from Proyecto Riotinto on similar terms than the 2015 agreement and the extension in 2018. This extension has a term of approximately five years and covers the concentrate volumes produced for export from Proyecto Riotinto that are not already committed to the Trafigura Group under its offtake agreement.

31.4 Year-end balances with shareholders and their joint ventures

(Euro 000's)	31 Dec 2024	31 Dec 2023
Receivable from shareholder (Note 20)		
Trafigura Pte. Ltd	1,042	5,054
– Debtor balance- subject to provisional pricing		
	1,042	5,054
Payable from joint venture of shareholder (Note 26)		
Impala Terminals Huelva S.L.U. - Payable balance	(109)	(179)
	(109)	(179)

The above debtor balance arising from the agreements between Trafigura and Impala (Note 31.3), bear no interest and is repayable on demand.

32. Auditor's remuneration

The fees for the years to 31 December 2024 and 31 December 2023, for audit and non-audit services provided by the auditor of the Group's consolidated financial statements and of certain individual financial statements of the consolidated companies, PricewaterhouseCoopers Auditores, S.L., and by companies belonging to PwC's network, were as follows:

(Euro 000's)	2024	2023*
Fees payable for the audit of the Group and individual accounts	401	452
Other non-audit services**	70	-
	471	452

* For the year 2023, the Group's auditor was Ernst & Young Cyprus Limited, along with companies within the EY network.

** Included Non-Financial Information Statement and Transfer Pricing Report in 2024. These reports were contracted and performed before PwC's appointment.

For the year 2024, the audit services related to the audit of the British subsidiaries were performed by Rayner Essex LLP, amounting to GBP 35 thousand.

33. 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.

34. Commitments

There are no minimum exploration requirements at Proyecto Riotinto. However, the Group is obliged to pay local land taxes which currently are 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.

35. Significant events

Ongoing geopolitical events are impacting the global economy, but the full implications cannot yet be predicted. Key impacts include higher and more volatile input costs and disruptions to freight and logistics. The financial consequences of these events cannot be estimated with any reasonable degree of certainty at this stage.

- On 9 February 2024, the Company issued 20,000 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by a former employee.
- On 25 April 2024, BlackRock, Inc., shareholder of the Company, decreased its voting rights from 4.07% to 4.05%, and on 26 April decreased its voting rights to 3.97%.
- Following the publication the prospectus in relation to the admission of its ordinary shares ("Ordinary Shares") to the premium listing segment of the Official List of the Financial Conduct Authority ("FCA"), which took place on 24 April 2024, Atalaya was admitted to the premium listing segment and to trading on London Stock Exchange plc's main market for listed securities (together, "Admission") on 29 April and cancelled from trading on AIM.
- On 7 May 2024, the Company issued 66,500 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by non-PDMR employees.
- On 22 May 2024, the Company issued 600,000 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by a PDMR employee.
- On 12 June 2024, 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 25 June 2020, it has granted 1,305,000 share options to PDMR and other management.

- On 27 June 2024, the Company issued 193,334 ordinary shares of 7.5p in the Company pursuant to an exercise of share options by an employee.
- On 17 July 2024, Cobas Asset Management SGIC, S.A., shareholder of the Company, increased its voting rights from 10.04% to 15.04%.
- Following the approval of Resolution 10 by the Company's shareholders at its 2024 Annual General Meeting, which took place on 27 June 2024, the 2023 Final Dividend of US\$0.04 per ordinary share was paid on 9 August 2024.
- On 13 August 2024, the Company's Board of Directors elected to declare a 2024 Interim Dividend of US\$0.04 per ordinary share, which is equivalent to approximately 3.1 pence per share. Dividend was paid on 19 September 2024.
- On 15 October 2024, the Company announced that Neil Gregson, Chairman of the Company, purchased 5,000 ordinary shares in Atalaya at an average price of 343.0 pence per share.
- On 29 October 2024, the Company announced that Carole Whittall was succeeding Hussein Barma as Chair of the Audit Committee of its Board of Directors with immediate effect.
- On 19 November 2024, the Company entered into two binding agreements with Mineral Prospektering i Sverige AB ("MPS") to earn a 75% interest in the Skellefte Belt Project and Rockliden Project in Sweden, both located in highly prospective VMS districts. Atalaya committed US\$3 million over 24 months, with the option to invest up to a further US\$9 million in each project. Initial exploration identified key targets, with drilling planned for the winter season.
- On 2 December 2024, Atalaya was notified that Jesús Fernández, a PDMR, purchased 13,912 ordinary shares at an average price of 350.0 pence per share. Following this purchase, Mr Fernández held a total of 106,412 ordinary shares, representing 0.076% of the Company's issued share capital.
- On 22 December 2024, the Company granted 150,000 share options under its Long Term Incentive Plan 2020 (LTIP2020), approved by shareholders on 25 June 2020. The options expire on 21 December 2029, have an exercise price of 333.50 pence per share, and vest in three equal tranches—one-third on grant, with the remainder vesting equally on the first and second anniversaries of the grant date.

35. Events after the reporting period

- On 10 January 2025, Atalaya Mining Copper, S.A. (formerly Atalaya Mining Plc) completed its re-domiciliation to Spain. Trading under the new name became effective at 8:00 AM, and the nominal value of shares changed from 7.5p to €0.09.
- On 15 January 2025, the Board announced the appointment of María del Coriseo ("Coriseo") González-Izquierdo Revilla as an independent non-executive director, effective 14 January 2025.
- On 31 January 2025, Atalaya received notification that Neil Gregson, Non-Executive Chair, purchased 2,800 ordinary shares of €0.09 nominal value at an average price of 347.28 pence per share.